Small Market Radio Newsletter

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

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Subscription Rates:One Year\$11926 Weeks\$6413 Weeks\$37

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IN OUR 12TH YEAR



January is Radio Month

Bill Taylor KQSS P. O. Box 292 Miami AZ 85539 FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

ADDRESS CORRECTION REQUESTED

VOLUME XII - Issue #33 - January 5, 1995

FCC TO ALLOW "CHANNELING" OF POLITICAL ADS, in a ruling between a law firm representing several broadcasters and a Georgia congressional candidate. An Atlanta TV station rejected the candidate's campaign spot which featured an aborted fetus. The FCC ruled that though the ad was not indecent, broadcasters could determine to channel material which might "be harmful to children" to times when children are less likely to be in the audience. In opposition to the ruling, Media Access Project attorney Andrew Schwarfizman noted that "It is an insult to candidates to be dictated by broadcasters as to what is appropriate speech."

VOICE YOUR SUPPORT FOR UNATTENDED OPERATION. The NAB is marshaling forces now for MM Docket No. 94-130. Comments are due by January 20, reply comments by February 6. For an easy-to-understand "Guide to Filing Comments at the FCC," contact NAB's Sandra Schultz at 202-429-5346 and request Packet #G-494.

FCC HALTS "BUILD TO SPEC" BUSINESS, whereby a CP holder would find a prospective purchaser, even "borrow" capital from the prospect, build the station, operate it for a day, and then sell it to the prospect for an amount in excess of actual costs. The FCC is back to limiting compensation to recovery of documented expenses, except where the builder exerts "genuine effort" in operating the facility.

This is where unattended operation could play an important role. A station might be built and operated without staff, satellite programmed perhaps; if it is later decided to sell the facility, there is not the huge overhang of the exceptional startup expenses. [E. Harold Munn, Jr. & Associates, Inc., 517-278-7339]

MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$

More for Valentine's Day ...

The Love Phone. Work with a local cellular phone company and a car dealer to offer a free three-minute cellular long-distance call to a loved one with every test drive. Do this as part of a remote at the car dealer's.

NO FCC THIS WEEK Due to the holidays there is no FCC information to pass along this issue. It will resume next week.

<u>Dedication Day</u>. Sell several local retailers on the idea of setting up "ballot boxes" in their stores, then have listeners write down their dedications and slip them into the boxes. On Valentine's Day, set aside an hour or so for each retailer's dedications - with that hour sponsored by the retailer, including ads and frequent mentions of the sponsorship.

<u>Watch for Love</u>. Line up a jeweler or other store that sells fine watches to give away a valuable timepiece. Listeners pick up entry blanks at the store, and the retailer selects the winning entry during a morning-show remote from the store.

<u>Arrows on the Air</u>. Use the sound of Cupid's arrow "winging across the airwaves" to signal your giveaway. When the sound plays, the nth caller receives a dozen roses for his or her sweetheart. Do it the day before Valentine's Day, and have your sponsoring florist or market deliver the flowers the next day with a gift card from your station and the winner.

Love Stinks. Instead of the usual hearts and flowers type giveaways, KRCH, Rochester, MN threw a "Love Stinks" singles party for all the single and divorced people in their audience. They featured free champagne for the first 101 minutes (their frequency, of course) and \$1.01 drinks for the next 101 minutes. They played games like "The Dating Game" and "Twister." Everyone who showed up got half of a Valentine's card and had to find the person (of the opposite gender) with the other half. They gave roses to the first 101 women through the door.

<u>V-Day Getaway</u>. This is a great holiday to work a deal with a travel agent, feeder airline or promotions company to give away a romantic get-away. Possible hook: award the prize for the most unusual Valentine's Day card received. Twist: offer <u>two</u> prizes, a "love" prize and a "lust" prize - the latter a "sneak-away" with separate cab rides to a motel, room service, maybe dark glasses as well - and let the winners choose which they'd like.

- Broadcast Programming; One To One

PROMOTION BONUS PAGE - LOVE SONGS

For your Valentine's Day programming, here is a collection of songs with the word "love" in the title:

It's the Way That You Love Me - Abdul, Paula All for Love - Adams/Stewart/Sting Lost in Love - Air Supply The One That You Love - Air Supply When We Make Love - Alabama So Much in Love - All-4-One This Guy's in Love with You - Alpert, Herb Puppy Love - Anka, Paul Never My Love - Association Secret Lovers - Atlantic Starr Sweet Love - Baker, Anita All You Need Is Love - Beatles And I Love Her - Beatles Love Me Do - Beatles P.S. I Love You - Beatles She Loves You - Beatles How Deep Is Your Love - Bee Gees Love So Right - Bee Gees Let Your Love Flow - Bellamy Brothers Goodnight My Love - Belvin, Jesse Nothing's Gonna Change My Love - Benson, George The Greatest Love of All - Benson, George Real Love - Blige, Mary J. Love Is a Wonderful Thing - Bolton, Michael That's What Love Is All about - Bolton, Michael Time, Love and Tenderness - Bolton, Michael That's What Love Can Do - Boy Krazy Tonight, I Celebrate My Love - Bryson/Flack For Your Precious Love - Butler, Jerry Love Will Keep Us Together - Captain & Tennille Vision of Love - Carey, Mariah Everlasting Love - Carlton, Carl More Love - Carnes, Kim Glory of Love - Cetera, Peter Hallelujah I Love Her So - Charles, Ray The Way of Love - Cher Will You Still Love Me? - Chicago My Love - Clark, Petula Love You - Climax Blues Band I Live for Your Love - Cole, Natalie When I Fall in Love - Cole, Natalie A Groovy Kind of Love - Collins, Phil All for Love - Color Me Badd Friday I'm in Love - Cure Lovesong - Cure Can't Get Enough of Your Love - Dayne, Taylor I'll Always Love You - Dayne, Taylor

All this Love - Debarge La-la-means I Love You - Delfonics Moments of Love - Dennis, Cathy Put a Little Love in Your ... - Deshannon, Jackie Summer Love - Diamond, Neil Love Came to Me - Dion A Teenager in Love - Dion & the Belmonts Love Can Move Mountains - Dion, Celine The Power of Love - Dion, Celine Chapel of Love - Dixie Cups Real Love - Doobie Brothers Love Her Madly - Doors Mountain of Love - Dorman, Harold Best of My Love - Eagles Love Grows (Where My...Goes) - Edison Lighthouse Best of My Love - Emotions Love Is the Answer - England Dan & J. F. Cooley Chains of Love - Erasure Just Remember I Love You - Firefall Love of a Lifetime - Firehouse Colors of Love - Fischer, Lisa Where Is the Love - Flack & Hathaway Making Love - Flack, Roberta Say You Love Me - Fleetwood Mac Tender Love - Force Md's Love Lights up the World - Foster, David Baby I Love You - Franklin, Aretha True Love - Frey, Glenn So in Love - Garfunkel, Art How Sweet it Is to Be Loved ... - Gaye, Marvin Your Precious Love - Gaye/Terrell That's What Love Is for - Grant, Amy Fallin' in Love - Hamilton, J F & R Damn I Wish I Was Your Lover - Hawkins, Sophie B. All I Wanna Do Is Make Love ... - Heart Now That We've Found Love - Heavy D True Love Ways - Holly, Buddy Sea of Love - Honeydrippers Greatest Love of All - Houston, Whitney I Will Always Love You - Houston, Whitney Saving All My Love for You - Houston, Whitney You Give Good Love - Houston, Whitney My Love - Iglesias/Wonder Because of Love - Jackson, Janet We're in this Love Together - Jarreau, Al With Your Love - Jefferson Starship My Pledge of Love - Jeffrey Group, Joe

The Same Love - Jets Can You Feel the Love Tonight - John, Elton True Love - John, Elton/Dee Everlasting Love - Jones, Howard I'm in Love - Keith, Lisa Forever in Love - Kenny G Baby, I Love You - Kim, Andy Will You Still Love Me ... - King, Carole Everlasting Love - Knight, Robert The Power of Love - Lewis, Huey Friends and Lovers - Loring/Anderson Love's Theme - Love Unlimited Orch. Dedicated to the One I Love - Mamas & Papas Love Theme from Romeo & Juliet - Mancini, Henry My Love - Mccartney, Paul Love Will Show Us How - McVie, Christine I'd Do Anything for Love - Meat Loaf Love (Can Make You Happy) - Mercy Falling in Love (Uh Oh) - Miami Sound Mach. Love Is Strange - Mickey & Sylvia The Gift of Love - Midler, Bette Never Knew Love like this ... - Mills, Stephanie A Groovy Kind of Love - Mindbenders Game of Love - Mindbenders More Love - Miracles Book of Love - Monotones Ten Commandments of Love - Moonglows I Just Fall in Love Again - Murray, Anne Love Song - Murray, Anne Nobody Loves Me like You Do - Murray/Loggins I Honestly Love You - Newton-john, Olivia Love Train - O'Jays Love is Forever - Ocean, Billy The Colour of Love - Ocean, Billy On the Wings of Love - Osborne, Jeffrey Love Will Find a Way - Pablo Cruise Addicted to Love - Palmer, Robert I Love How You Love Me - Paris Sisters I Will Always Love You - Parton, Dolly I Pledge My Love - Peaches & Herb Love You - People True Love Ways - Peter & Gordon Sea of Love - Phillips, Phil Call it Love - Poco Crazy Love - Poco A Big Hunk O' Love - Presley, Elvis Burning Love - Presley, Elvis Can't Help Falling in Love - Presley, Elvis Love Me Tender - Presley, Elvis I Wanna Be Your Lover - Prince Crazy Little Thing Called Love - Queen The One I Love - R.E.M.

Love Sneakin' up on You - Raitt Bonnie Love Me the Right Way - Rapination/Mazelle Love Will Conquer All - Richie, Lionel My Love - Richie, Lionel Mountain of Love - Rivers, Johnny Show Me Love - Robin S A Love Song - Rogers, Kenny Crazy in Love - Rogers, Kenny Love the World Away - Rogers, Kenny Baby, I Love You - Ronettes Endless Love - Ross/Richie It must Have Been Love - Roxette Power of Love - Rush, Jennifer We Got Love - Rydell, Bobby No Ordinary Love - Sade Your Love Is King - Sade Dedicated to the One I Love - Shirelles Love of My Life - Simon, Carty Loves Me like a Rock - Simon, Paul When a Man Loves a Woman - Sledge, Percy The Look of Love - Springfield, Dusty Because I Love You - Stevie B Love Touch - Stewart, Rod Woman in Love - Streisand, Barbra Till I Loved You - Streisand/johnson N'm Stone in Love with You - Stylistics Baby Love - Supremes Shower Me with Your Love - Surface An Old Fashioned Love Song - Three Dog Night Tonight I Fell in Love - Tokens A Lover's Concerto - Toys Love Is All Around - Troggs So Much in Love - Tymes Can't Help Falling in Love - Ub40 Power of Love/Love Power - Vandross, Luther Love How You Love Me - Vinton, Bobby Love Power - Warwick/Osborne 100% Pure Love - Waters, Crystal Real Love - Watley, Jody Love Is All Around - Wet Wet Wet My Baby Loves Lovin' - White Plains The Way You Love Me - White, Karvn is this Love - Whitesnake Baby | Love Your Way/Freebird - Will to Power Love Is - Williams & Mcknight (Where Do I Begin) Love Story - Williams, Andy You're in Love - Wilson Phillips Higher Love - Winwood, Steve I Was Made to Love Her - Wonder, Stevie Love Is Alive - Wright, Gary For Your Love - Yardbirds Love Is in the Air - Young, John Paul

\$ALE\$ - TRENDS FOR THE DECADE

<u>Photo Marketing</u> magazine recently took a look at some more subtle factors that are expected to shape our working and business lives over the next few years. In the radio industry, expect these trends to affect not only station operations, but the overall advertising climate as well. Some areas to watch:

- <u>Mass merchandising is growing steadily</u>. Mass merchandisers are having more control over products and are sometimes replacing smaller retailers. The "little guys" are still going strong, but may be downsizing a bit. No station can afford to overlook small business as it continues to dominate a large part of the market.
- Service retailing is moving past merchandise retailing. Service-type retailers such as hair salons and travel agencies will become a high-growth business sector as product retailers fade.
- <u>Downsizing will continue in all businesses</u>. The effects of technology are being felt in every area of business. Downsizing is expected to recur in five-year waves.
- 4. <u>Part-time and temporary work are replacing full-time</u> <u>employment</u>. Full-time jobs are decreasing in number, and part-time work is no longer viewed as interim work. The new buzz word: "variable time workers." This translates to great recruitment advertising opportunities, including those for temporary agencies.
- 5. <u>Technical training might replace a college education</u>. It's getting more difficult to justify spending thousands of dollars for a college education that has little return on investment.
- 6. Price will be more important than quality. Incomes are expected to drop as a result of a service economy and more part-time employment, so lower prices will pull in business. Well-paid professionals are feeling the tax bite and will look for better deals. Subsequently, advertising the value of a product will continue to grow in importance.
- 7. Societal structure will change. Demographers expect the middle class to shrink, with lower-income groups increasing in number until they compose around 25%-30% of the population. The upper class the top 2% will be severely isolated from the rest of the country.

- 8. <u>Disposable goods will prevail</u>. Disposable goods will increase in popularity as technology improves and prices drop. For example, businesses do not expect to keep their computers for long, whereas in the past office equipment was expected to last.
- 9. <u>Cynicism will increase</u>. Cynicism is on the upswing, largely because of an absence of career opportunities, increasing layoffs, growing class division, and recognition that education no longer opens doors. This affects advertising and purchasing patterns, calling for more truth and credibility in advertising.
- 10. <u>Commission-based pay will be widespread</u>. Employers will replace salaried jobs with commission-based pay in order to reduce overhead costs and increase income, even in non-sales jobs where commissions have never existed.
- 11. <u>Reality is out</u>. Fantasy will be the growing fascination because, to borrow the movie title, "reality bites." Escapist entertainment will become more popular than ever.
- 12. We will outlive our money. Longer lives, job layoffs, fewer benefits, and reduced social security are all factors contributing to this trend. Baby Boomers are starting to become aware of this and, as noted above, will be looking for lower prices and better value.
- 13. Leisure time will continue to decrease. Less leisure time means an increase in popularity for computer-based entertainment. Taking a "virtual vacation" on the information superhighway will be the wave of the future. [Editor's Note: While on vacation recently, we ran across a company that offers a "virtual tour" of the Hawaiian Islands in a helicopter simulator with a 360° movie projector, touting the advantages of safety and "always good views no matter what the weather."]
- 14. <u>"One-person" businesses will increase</u>. Because of corporate downsizing, more one-to-four-person businesses will surface. Many smaller companies will need to advertise because of their lower visibility in the marketplace.
- 15. <u>A complex mixture of optimism and pessimism will spread</u>. Case in point: Generation X. Everything from "grunge" to career commitment can be found in this group. Sounds like a job for the targeting power of radio.

- Radio Sales Today, RAB, 214-753-6700

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TECHNICAL: FM WINDOWS CLOSINGS

ST	CITY	CHAN	CLOSES	ST	CITY	CHAN	CLOSES
AK	Houston	221A	02/06/95	MT	Cascade	285C	01/17/95
AZ	Nogales	256A	02/06/95	NV	Moapa Valley	284A	02/06/95
	Winslow	236C	12/20/95	NY .	Alfred	270A	02/06/95
CA	Point Arena	263A	02/06/95		Grand Gorge	287A	02/06/95
	Templeton	263A	02/06/95	·	Jeffersonville	271A	02/06/95
ID	Shelley	300C	01/23/95		Minetto	293A	02/06/95
	Sun Valley	298C	01/23/95	NC	Norfina	233A	02/06/95
IL	Taylorville	232A	02/06/95	ОН	Athens	240A	02/06/95
KY	Clinton	271C3	01/17/95	OR	Bonanza	275A	02/06/95
ME	Isleboro	288B1	02/06/95		Keno	253A	02/06/95
	Winterboro	249A	02/06/95		Lakeview	237C2	02/06/95
MN	Bagley	244C3	01/23/95		Malin	263A	02/06/95
	Hermantown	221A	02/06/95		Merrill	289A	02/06/95
	Nashwauk	275C3	02/03/95	WA	Quincy	240C3	02/06/95
	Park Rapids	223A	01/23/95	WI	Balsam Lake	285C3	02/06/95
	Walker	270A	02/03/95				

Channel and date information is taken from FCC releases and is subject to accuracy limitations inherent in such distributions. - E. Harold Munn, Jr. & Associates, Inc.

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WHEN WILL THEY EVER LEARN?

It's amazing this story has to be told again. Where was everyone during class?

Sales of GM's Saturn cars have started to decline, just as the marque is being assaulted by Chrysler's Neon. Why are Saturn executives squirming? An old story: the company cut advertising.

Yes, midway through 1993, when Saturn dealers were dealing with waiting lists for the popular car, headquarters decided it was safe to curtail ad spending. Up to half of the Saturn advertising allocation was cut, production was increased to meet demand, and the sales started to slide.

So now Saturn is pumping the budget back up - in a hurry - to the level needed to sustain a car brand these days. "Everyone at Saturn realizes it was a mistake" to cut advertising, said the owner of four Saturn outlets in California.

We've always had a saying around here: "The best reason to advertise in 1994: 1995" (or whatever years). We find ourselves repeating it every now and again.

- Editorial, Advertising Age, 1/24/94

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FROM OUR READERS

<u>It works</u>! "We used the 'Christmas Tree' idea you published in SMRN, and decorated the trees with 25 one-dollar bills. My salespeople sold 17 of them at \$575.00 each! The promotion totaled \$9,775 - small change for the big markets but in our mini-market it helped to make our December! Thanks!" - Jim Lambley, KSDZ, Gordon, NE; 308-282-2500

Editor's Reply: Glad it worked, Jim! Do any of our readers think an extra ten grand in a month is "small change"?

Journalism is alive and well. "I beg to differ with Honolulu reporter Courtney Harrington's opinions [SMRN 12/29/94]. My son and I have three stations and full-time News Directors who follow through with news interviews and taped reports. They don't just 'read wire service stories,' but 'go into the field' to get stories - not just once each morning at the police station, but at various times daily. Our News Directors are not the 'lowest paid staff members'; they are well paid for their jobs, which they respect.

In each of our communities we have an evening paper, so we strive to have the preceding night's and the present day's news on the air <u>today</u>. Our listeners have come to rely on us for today's news today, not a rewrite of last evening's newspaper stories.

If we in management and ownership feel our news people are not devoting enough time and effort in the field, it is just as much <u>our</u> fault as theirs for not bringing it to their attention. Perhaps Mr. Harrington needs a professional broadcaster to lead him and to compliment him when he does a good job. - Stuart K. Lankford, WAKO AM/FM & WIKK,

Lawrenceville, IL, 618-943-3354

Editor's Note: I don't know if this is a scam, but would you accept an order from an unfamiliar and untraceable "agency" for 140 ads on your station without at least a credit check, if not cash in advance? (By the way, another reader tried without success to reach someone at the phone number given.)

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VOLUME XII - Issue #34 - January 12, 1995

BROADCASTERS COULD BE LIABLE FOR SPONSORS. Radio financial talk show host Sonny Bloch has been named in two class-action lawsuits. The first concerns a coin dealer walked away with thousands of dollars from his show's listeners. The second lawsuit pertains to a wireless cable television company that advertised on his show, taking listeners for \$3.5 million. Bloch told reporters, "we aren't responsible for our sponsors."

The Utah Department of Commerce is threatening to hold broadcasters liable. According to the Salt Lake Tribune, the state sent letters to over 100 Utah broadcast executives, asking them not to air commercials: that offer high returns on investments in wireless cable television or other high-tech communications systems; investment opportunities tied to an 800-number; or offers that suggest an urgency to invest immediately without discussing possible risks. According to the article, Utahans lost nearly \$200,000 in a recent wireless cable offering aired over the radio.

CONSUMER CONFIDENCE HITS FOUR-YEAR HIGH in November 1994, up nearly 30%. According to the Conference Board's Consumer Confidence Index, consumers in general are feeling confident and optimistic about the economy in the first half of 1995. But it's a mixed bag: the number of Americans planning to buy an automobile declined 2%; those planning a vacation declined 1%; and those planning to travel by air was up 2%.

NOVEMBER REVENUES INCREASED 16% in combined local and national spot sales, and 12% combined growth year to date, according to RAB's radio revenue index. Local and national figures remained steady; the Southwest did exceptionally well, with 35% growth in national business.

AT THE FCC

NEW STATIONS (Applied For): FLORIDA (Sebastian) Beatrice Sherman, 95.9, 25,000w, 328' (Sebastian) Chris Hubbard, 95.9, 25,000w, 328' (Sebastian) Forefront Communications, Inc., 95.9, 25,000w, 203' (Sebastian) Milagro Broadcasting, Inc., 95.9, 25,000w, 328' (Sebastian) Seawood Broadcasters, Inc., 95.9, 25,000w, 328' (Sebastian) Sebastian Broadcasting, Inc., 95.9, 25,000w, 328' HAWAII (Lihue Kauai) Stangl Broadcasting, Inc., 98.1, 25,000w, 533' ILLINOIS (Galatia) W. Russell Withers, Jr., 98.9, 6000w, 328' LOUISIANA (Jackson) Jenne Communications Corp., Inc., 104.5, 6000w, 328' NEW STATIONS (Granted): ALABAMA (Meridianville) Frank Digesu, Sr., 94.1, 3000w, 328' NEW YORK (Norwich) WJIV Radio, Inc., 95.3, 400w, 820' AMENDMENTS TO THE FM TABLE (Proposed): MISSOURI (Buffalo) KBFL, to 99.9 C3 from A (Lamar) KHST, to 101.7 A from 99.9 A TEXAS (Bolls) new, 92.9 A VIRGINIA (Jonesville) new, 99.1 A AMENDMENTS TO THE FM TABLE (Granted): ALABAMA (Addison) new, 105.7 A IOWA (Madrid) new, 96.1 A OHIO (Richwood) (CP), to 104.3 B1 from A (Van Wort) new, 93.9 A REPORTED SILENT: MASSACHUSETTS (Natick-Boston) WBIV, 1060, pending sale TEXAS (Wichita Falls) KWFT, 620 FORMERLY SILENT: ALABAMA (Albertville) WXBK, 1090 NORTH CAROLINA (Tabor City) WYNA, 104.9 - Courtesy <u>M Street Journal</u> 1995 RAB RADIO SALES UNIVERSITY schedule has been announced. Registration for the one-day seminar is \$139 per RAB member, \$169 non-members. For information, call 800-722-7355. Here is the schedule for the first part of 1995: January 31, Dallas, TX, Loews Anatole Hotel February 21, Albuquerque, NM, Albuquerque Hilton February 23, San Diego, CA, Hilton - Mission Valley February 28, Nashville, TN, Union Station March 1, Richmond, VA, Richmond Marriott March 7, Portsmouth, NH, Sheraton Portsmouth March 9, Detroit, MI, The Plaza (Southfield) March 15, Syracuse, NY, Marriott Syracuse April 6, Casper, WY, Holiday Inn

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MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$

<u>Cabin Fever Sale</u>. If this can work in frigid Stratford, Ontario, it can work for your town. The town's retailers got together on a sales event in February, but first they held a contest to "name the mascot," a costumed character to serve as the hook for the promotion. The winner received \$50 in "Chamber Bucks" good at member merchants. "Chilly Willy," as the character was dubbed, was used in all advertising to provide shoppers with "the prescription to cure cabin fever." [Downtown Promotion Reporter]

How to Make the Most of a Haircut. WAGE teamed up with the local newspaper for a two-hour auction which was broadcast live on the station to benefit a charity. The event raised over \$2,000 - including \$175 for the newly-clipped "tail" of the [male] program director of the station. [Chuck Thornton, WAGE, Leesburg, VA, 703-777-1200]

Losing It. WNLS put together a weight-loss promotion in conjunction with a local diet center. Listeners had a week to go to the clinic to take advantage of a 30-day program for 93 cents a day [the frequency of the station]. The price included lab work, medical fees, and so on. The listeners also registered for other prizes. The station held a remote on the last day of the promotion; prizes included dance lessons, gift certificates for sporting goods and clothing stores. [WNLS, Fredericksburg, VA]

The Great Garage Sale is a one-day event when your station can pick up some extra cash. Listeners buy spaces or booths from the station at a local fairground or large parking lot and sell their unused household items. You could also include advertisers who would like to move discounted merchandise or concessions. On-air promotion boosts community awareness of the event - which brings in additional revenue from non-traditional advertisers. [Dean Sorenson, Sorenson Broadcasting, 605-336-1117]

About Contests & Prizes

Several research studies on contests show that they don't work unless the listener feels there is a significant chance of winning, and unless the listener feels that there's a good chance of <u>getting through</u> to the station. Big ticket contests aren't that strong a draw, because people know the chances of winning are slim. Smaller, more personalized prizes are more appealing to listeners than large dollar prizes. Favorite prizes include movie and theater tickets, dinners for two and small cash awards. [<u>Editor's Note</u>: Just don't present a modest prize as the prize of the century!] In terms of types of contests, trivia-type games score extremely well in study after study.

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SALES - THIS IS A TEST

Have you ever had a customer or a prospect say, "I want to do a test of your station's pull," or "I want some kind of guarantee that your station will be effective," or something to that effect? Usually our reaction is defensive - we try to discourage the customer any way we can. Part of our reaction comes from fear (do we <u>really</u> work?), and part comes from a misunderstanding of the customer's "objection."

Think about it from the customer's perspective: if you were about to invest your hard-earned dollars in advertising, wouldn't you want to assure yourself of the wisdom of that investment? Put another way, wouldn't you want to be sure it was truly an investment - producing a measurable return - and not a cost?

In fact, if you were that retailer, you would know that your own trade association recommends testing your advertising media, and probably offers recommendations on how to do it.

If we are going to practice what we are preaching lately - that we want to form long-term marketing partnerships with our customers, not just sell them bunches of advertising - and if we truly put our customer's interests ahead of our own, we realize that the desire to test our performance is reasonable and proper.

The question then becomes, What is a fair test? We already know what <u>isn't</u> a fair test: most of the time consumers don't remember where they learned about a product or service; and ad copy like "Tell them you heard about it on KXXX to get an extra 10% off" doesn't work - even if consumers do remember the connection, they are embarrassed to say the phrase.

What <u>is</u> a fair test? As Chris Lytle points out, the first thing to establish in such a situation is that <u>we are not testing radio</u> <u>or our radio station</u> - the medium, and our station, get results for advertisers every day. (We wouldn't stay in business very long if we didn't.)

Instead, we are testing an offer and a schedule against a target audience. The customer and the station should agree upon an offer, running only on your station, that is sufficiently attractive to ensure response; and upon a schedule that is sufficiently strong to get the word to your audience with proper reach and frequency.

This approach puts the emphasis where it belongs: from a "seller/ buyer" relationship to a "consultant/consulted" one ... from testing radio to testing the <u>use</u> of it.

SMALL MARKET RADIO NEWSLETTER

WRITING BETTER

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Whether it's a piece of advertising copy, a news story, a business letter or an internal memo, writing more clearly means using fewer words and simpler phrases. Here is a list of "clutter" words and phrases that can easily creep into our writing, and a better alternative for each:

BETTER
Headed a committee
Take legal action
To get used to
Lost pressure
Learning
Final achievement
Methods
Is looking into
Began, started
Use
Find
Take, move
Failed to reach an agreement
Pleaded innocent to manslaughter
Decision
Gathering
Will mean fewer
Driving his car
Study
Many choices
Later discussed
Increase
Has been cooling
Lead to a breakthrough
The lack of skills

STOP VANDALISM

reminds teens that vandalism is real crime. A quick thrill, bowing to peer pressure, can get you a record that will stay with you all of your life. It isn't worth it. ______ and your local law enforcement agencies remind you that vandalism costs thousands of dollars every month right in this area. It needs to be stopped. Do your part.

reminds you that the victims of vandalism are not always someone else. Vandalism can strike your church, your place of business, your home. Thousands of dollars of damage is being done right here in this area every month. ______ asks you to join them in stopping it. Report vandalism when you see it. Don't depend on someone else. Support strict law enforcement. Demand tough sentences.

believes it's time to get the message out: vandalism is doing thousands of dollars of damage every month right in this area. The area law enforcement agencies need citizen help. Report vandalism when you see it. Don't depend on someone else. Support strict enforcement and tough sentences. A reminder from

Whether it's a rock through a store window, ripping up someone's home garden, defacing a church - vandalism is ugly and costly. You can do something about it. Be alert. Report suspicious activities to the police. Support strict law enforcement and tough prosecution in our courts. Vandalism can be stopped. But, says, everybody has to do his or her part.

says, vandalism is costing someone a lot of money. That someone is you. When public property is destroyed, tax money must be spent to repair or replace it. Repairs and replacement of private property show up in higher insurance premiums. Do your part to stop vandalism. Report crimes promptly. Don't depend on someone else. Support strict law enforcement and tough prosecution in the courts. ______ reminds you that vandalism is not kid stuff, it's a crime.

SMALL MARKET RADIO NEWSLETTER

STATION OF THE MONTH: "THEY NEVER STOP TALKING"

Nearly one in 10 U.S. radio stations now program News and Talk 100% of the time (12% in Arbitron markets, 6% in non-rated markets). Ten years ago, only a few stations in large markets were News/Talk.

One of the first small-town AM stations to lock up the music library was WDLR, Delaware, OH, in 1988. Owner-operator Jim Shaheen recalls, "During the 14 years I'd owned the station, we'd switched music formats several times: MOR to Oldies to Country. As those formats showed up on FM stations in the area, we kept changing. The one constant was the long-form news and talk shows that ran in addition to the music. Finally, I decided we'd get out of the music business altogether. I've never been sorry."

Shaheen believes the secret to running a small-market property with the attendant budget limitations is "Don't try to do any more than you can do well." He runs network fare much of the time. Local effort is put into news coverage and a heavy schedule of sports. The station does a daily 90-minute call-in show with a mix of local guests and call-ins, followed by 30 minutes of telephone 'want ads,' hosted by a long-time member of his twoperson news staff. "He knows our county - that's the secret."

Dr. Sam Parker, owner-operator of a three-station duopoly in Murray, KY, a university town of 13,000, took his successful Country AM to all Talk/News three years ago. "With a half dozen big FM signals carrying Country, I decided we had to get out of the Country music business on WSJP. When I bought the local Class IV, I moved Country to WNBS."

The change at WSJP came easily. Although the format was Country, little music had been played from 6-8 a.m., Noontime, and 5-6 p.m. Since its beginning in the late 1970s, WSJP had carried an hour-long breakfast show from a local restaurant. The station also carried a heavy sports schedule.

Parker found a good selection of network talk shows to fill the rest of the schedule. He added a mid-morning "Ask the Expert" show, featuring, and purchased by, local service businesses and professionals who answer questions; and "On the Road," a halfhour show originating from businesses in communities throughout the station's five-county daytime area. In Parker's words, "A radio broadcast from a store in a small town has a lot more impact than you might think, even in these sophisticated times."

All Talk WRNR, in Martinsburg, WV, a city of 18,000 sixty miles from Washington, DC, is Dick Wachtel's only station. His local competitor is long-established WEPM/WKMZ, Country and Adult Rock, owned by group owner Bill Prettyman - in Wachtel's words, "very strong, very good competitors."

Wachtel put his station on the air as a high-energy Top 40 in the

SMALL MARKET RADIO NEWSLETTER

1970s, evolved to Oldies in the mid-1980s, and switched to News/Talk/Sports two and a half years ago. "We had gone heavily into sports and had always carried a lot of local news. We had a good base to make the change."

The centerpiece of WRNR's programming is a 90-minute morning show hosted by John Doyle, who came to the station with limited broadcast experience but a high level of community involvement, including membership in the state legislature.

With Doyle's necessary absences during legislative sessions and during election campaigns, Wachtel hired Tom Lowry, a onetime radio man who had left the business. "Backing up Doyle," in Wachtel's words, "fit his lifestyle exactly." There was a bonus for the station: Doyle is a liberal, Lowry a conservative. "It gives the program balance and variety."

Wachtel and his brother, Greg, the station's sales manager, are high-profile in community activities: coaches of youth sports teams, the chamber, city council members, and others.

Of his station, Wachtel says, "Back when we were a music station, I thought several times about selling. But since we've made the move to Talk, the station is a very good business and it compliments the civic things I like to do. I can't imagine life without it."

Shaheen, Parker, and Wachtel all say their Talk stations are very productive for advertisers. Research sources indicate that Talk listeners have above-average incomes - 50% greater than listeners to other formats. They are 17% more likely to own their own home and are above-average targets for travel, hobby items, autos, furniture, and appliances. They are above-average grocery and department store shoppers. In Wachtel's experience, "They hear the commercials. There's no such thing as background talk."

Talk format, and the revival of the AM band, is generally credited to the phenomenal success of Rush Limbaugh and the inexpensive distribution of satellite programming. Can a Talk station be successful without Rush?

Of the three stations interviewed, only Parker's station carries Rush. "We carry him tape-delayed," he says. "We had too much established programming and business to carry him live. He has a good audience, even though he can be heard live on other stations in our area."

Shaheen finds local programming and network talker Chuck Harder competitive with Limbaugh. Wachtel was unable to get Limbaugh, blocked by another station. He runs "The Dolans," a financial information show, opposite Limbaugh; listener response and advertiser support have been great. He follows them with Harder, "a skeptic," Wachtel says, "who generates a lot of heat."

SMALL MARKET RADIO NEWSLETTER

Small Market Radio Newsletter

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

Publisher & Editor: Jay Mitchell Managing Editor: Lori Morgan Editor Emeritus: Bob Doll

Published by: Jay Mitchell Associates, Inc. P. O. Box 1285 • Route 2 Fairfield, IA 52556

Phone 515-472-4087 Fax 515-472-6457 Compuserve 73627,2120

Subscription Rates:										
One Year	,									\$119
26 Weeks	,	,	•	•						\$64
13 Weeks		5								\$37

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IN OUR 12TH YEAR



January is Radio Month

Bill Taylor KQSS P. O. Box 292 Miami AZ 85539 FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

ADDRESS CORRECTION REQUESTED

VOLUME XII - Issue #35 - January 19, 1995

FCC APPROVES DAB SPECTRUM for service in the S-band from 2310 to 2360 MHZ. The next step will be to examine licensing procedures. The NAB is against the action. Listeners with satellite radio receivers would get between 30 and 60 channels from the bird. According to the NAB, such signals would siphon money away from local stations, causing financial difficulty in providing local service.

PUBLIC BROADCASTING ON THE DEFENSIVE as new House Speaker Newt Gingrich, (R-GA), and Senate Commerce Committee Chairman Larry Pressler (R-SD) threaten to cut \$280 million in federal funding for the Corporation for Public Broadcasting. PBS officials and National Public Radio President Delano Lewis are taking a stand. Lewis hopes to meet with Gingrich soon. Several Washington, DC radio stations are advertising PBS specials with the tagline, "If PBS doesn't do it, who will?"

TELECOMMUNICATIONS REFORM PACKAGE planned to be introduced next month, with possible passage by both Houses in April, July at the latest. The NAB has yet to comment on the deregulations. Here is the member list of the House Telecom Subcommittee, the first stop for most broadcast legislation: REPUBLICANS: Jack Fields, TX; Mike Oxley, OH; Carlos Moorhead, CA; Dan Schaefer, CO; Joe Barton, TX; Dennis Hastert, IL; Cliff Stearns, FL; Bill Paxon, NY; Paul Gillmor, OH; Scott Klug, WI; Christopher Cox, CA; Daniel Frisa, NY; Rick White, WA; Tom Coburn, OK; Tom Bliley, VA. DEMOCRATS: Edward Markey, MA; Ron Wyden, OR; Ralph Hall, TX; John Bryant, TX; Rick Boucher, VA; Thomas Manton, NY; Edolphus Towns, NY; Gerry Studds, MA; Bart Gordon, TN; Bobby Rush (I), IL; Anna Eshoo (I), CA; John Dingell, MI.

AT THE FCC

NEW STATIONS (Applied For): ARKANSAS (Harrisburg) Todd Robinson, 95.9, 11,220 w, 485' FLORIDA (Sebastian) First Baptist Church, Inc., 95.9, 25,000w, 3281 (Sebastian) Moody Bible Institute of Chicago, 95.9, 25,000w, 328' HAWAII (Lihue) O'Hana Radio Partners, 98.1, 100,000w, 1092' OREGON (The Dalles) Columbia Gorge Broadcasters, 92.7, 3700w, 850' (The Dalles) Larson-Wynn, Inc., 92.7, 25,000w, -46' NEW STATIONS (Granted): MINNESOTA (Porham) Jerry Papenfuss, 99.5, 6000w, 328' AMENDMENTS TO THE FM TABLE (Proposed): FLORIDA (Big Pine Key) WWUS, to 104.5 C from 104.7 C (Key Colony Beach) WKKB (CP), to 101.3 C2 from 105.5 C2 (Naples) WNOG, to 104.7 A from 93.5 A (Tice) WAAD (CP), to 93.7 C2 from A INDIANA (Tell City) WXSC (CP), to 105.7 A from 96.9 A KENTUCKY (Hawesville) WKCM-FM, to 97.1 A from 105.7 A FORMERLY SILENT: OHIO (Loudonville) WBZW, 107.7 - Courtesy <u>M Street Journal</u>

COURT RULES IN FAVOR OF WAL-MART concerning charges of predatory pricing. In 1991, three independent pharmacists in Conway, AR sued Wal-Mart for violating the 1937 Arkansas Unfair Practices Act and won in a lower court in 1993. The Arkansas Supreme Court has overturned the lower court's ruling. The ruling is not controlling in other states, but will be cited as precedent in future litigation.

CONGRATULATIONS TO SMALL MARKET WINNERS in the NAB'S Best of the Best Radio Promotion Contest. The small market Station Enhancement winner was KLAW-FM, Lawton, OK for "Frank n' Friends in the Morning." The 8-week promotion was to introduce KLAW's new morning show, included a daily contest with prizes, and a grand prize trip for two to Hollywood and \$500. The Community Service winner was WWKI-FM, Kokomo, IN for "We Care." The annual promotion raises funds for three Christmas charities. It consisted of: a trim-a-tree festival in which the decorated trees were later auctioned; a "We Care" store selling memorabilia; a 47-hour radio telethon, which included a radio auction; and a cable telecast by a local cable station. All expenses were paid by sponsors.

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MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$

<u>Air shows</u> are the second most-attended spectator sport in the nation (behind Major League baseball and ahead of NFL football). Twenty-four million people attended about 400 air shows in 1992, according to the International Council of Air Shows.

Several of our readers have had good success getting involved with local air shows; Ray Holbrook, WMDM/WPTX, Lexington Park, MD, has been particularly successful in developing a relationship with the movers and shakers behind the local annual show (organized by the local Air Force base) - promoting it heavily, lining up sponsorships for reports, and doing remotes (including airborne remotes from the planes).

Air-show fans are a sophisticated group. 63% have at least some college education, and almost half - 47% - have incomes of \$35,000 or more. Two thirds are married; 57% are men. Only 42% buy beer every 7-10 days, but 80% buy soft drinks and 64% buy fruit juices.

Most air shows are designed to raise money for a community group or cause. The typical show lasts two days and nets \$37,000 from about 54,000 attendees.

For more information, contact the International Council of Air Shows, 1931 Horton Road, Suite 7, Jackson, MI 49203; phone 517-782-2424. [American Demographics, September 1993]

Education Appreciation Night. WDXY/WIBZ, Sumter, SC organizes this event during the town's Teacher Appreciation Week to recognize educators in their area. To quote from their sales promotional material, "Various events are being planned by the community and the schools to honor the teachers during this special week. Z-99 and WDXY Radio will be sponsoring the biggest event of the week ... EDUCATION APPRECIATION NIGHT ... at the Shaw Officers Club. All 1100 teachers and principals will be invited. The evening will consist of several guest speakers and presentation of awards to Sumter County principals. Wine and hors d'oeuvres will be served, and entertainment provided. Over \$1000 in door prizes will be given away."

Exhibit tables were set up at the event and sold to sponsors. Each sponsor received an eight-foot display table; thirty 30second ads to be used during the month of February; sponsorship of 30 "Educational Salutes" broadcast in February; and sponsor credit in the printed directory distributed at the event. Investment: \$250 a month for two months. [Ray Reich, WDXY/WIBZ, Sumter, SC; 803-775-2321]

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\$ALE\$ - PROSPECTS & CUSTOMERS

This story, told by Jack Miller in the <u>Ouill Pen Pal</u> (800-789-1331), makes a point we can all be reminded of:

It seems that a fellow named Sam died one day and went up to the Pearly Gates. The gatekeeper looked up Sam's records on his computer and said, "It looks like your ledger is pretty evenly balanced. You could go either place. What's your preference?"

"Well, I'm not really sure," replied Sam. "I don't know what they're like. Maybe I could take a look at each place."

So first Sam was let through the Pearly Gates on a visitor's pass. As he looked around, he saw a beautiful scene with people quietly moving about, and some angels strumming harps - a very serene and idyllic scene.

Then his guide ushered him into an elevator for the trip downstairs. When the doors opened, Sam saw a great party going on. There were tables laden with food. Minstrels were strolling through the crowd. Acrobats and magicians were performing on stages spread throughout the beautiful park. The place was filled with happy people having a wonderful time.

When Sam reappeared at the Pearly Gates, the gatekeeper asked him, "What is your choice?"

"Choice?" Sam exclaimed. "What's to choose? I prefer the lower level."

So back on the elevator went Sam. When it reached the bottom and the doors opened, Sam saw a scene that made him cringe. It was unbelievably hot and steamy. Thousands of people were toiling away under mean-looking taskmasters who cracked whips across their backs to make them work even faster.

"Wait a minute!" Sam exclaimed to the guide. "There must be some mistake! Yesterday I was here and there was a wonderful party going on in a beautiful park, and everyone was having such a good time."

"There's no mistake," said the guard. "Yesterday you were a prospect. Today you are a customer."

Unfortunately, the story is too close to the truth. We need to remember that when we sign up a customer it's the <u>beginning</u>, not the end; not the "close," as we call it, but the "opening" to a long, profitable relationship - but only if we work at it!

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"IN A SORRY STATE" - ?

Editor's Preface: Get a load of what print is saying about radio in Southeastern Kentucky. This article is by Willie Sawyers, publisher of the <u>News-Leader</u>, London, KY, 1/4/95 (courtesy of SMRN subscriber WFXY/WXJB):

You may not like what you hear when you turn on your favorite radio station these days.

You may hear nothing, if your radio station is off the air. For weeks.

You may hear music coming from the bottom of an empty tin can, if your station is experiencing audio difficulties. For weeks.

You may hear the incessant howling of a wolf as you attempt to peel your eyes open in the morning, or to wind down at night. You may hear that your radio station is about to be sold, and that your listening choices are about to be monopolized by one individual.

Aside from a few bright spots, local radio is in a sorry state of affairs.

One station, WCTT-FM in Corbin, has been off the air now for about two weeks. Is anyone there? Did everyone take off for the holidays? Did the satellite fall from the sky?

Actually, a person at the station said a coaxial cable to the transmitter had overheated and fused. She said personnel had been working around the clock and hoped to have the station back on the air by Friday.

This is the second time this year WCTT-FM has gone silent. The station needs to find a new engineer, or turn the controls over to someone who will spend a little money on preventive maintenance.

Which is apparently about to happen, now that the WCTT owners have reached an agreement to sell the station to crosstown competitor Dallas "Bo" Eubanks, owner of WKDP Radio in Corbin.

The sale of WCTT, which is awaiting FCC approval, will give Eubanks control of two 50,000-watt stations in the same market. This type of dominance used to be illegal, until the FCC relaxed its rules and allowed dual ownership, joint operating agreements and other arrangements designed to let the marketplace decide which stations thrive and which stations struggle.

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People in Southeastern Kentucky should feel uncomfortable about one man owning two powerful radio stations. But apparently no one is concerned enough to raise a fuss about it.

People don't care about radio anymore. After all, the listening audience for radio has dropped off considerably. The average listener spends only four or five minutes a day listening to radio, and that usually is spent "channel surfing" on the car tuner. In contrast, marketing surveys show that weekly newspapers, like this one, stay in the home three to four days.

Another station, WJDJ in Somerset, the "Oldies" station, brags about its 50,000 watts, but it has the sound of a half-watt tin can. The station has also experienced considerable technical difficulties this year. Wonder if Oldies 94 and T-107 have the same engineer?

Evidently, WJDJ is getting the short end of a joint operating agreement with Somerset station WSEK.

Yes, local radio is in a sorry state. You never know what you're going to hear, if anything, when you turn it on.

There are a few bright spots on the radio. WTBK in Manchester does an excellent job of reaching its market, with a unique mix of music, talk and sports. On weekdays WTBK plays soft rock & roll and gets the chatter going with a two-hour talk-show/trading post. At night, the station turns up the rock for its younger listeners. On Sunday, the station has religious programming.

WFTG-WWEL in London have come a long way in the last year or so. The stations have some of the best on-air talent in the area, and play the best mix of any of the numerous Country music stations on the dial.

But Country 104, "The Wolf," may be over-shooting its market, trying to be a big-city station with that nerve-wracking wolf howl, while hampered with a weaker signal than its competitors.

There are a few other bright spots, but since no one cares about radio anymore, including many people in the radio business, there's no point in continuing.

Editor's Reaction. Some of what Mr. Sawyers says is truly "a load" - like his self-serving, made-up statistics about how long people listen to radio each day, and the call to arms over duopolies - but it's unfortunate that radio's behavior in many markets gives the Willie Sawyerses of the world plenty of raw material to work with.

SMALL MARKET RADIO NEWSLETTER

THE GUEST WORD: MAKE 1995 WORK FOR RADIO Gary Fries, Radio Advertising Bureau

As 1994 draws to a close, we find ourselves looking at another very good year for radio. Back in January of last year, we expected to see a continuation of the same growth we experienced in 1993, and we were right. As the year progressed, we saw revenue growth stabilize in all geographic regions of the U.S. and steadily strengthen throughout the year. When all the numbers come in for the holiday season, I predict that overall radio revenues for 1994 will be up 12% - possibly even 13% - over 1993 figures. And as we look forward to 1995, we are seeing signs of yet another robust year, one which will be led by an exceptional first quarter in all areas.

Many factors continue to contribute to this growth, but most of the credit falls into two areas. First, confidence in the consumer economy by both the national manufacturers and the local retail merchants remains high. Merchants are now stocking inventory, and once again are marketing their products aggressively to consumers. Next year looks like a very good year for advertising in general, and many advertisers intent on targeting specific consumer groups plan to use more radio in '95 than they have in the past.

The second factor pushing revenues upward is our own quality of sales as we evolve from a "commodities" sales mentality into that of a marketing sales force. As an industry, we are understanding how we can use our unique relationship with our listeners so we can better meet the marketing needs of the advertiser. This allows us to establish a value for our product that is not just limited to a cost-per-point concept. As a result, sales strategies and sales leadership become much more crucial than the traditional skills needed for transactional selling.

Business was so strong in the third and fourth quarters of 1994 that radio virtually consumed all of its inventory. But since we cannot increase our volume of inventory without changing our relationship with listeners, we must become marketing-driven if we are to achieve rate increases above the regular cost-per-point growth experienced by the advertising community in general. This presents us with a fantastic opportunity to release ourselves from the CPP buying (and selling) mentality and leap forward in our ability to reach a targeted consumer base.

We must be cautious of falling into the same old comfort zone of the past, in which radio grew at the same rate as overall advertising. As we move into the next generation of marketing, we should understand that radio is a very valuable tool - one that

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forges relationships with the consumer better than all other existing and emerging media, and one which those media envy.

I am encouraged when I see how many of the people who are going to take us into this next era are investing in their future, and it is imperative that this trend toward leading and training our sales staffs as marketers continue. Advance registration for the RAB Managing Leadership Conference is 60% ahead of last year's record-breaking year, and all indications are that the next Correspondence Course instructed by Chris Lytle will double the participation of last year's best-attended session.

Unfortunately, however, some of the people in our industry have very short memories. Jack Meyers, a leading advertising media analyst, warns that the current growth in ad revenues may be the "Indian Summer" of the future. He warns that the cold, hard winter will return, possibly as soon as 1996 - and the media that have positioned themselves as marketers to the advertisers will be most likely to survive. I find it discouraging to hear stories such as that of a city radio association that had planned a market-wide training session conducted by a noted industry professional, but decided that, since business was so good, they would cancel the training and hold\an advertiser appreciation party.

Dealing with and enjoying the opportunities of today is all very well and good, but investing in the future always must take priority. We must realize that the advertising industry is changing, and we soon will find ourselves in an economic situation in which we will have to compete with many changed and new media. Today the momentum is with us, but we must take advantage of the opportunities that lie before us and focus our energy on capturing the moment. <u>Carpe diem</u>!

There is no doubt that, as an industry, we should be very proud that our revenues will have grown by \$1.1 billion in 1994. All indications suggest we can have a great 1995. But we must never be lulled into the same old complacency that prevented our industry from taking the great strides necessary to take us into the future. Learning and applying future techniques are much easier to do when the tide is rising than when it is going out and we're struggling to stay afloat. That's how it was a few short years ago, but it must not happen again. The opportunity is ours, and the time is now. Let's not just have a good 1995; let's also use this as the year to begin a great future for radio. [Radio Sales Today, 12/29/94]

Editor's Two Cents: I am always inspired by Gary's message to our industry. And he's right: we do have a lot to be proud of.

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Small Market Radio Newsletter

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

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Published by: Jay Mitchell Associates, Inc. P. O. Box 1285 • Route 2 Fairfield, IA 52556

Phone 515-472-4087 Fax 515-472-6457 Compuserve 73627,2120

Subscription Rates:One Year\$11926 Weeks\$6413 Weeks\$37

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IN OUR 12TH YEAR



January is Radio Month

Bill Taylor KQSS P. O. Box 292 Miami AZ 85539 FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

ADDRESS CORRECTION REQUESTED

VOLUME XII - Issue #36 - January 26, 1995

NAB RADIO BOARD OUTLINES SMALL MARKET SERVICE IMPROVEMENTS during the meeting in Boca Raton:

- Special small market sessions, in a separate area, at the spring NAB convention
- NAB bus visits to inform FCC staff members on the realities small market operations
 - New periodic collections of ideas, "\$wap \$hop," focusing on ways to cut expenses and increase revenue, solely for small and rural market members
- More license renewal seminars targeted to small market broadcasters

FCC FIDDLES WITH FEES. If it flies, Arbitronmarket stations will see their fees go up, while small-market stations will enjoy lower fees:

Type of Station	Arbitron Market	Non-Arbitron Market
AM Class A	\$1,525	\$565
AM Class B	850	315
AM Class C	340	125
AM Class D	425	155
AM Construction Permit	120	120
FM Classes C, C1, C2, B	1,525	565
FM Classes A, B1, C3	1,025	375
FM Construction Permit	595	595
FM Translator Booster	160	160
Broadcast Auxiliary	30	30

The FCC must complete a "comment and replycomment" cycle and issue a final report and order before the rates go into effect. Comments are due by February 13, reference FCC Docket 95-3, "Assessment and collection of regulatory fees for fiscal year 1995."

AT THE FCC

NEW STATIONS (Applied For): ARIZONA (Winslow) Desert West Air Ranchers Corp., 95.1, 100,000w, 984 ARKANSAS (Harrisburg) Bobby Caldwell, 95.9, 16,500w, 403' FLORIDA (Sebastian) Carl Tutera, Jr., 95.9, 25,000w, 328' (Sebastian) Public Radio, Inc., 95.9, 25,000w, 328' ILLINOIS (Galatia) Daniel Johnson, 98.9, 6000w, 328' IOWA (Lake City) Ames Broadcasting Company, 106.7, 25,000w, 328' (Muscatine) Muscatine Communications, Inc., 93.1, 6000w, 328' MISSISSIPPI (Tunica) George Flinn, Jr., 96.1, 25,000w, 328' NEW MEXICO (Gallup) Red Rock Broadcasting, Inc., 101.5, 6000w, 328' NORTH CAROLINA (Ocean Isle Beach) Atlantic Broadcasting Co., Inc., 93.5, 6000w, 328' (Ocean Isle Beach) Todd Robinson, 93.5, 6000w, 180' (Southern Shores) Communications Systems, Inc., 100.9, 50,000w, 403' (Southern Shores) Nautical Broadcasting, Inc., 100.9, 50,000w, 492' NORTH DAKOTA (Cavalier) Robert Ingstad Broadcasting, 105.1, 44,000w, 512' (Rugby) Robert Ingstad Broadcasting, 95.3, 6000w, 328' SOUTH DAKOTA (Belle Fourche) Hall Broadcasting, Inc., 102.1, 10,500w, 502' (Belle Fourche) Mas Communications, Inc., 102.1, 25,000w, 328' NEW STATIONS (Granted): IOWA (Eldon) Sample Broadcasting Co., L.P., 104.3, 25,000w, 328' REPORTED SILENT: CALIFORNIA (Garberville-Eureka) KBEY, 104.7 MISSISSIPPI (Natchez) WNAT, 1450 TEXAS (Denison) KDSQ, 101.7 (Sherman) KJIM, 1500 FORMERLY SILENT: GEORGIA (Alma) WAJQ, 1400 SOUTH CAROLINA (Summerville) WAZS, 980, reported silent - Courtesy <u>M Street Journal</u> WHAT WILL REPUBLICANS DO WITH THE TELECOMMUNICATIONS REFORM

PACKAGE? A rewrite eliminates as much regulation as possible, the FCC having to justify any rules they believe vital. Senate Republicans want to charge broadcasters and spectrum licensees "a hefty fee if they transmit new, subscription-based services over any new spectrum which might be opened up by digital technology."

SMALL MARKET RADIO NEWSLETTER

MONEY PAGE - SALES & PROMOTION IDEAS

March Business Opportunities include the following businesses, whose sales in the month are above average: Auto Dealers (New Domestic) Real Estate (New Houses) Auto Dealers (New Import) Real Estate (Resale Houses) Auto Dealers (Used) Shoe Stores Office Supply Stores Tire Dealers Optical Goods Stores - RAB's Top 40 Business Survey March Promotional Opportunities - Events & Holidays Months American Red Cross Month National Nutrition Month National "Talk With Your Teen About Sex" Month Poison Prevention Month Weeks March 5-11 - Girl Scout Week March 5-11 - Save Your Vision Week March 5-11 - National PTA Drug and Alcohol Awareness Week March 19-25 - American Chocolate Week March 19-25 - Children and Hospitals Week March 19-25 - National Poison Prevention Week March 20-26 - National Agriculture Week Davs March 2 - Theodor "Dr. Seuss" Geisel's Birthday (1904) March 3 - Alexander Graham Bell's Birthday (1847) March 6 - Michelangelo's Birthday (1475) March 15 - Ides of March (Julius Caesar assassination, 44 B.C.) March 17 - St. Patrick's Day March 20 - Earth Day (Vernal Equinox, beginning of Spring in the Northern Hemisphere and Autumn in the Southern Hemisphere) March 22 - Bob Costas' Birthday (1952) March 23 - Liberty Day (Anniversary of Patrick Henry's speech, 1775) March 25 - Aretha Franklin's Birthday (1942) March 31 - Richard Chamberlain's Birthday (1935) March 31 - Albert Gore, Jr.'s Birthday (1948) - Chase's Calendar of Events 1995 Mats mark the place. WDXY/WIBZ, Sumter, SC ran a place-mat

Mats mark the place. WDXY/WIBZ, Sumter, SC ran a place-mat promotion, distributing 50,000 to area restaurants ("41% of all adults dine out at least once per week"). Advertisers received a border place-mat ad and 80 radio ads on each station for \$500 a month for two months (\$1,000 total). [Ray Reich, 803-775-2321]

SMALL MARKET RADIO NEWSLETTER

\$ALE\$ - SELLING TO OLDER PEOPLE

Younger salespeople can get an edge in selling to older clients by observing these tips:

- 1. Dress more conservatively.
- 2. Readjust your hair style so it does not look too trendy.
- 3. Slow down your moves. Sitting down and getting up shouldn't be done in a quick and easy snap.
- 4. Convey a deeper level of seriousness than would be expected from someone your age.
- 5. Slow down your eye movements. Quick, flitting eyes communicate that you have a short attention span.
- 6. Listen closer. Paying attention implies respect.
- 7. Men should watch their grip when shaking hands.
- 8. Women should cut down on the "sweetness and light." Be direct, clear and deliberate.
- 9. Develop extensive product knowledge that includes the competition's product. Floor the prospect with facts and figures he/she has forgotten or never knew.
 - Ken Delmar, Winning Moves: The Body Language of Selling

Editor's Note: These tips can also be used to good advantage by air personalities doing public appearances in front of an older audience.

* * *

Being the Best. Use this passage in working with your retail customers to help them grow their businesses:

"I'm obsessed about 'the best' - the best meal, the best film, the best haircut, etc. What are the qualities of 'the best'? Reflect upon the stores you admire when you travel. Think about the stores you hear and read about. Think about the 'famous' stores. What makes them 'the best'? Make a list of the qualities you would expect to find at these 'best stores.' Now, think about your store. Can you implement some of these qualities? You bet you can!"

- Bill Pearson, Stores Magazine, April 1993

SMALL MARKET RADIO NEWSLETTER

DRUG AND ALCOHOL AWARENESS WEEK (March 5-11)

reminds parents that young people, when faced by the ridicule of their peers, may act against their own better judgment. It isn't enough to tell kids to say "No" to drugs. They need to feel good about themselves in order to be strong enough to go against the crowd. reminds parents, stopping drug and alcohol abuse begins at home.

reminds you that one of the most effective ways to keep kids drug and alcohol free is to help build their selfesteem. As they grow, praise your children often. Make them responsible for tasks that demand use of their mental and physical abilities. Show them how to relieve stress, unhappiness or boredom in positive, healthy ways. A reminder from

wants you to know that this is National PTA Alcohol and Drug Awareness Week. Parents, now is the time to learn more about how to keep your children alcohol and drug free. Take part in and support groups like your PTA. They are working hard to cut down the incidence of alcohol and other drug abuse. urges you to get more information today.

asks, When is the best time to stop drug abuse? <u>Before</u> <u>it starts</u>. The fight against alcohol and other drug abuse starts at home. Learn as much as you can. Discuss it frankly with your children. Most important, set a good example. A reminder from during National PTA Alcohol and Drug Awareness Week.

During National PTA Alcohol and Drug Awareness Week, reminds you our young people are our most important asset - an asset too valuable to be wasted on alcohol and other drug abuse. urges you to support the PTA's efforts to combat alcohol and drug abuse by our young people. The effort must start at home - with the wholehearted support of parents.

During National PTA Alcohol and Drug Awareness Week, reminds parents that a few simple rules can do a lot to keep your youngsters drug and alcohol free. Set ground rules about parties. When your teen attends, know the host's name, address, and phone number. Make sure the parents will be at home. ______ and your PTA believe that setting party rules helps keep kids safe.

wants you to know that this is PTA Alcohol and Drug Awareness Week. If your child is going to host a party in your home, set ground rules in advance. Be visible, but not too obtrusive. Promptly evict anyone who disobeys your house rules. says, young people are too valuable to be wasted on alcohol and drug abuse.

SMALL MARKET RADIO NEWSLETTER

CONFESSIONS OF A ROOKIE AUTHOR by Bob Doll

For years, I, like many other radio people, had fantasized about writing a book - never very seriously. Then in 1993, I decided to try it. My decision was triggered by Jay Mitchell, who had bought the Small Market Radio Newsletter that I had started and operated for 10 years.

As his first "solo" edition was nearing its deadline, he called to ask if I'd be willing to be interviewed. During my over 40 years in radio and the trade press, I had often served as an interviewer, seldom an interviewee. I immediately gained a greater respect for hundreds of people over the years who had been the object of my sharp questioning. When he asked me what my future plans were, along with other things, I told him, "I think I'll write a book about small town radio." When my wife, Barbara, read the newsletter the following week, she asked, "When are you going to get started?" I replied, "Soon." Soon turned out to be a month later.

I began by ordering about 50 "Broadcast Pro-Files" from a firm in Hollywood. I read or re-read about three dozen books, followed leads on the telephone and in person. Six months later, I had a half dozen legal pads full of notes. I now appreciate the wide fascination with genealogy.

In January, 1994, I gave some thought to what form the book should take. I ruled out a novel, following the adage that "truth is always more persuasive than fiction." I ruled out doing a memoir. I'm not that interesting and I find memoirs too often self serving. I opted for a history book covering radio's 75 years - particularly in small towns. In my research I encountered all manner of people from charlatans to the most high-minded in humankind. The book should be not only a recitation of events, but also of the people who lived through them, and in some cases helped shape them. The people and the events fascinated me.

Here are some examples:

- In the 1920s, it was broadcasters, not the government, that "begged" to be regulated.
- The "Golden Years" were not golden for most small stations. Their customers, unlike the networks', were having hard times.
- Radio stations narrowly averted a 15% levy on their grosses by the recording artists.
- Station owners in 1945 were sure that the 925 stations then on the air were all the economy could support.

SMALL MARKET RADIO NEWSLETTER

• When television came, radio was restored to health by an unexpected source.

By the 1960s, the government found radio doing so well that it decided owners ought to earn their right to be on the air and conduct themselves on a higher level:

- A Southern station lost its license for running "lewd" programs.
- Two New England stations lost their licenses for sending out fraudulent bills as their newspaper competitor admitted to doing.
- A station in Appalachia got into Fairness Doctrine trouble, not for airing one side of an issue instead of both, but airing neither side.

In the 1980s and early 1990s, a combination of station overbuilding, new competition from other media, widespread local economic depressions, and a dramatic change in the retail marketplace (small town radio's traditional economic base), caused a record number of money-losing stations - hundreds gone silent, many permanently. Timely questions:

- Is the industry in danger of losing the launching pad for many of its brightest stars? Currently these include Jim Bohannon (who got his start at KLWT, Lebanon, MO); Paul Harvey (KFBI, Abilene, KS); David Letterman (WERK, Muncie, IN); Rush Limbaugh (KCOQ, Cape Girardeau, MO); Willie Nelson (KBOP, Pleasanton, TX); Dan Rather (KSAM, Huntsville, TX); and Howard Stern (WNTN, Newton, NY).
- Are hundreds of towns in danger of losing their means of self-expression and local service?
- Are thousands of small station owner-operators trapped in businesses they were not alert enough to exit in better times?

We did not attempt to answer these questions, but rather got the firsthand opinions of small station owner-operators from Maine to California. Our readers may be surprised by what they told us.

I was close to finishing "Sparks in the Plowed Ground"© when I made a trip to California to appear on a panel at the 1994 NAB Radio Show. On the plane, I read Judith Applebaum's book, "How To Get Happily Published." I'm glad I read it after I'd written my book, instead of before. I found out that about 1,000 new books appear weekly. 100 books are written for every one that is published.

Applebaum prepared me for the experience most aspiring writers have with publishers. Two turned me down quickly and with little courtesy. Then I learned that my longtime friend, Eric Rhoads, was publishing books. He had one on the market and a second coming. Maybe mine would be #3? I talked to him and at his suggestion sent him a manuscript. Weeks passed, then a couple of phone calls, then the letter that follows:

"Your book is excellent. I couldn't put it down. I, and a couple of my radio friends with whom I've shared the manuscript, believe it is one of the best radio histories we've ever read. The depth and the insights of the book and the stories you told are incredible. It should sell well.

"As you probably know, the investment in printing, then marketing a 300-plus page book, indexed, with a dozen or more pages of pictures, hardbound, is a very expensive undertaking. We need some indication that it will be successful. I would feel more comfortable in making the investment if we could sell about 350 pre-publication copies.

"As this is a special-interest commemorative book during radio's 75th Anniversary, it should sell for \$39.95 plus shipping and handling. If you agree [I have], we will offer it as a prepublication special at \$10 off - \$29.95 plus \$3.95 shipping and handling. If the results of this offer are encouraging, delivery of the books should be made within four months. If they are not, we will return all monies received about March 1, 1995." Prepublication orders may be made, accompanied by check or credit card information to Eric Rhoads, Streamline Publishing, Inc., 8000 North Federal Highway, Boca Raton, FL 33487; phone 800-226-7857, fax 407-995-8498.

THE LAST WORD

As noted in Page 1 of this week's SMRNewsletter, the NAB seems to be getting serious about better service to small market radio broadcasters. Not only has the Board committed to expand several services, but - as you may have seen on our Ad Pages the last couple of weeks - the NAB wants to start "a new newsletter for its small market radio members."

We applaud the NAB's efforts (even though they'll be competing with us in the newsletter business), but we note that "we've heard this song before." The NAB says it's tough to justify special small market services for what we pay - but let's not lose sight of where a major part of the grassroots lobbying is coming from - and that, after all, is what the NAB is all about.

SMALL MARKET RADIO NEWSLETTER

Small Market Radio Newsletter

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

Publisher & Editor: Jay Mitchell Managing Editor: Lori Morgan Editor Emeritus: Bob Doll

Published by: Jay Mitchell Associates, Inc. P. O. Box 1285 • Route 2 Fairfield, IA 52556

Phone 515-472-4087 Fax 515-472-6457 Compuserve 73627,2120

Subscription Rates:											
One Year					•						\$119
26 Weeks			•			•					. \$64
13 Weeks				•						•	. \$37

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IN OUR 12TH YEAR



Bill Taylor KQSS P. O. Box 292 Miami AZ 85539 FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

ADDRESS CORRECTION REQUESTED

VOLUME XII - Issue #37 - February 2, 1995

AD TAXES AND SPECTRUM FEES MAY BE BACK in the picture as a result of President Clinton's 1996 fiscal budget. The new budget, to be released February 6, is rumored to contain provisions to remove tax deductions for advertising, and install spectrum fees for broadcasters. The NAB urges all broadcasters to meet with their Congresspeople to educate them on these issues. For more information, contact the NAB at 202-429-5420.

CLINTON PROPOSES FREE AIR TIME TO POLITICIANS in his state of the union address last week. The NAB plans to challenge any such proposal. NAB President Eddie Fritts added, "kequiring broadcasters to provide free time as welfare for politicians is clearly unconstitutional."

COLEMAN'S BOUVARD JOINS ARBITRON. Pierre Bouvard, President of Coleman Research and one of the originators of the "OES" (Optimum Effective Scheduling) concept, is set to become the new General Manager, Radio for Arbitron. Although the title is new, Bouvard replaces Jay Guyther, who becomes Arbitron's GM/Radio New Ventures.

RETAILERS BEWARE: THE FED WANTS TO SLOW THE ECONOMY. At the recent National Retail Federation's annual convention, NYSE chief economist emeritus William Freund noted that "The Fed is determined to slow the economy, and it will." Expect a growth rate of 2.5%, down from about 4% in 1994, with the slowdown most affecting housing, appliances and autos. How merchants can cope: (1) Make sure your clothing line matches your typical consumer (in her 30s or 40s) instead of the fashion industry (designed for younger women). (2) Avoid the price-cutting trap. While retailers think "value" means 50% off, recent Yankelovich research shows that two-thirds of electronics shoppers look for knowledgeable staff, not low prices. [USA Today]

AT THE FCC

NEW STATIONS (Applied For): ARKANSAS (Harrisburg) Paul Boden, 95.9, 16,000w, 328' FLORIDA (Sebastian) Sebastian Broadcasting Company, 95.9, 25,000w 321' KANSAS (Fredonia) KGGF-KUSN, Inc., 104.1, 6000w, 328' KENTUCKY (Glasgow) Barkin Partnership, 94.1, 3000w, 328' (Glasgow) Royse Radio, Inc., 94.1, 3000w, 328' MISSISSIPPI (Tunica) Bobby Caldwell, 96.1, 25,000w, 328' (Tunica) Kaye Roberson, 96.1, 25,000w, 328' (Tunica) Todd Robinson, 96.1, 25,000w, 328' (Tunica) Tunica Broadcasting, 96.1, 25,000w, 328' NEW MEXICO (Gallup) Skywest Radio Associates, 101.5, 375w, 100' (Taos) L&B Broadcasting, L.L.C., 99.9, 10,000w, 2768' SOUTH DAKOTA (Belle Fourche) Ultimate Caps, Inc., 102.1, 30,000w, 375' (Flandreau) Carmen Christensen, 107.9, 10,700w, 492' (Flandreau) Lee Axdahl, 107.9, 10,500w, 505' WASHINGTON (Elma) Marvin McWhorter, 102.1, 6000w, 148' (Elma) Skip Marrow, 102.1, 6000w, 328' (Mabton) Bogart-Funk Enterprises, Inc., 98.7, 1140w, 722' (Omak) John Andrist, 104.3, 5100w, 1453' WYOMING (Casper) Bruce Erickson, 97.3, 3000w, 276' (Casper) Mount Rushmore Broadcasting, 97.3, 185w, 1778' NEW STATIONS (Granted): MISSISSIPPI (Potts Camp) Olive Sisk, 95.9, 6000w, 328' NORTH CAROLINA (Warrenton) Johnny Draper, 107.3, 50,000w, 492' REPORTED SILENT: ALABAMA (Albertville) WXBK, 1090 FORMERLY SILENT GEORGIA (Trion) WSAF, 1180 - Courtesy M Street Journal NATIONAL RELIGIOUS BROADCASTERS TO ADDRESS KEY ISSUES at their

national Religious BROADCASTERS TO ADDRESS KEY ISSUES at their annual convention February 11-14 at the Opryland Hotel: EEO requirements, radio duopolies, and recent developments in broadcasting laws. The convention is open to the public; for registration and information, call Michael Glenn at 703-330-7000.

NAB ADDRESS CHANGE effective January 30. The regular U.S. postal correspondence address does not change: NAB, 1771 N Street, NW, Washington, D.C. 20036-2891. Special, overnight, walk-in, or courier deliveries should be sent to NAB, 2001 Pennsylvania Avenue, NW, Washington D.C. 20006. Phone and fax numbers remain unchanged.

SMALL MARKET RADIO NEWSLETTER

FEBRUARY 2, 1995 • PAGE 2

MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$

Here's a barn-burner idea that can make every small market radio station tons of money with very little effort and tie in big-name retailers. It will set radio apart as a results leader and compete directly with newspaper classifieds.

In Sioux Falls, SD, a guys runs a "Park-It Market" in a little-used portion of a ShopKo parking lot near a busy street. He pays ShopKo a few dollars a week for each parking space, and then rents space to the public to display and sell their own cars and pickups. He gets \$18.50 a week per vehicle and maintains at least 100 vehicles each week - \$1,850 a week in gross revenue. Operating only from May through October, he grosses over \$50,000 each season. Expenses include the rent to ShopKo; a shopper ad; and printing for window displays, contracts, etc.

How can we in radio capitalize on this idea? Note that over 50% of any big retailer's parking lot is never used, except maybe at holiday time. Find a store with a high traffic count and arrange to lease the part of their lot nearest the street and farthest away from their store. You can set up a \$5-per-vehicle-per-week arrangement, which could also be traded out. Set your rental price at around \$20 a week (our newspaper gets over \$22 a week).

The Park-It Market guy is on the parking lot every Sunday evening between 5 and 7 p.m. only (you could do it any night), signing lease agreements with displayers and collecting the money. On his lease it clearly states that if your vehicle is on the lot after seven days you are obligated to pay for another week (which he bills his customers for).

Using the power of radio, what would happen if your station ran ads each week promoting the "Park-N-Sell" sell-it-yourself classifieds, listing the ever-changing inventory of cars and pickups? That takes the place of the shopper ad, and it costs you nothing! The weather in your market will determine how many months you can operate each year. (Note: the "Park-It Market" name is registered.)

Printing costs include a two-part lease agreement and bright window posters that can be attached to the inside window displaying the car owner's phone number and details about the vehicle. Sioux Falls's Park-It Market also uses colorful light-pole banners and streamers attached to each car's antenna.

Recent studies indicate that less people trade cars and more people sell their own vehicles, so even your auto-dealer accounts should be in favor of the plan. The easier it is for one of their customers to sell their own car, the sooner they'll purchase a newer one. It keeps people always thinking about changing vehicles, and creates visibility for the auto industry.

- Rod Goeman, KJAM, Madison, SD, 605-256-4514

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\$ALE\$ - FACTS

Consumer facts which may surprise you and your customers:

- 22% of your customers do not remember the American Bicentennial Celebration.
- 33% of the people living in the United States feel people have <u>always</u> been on the moon.
- 50% are too young to remember the assassination of President John F. Kennedy.
- 66% are not old enough to remember the Korean War.
- 70% don't remember "before TV."
- 85% are not old enough to remember the 1929 stock market crash.

Remember that people born after you aren't reacting the same way you are to many things.

Customers are changing, and people who want to serve them have to change, too!

- Fred Newell, cited in <u>Arthur Anderson Retailing Issues Letter</u>, seen in <u>Communication Briefings</u>, Volume XIV, Number 1

Radio facts to share with your customers:

- The average U.S. household has 5.6 radio receivers.
- Radio reaches 99.5% of teenagers (12-17) weekly.
- Radio reaches 96% of persons 12+ weekly.
- Persons 12+ listen more than three hours on weekdays.
- Persons 12+ listen more than four hours on weekends.
- Over 60% of adults listen to radio during TV prime time.
- Four out of five adults listen to radio in their cars weekly.
- There are almost 585 million radio receivers in use today.
- There are nearly 183 million vehicle radios in use today.
 RAB; RADAR 49, Spring 1994

FEBRUARY 2, 1995 • PAGE 4

GIRL SCOUT WEEK (March 5-11)

sends best wishes to the Girl Scouts and their leaders in (AREA). Girl Scouts U.S.A. was founded March, 12, 1912. For over 80 years, the Girl Scouts have helped young women develop their potential to make friends and to become a vital part of the community. (AREA) is a better place to live because of the Girl Scouts.

Based on ethical values, Girl Scouting opens a world of opportunity for girls, working in partnership with adult volunteers. ______ believes that by focusing on meeting the special needs of girls, Girl Scouting makes a valuable contribution to (AREA). During the birthday week of the Girl Scouts, ______ extends their best wishes for continued success.

During Girl Scout Week, ________ salutes this largest voluntary organization for girls in the world. By living by the Girl Scout Promise, Scouts make this a better community and a better world. The Girl Scout Promise is, "On my honor, I will try to serve God and my country, to help people at all times and to live by the Girl Scout Law." Best wishes, Girl Scouts, from _____.

The Girl Scout Law, from _____: "I will do my best to be honest and to be fair; to help when I'm needed; to be cheerful; to be friendly and considerate; to be a sister to every Girl Scout; to respect authority; to use resources wisely; to protect and improve the world around me; to show respect for myself and others through my words and actions." _____ wishes Girl Scouts continued success.

For girls and young women, Girl Scouting offers a broad range of activities which address both a girl's current interests and her future role as a woman. believes in Girl Scouting. During Girl Scout Birthday Week, salutes Girl Scouts of (AREA) and the volunteer leaders who make the program work.

From kindergarten through high school, there's a Girl Scout program for every age. During Girl Scout Birthday Week,

salutes Girl Scouts of every age and the volunteer leaders who make the program go. Good luck and continued success from _____.

Girl Scouting stimulates self-discovery in girls. It introduces the excitement of science, the arts, the outdoors, and people. During Girl Scout Anniversary Week, ______ commends scouts for their hard work and volunteers for their invaluable contribution. Best wishes for continued success from ______

SMALL MARKET RADIO NEWSLETTER

MANAGEMENT - DUTIES

From a reader: I would like to know your views as to:

- 1. What a working station manager's duties are and his hours
- What an announcer should be in this day and age (most don't know anything, most never know what they should do, what they could do), should they be smart enough to have any ideas, and how to format them
- 3. What a small market radio station should do for the area they serve (what does a small market radio station do to keep their listeners?)

- Name withheld by request

Editor's reply: I'll take a crack at this, but let's hear from our readers, too.

1. In a small market station, the manager's duties are a combination of strategic and tactical actions. On the strategic level, he or she is planning the overall organization, progress and maintenance of the station, and managing his/her staff. On the tactical level, he/she is usually an active participant in the selling process. In other words, the majority of his/her time is on the street!

Most managers I know are in the station early (7:30-8:00 a.m.) to meet with salespeople ("check-in") and make sure things are set for the day. They will make sales, service and goodwill calls through the day, returning in the late afternoon to do paperwork, return phone calls and meet with staff members (including a "check-out" with salespeople).

The successful manager is also a leader in the community, giving his/her time to one or more service clubs, committees and other civic groups.

- 2. I think I have a bit more respect for announcers in general than the above writer. Good small market announcers understand and embrace the concept that they are part of the sales support mechanism as well as "product producers." If announcers don't know what to do, it's because they are not being properly managed.
- 3. How does a small market station keep listeners? By listening to them and responding to their needs. Some of the best small market stations sound like hokey hodgepodges to the outside "professional," but they hit the right note with the market!

SMALL MARKET RADIO NEWSLETTER

FROM OUR READERS

Election results. "I'm now going on 81 and still doing my thing. I didn't write you and tell you the results of my election. This county is registered 2 to 1 Democrats, and me being a Republican, I had a hell of a time. I got a lot off my chest. I more than muddied the water. My opponent got 2,000 more votes, but 19,000 voters didn't vote.

"There's a radio station at every crossroad and they don't know what it takes. Your paper has promoted many things that are good for radio stations; 90% never heed your advice. Did you know that in most small market stations the disc jockeys have to have someone tell them that in a few days it's going to be Christmas? 'Now boys, in a few days it's going to be the fourth of July' ... 'Two days from now it's going to be Valentine's Day,' etc." - Gormon Collins, Sr., WDOC, Prestonsburg, KY, 606-886-2338

<u>Help for small business</u>. "I don't know if you've had a chance to promote this program so I'll tell you about it:

"All of us in our business have lamented the constant entering into business of people who have no business plan, no capital and very little chance to succeed. As soon as they open their doors they decide they didn't start with enough money to advertise right?

"The Florida Small Business Development Center has put together an hour-long, Monday-through-Friday program that addresses these problems. 'Biz Talk' seems to be a quality program for a station building a news-talk format. Station operators can hear the program on C-5, Transponder 15, Channel 10-1, from 9:06-10:00 p.m. Eastern time. The program has ten minutes of local avails with 25Hz tones. We listened to it once and put it on the air the next day.

"For information, call Lou Edelson at 407-362-5641." - Tom Anderson, KOAL/KARB, Price, UT, 801-637-1167

World's oldest morning man? "I'm curious: our morning man, Jimmy Smith, has been on the air <u>continuously</u> since joining WAYN while a Senior in high school - in May of 1951. I am sure he's <u>one</u> of the longest-running deejays on the morning shift, but is he in fact <u>the</u> longest-broadcasting small market morning deejay? It would be interesting to hear from other stations on this." - Bill Futterer, WAYN, Rockingham, NC 28379

<u>Budget question</u>. "We own two radio stations in a county of 77,000. Navajo County is one of the largest in land mass in the

U.S., so our coverage area is more like 50,000. Our AM is a 5000watt day/180.7 night; our FM has been on the air for 13 months, 100,000 watts at 92.1

"My question is this: Is there an appropriate percentage of either sales or cash flow to spend on payroll? Both of our stations include live programming as well as satellite. I know it varies from station to station, but I'm trying to figure out if I'm too heavy on payroll. (We do have the best people in Northeastern Arizona on the air.)"

- Roy Roberts, KDJI/KZUA, Holbrook, AZ, 802-524-3994

Editor's reply: You said it, Roy - "it varies from station to station." In my opinion, it depends more on your gross and the number of customers you serve - the more account activity you have the more sales and service people you need. Most operators still shoot for a profit margin goal of around 30%; take out your fixed costs and see what you can do at both ends - revenues and non-fixed expenses - to make it work. What do other readers think?

THE LAST WORD - WELCOME TO OUR NIGHTMARE

I don't know if congratulations are in order for Pierre Bouvard as he assumes the GM post at Arbitron Radio. Pierre is a good researcher and a good manager, but I wonder whether he is prepared to step into the firestorm that has consumed his predecessors.

Arbitron is the company we all love to hate, and with good reason. Despite President Steve Morris's announced intention to be more customer-driven, they are still high-handed when it comes to their radio customers - at least their small market radio customers, who actually are rarely customers anyway. Arbitron's long-time modus operandi has been to lowball networks and agencies in order to squeeze outrageous fees out of broadcasters.

But all this is not entirely Arbitron's fault. First of all, we in radio have been notorious in our misuse of the ratings - we treat them as gospel when we're Number One, then try to discredit them entirely when we're not. Second, regional and national advertisers and agencies demand ratings - and, like it or not, Arbitron's ratings are accurate enough to make a pretty good time-buying decision.

I don't like the hegemony of Arbitron any more than you do. (My stations are paying network fees because of a goofy formula that penalizes us for showing up in an ADI.) But let's not hold our breath waiting for the situation to change. It's not going to.

Small Market Radio Newsletter

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

Publisher & Editor: Jay Mitchell Managing Editor: Lori Morgan Editor Emeritus: Bob Doll

Published by:

Jay Mitchell Associates, Inc. P. O. Box 1285 • Route 2 Fairfield, IA 52556

Phone 515-472-4087 Fax 515-472-6457 Compuserve 73627,2120

Subscription Rates:One Year\$11926 Weeks\$6413 Weeks\$37

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IN OUR 12TH YEAR



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ADDRESS CORRECTION REQUESTED

VOLUME XII - Issue #38 - February 9, 1995

OWNERSHIP RESTRICTIONS WOULD BE ELIMINATED in a Senate Republican rewrite of the Communications Act. Included are: duopoly rules, one-to-a-market restrictions, newspaper cross ownership, and the national ownership caps. Democrats are expected to give their draft next week.

NAB REQUESTS FCC TO REVISE EAS RULES. A filed petition for revisions in the proposed Emergency Alert System rules includes: a deadline extension for purchasing EAS equipment; precautions against state and local officials from initiating unsubstantiated emergency alerts; and a process for ensuring the greatest level of federal funding for EAS equipment.

DECEMBER REVENUES INCREASED 19% NATIONALLY, and 12% in combined local and national spot sales, according to RAB's radio revenue index. Local and national year end figures remained steady. Overall, 1994 radio experienced 11.3% growth, including local, national and network numbers.

NEW MINORITY, FEMALE OWNERSHIP RULES PROPOSED BY FCC to stimulate minority ownership. The proposal suggests that women be given the same incentives as minorities. Non-minority stations owners would receive some regulatory allowances for helping a minorities under the new incubator proposals. Other restrictions: one-year waiting period for a non-minority owner to buy earned headroom; and the facility the non-minority acquires is less valuable than the incubated facility.

HEAR THE AM AND FM BANDS AT NAB '95, April 9-13 in Las Vegas. USA Digital Radio will be sponsoring a demonstration of over-the-air digital radio transmission. Broadcasters will be able to hear CD quality or near CD quality radio on the AM and FM band.

AT THE FCC

NEW STATIONS (Applied For): CALIFORNIA (Welton) Ari-Cal Broadcasting Co., G.P., 104.5, 50,000w, 230' (Welton) Farmworker Ed. Radio Network, 104.5, 6100w, 1348' KENTUCKY (Clinton) Thunderbolt Broadcasting Co., 102.3, 25,000w, 328' LOUISIANA (Jackson) Pointe Coupec Bcstg. Co., Inc., 104.5, 6000w, 328' MONTANA (Cascade) Frank Spain, 104.9, 3000w, 328' OHIO (Pleasant City) In Phase Broadcasting Corp., 92.1, 6000w, 328' (Pleasant City) W. Grant Hafley, 92.1, 6000w, 328' WASHINGTON (Mabton) First Love Ministries, Inc., 98.7, 6000w, 328' (Omak) Northcentral Broadcasting Co., 104.3, 50,000w, 492' NEW STATIONS (Granted): INDIANA (Veedersburg) Veedersburg Radio, 92.9, 6000w, 328' AMENDMENTS TO THE FM TABLE (Proposed): CALIFORNIA (Cambria) new, 103.5 A N ILLINOIS (Tower Hill) new, 98.3 A KENTUCKY (Tompkinsville) new, 102.7 A MICHIGAN (Coleman) WPRJ, to 101.7 A from 101.5 A (Sebewaing) new, 104.1 A from 101.3 A (Tuscola) WWBN, to 101.5 A from 101.7 A NEVADA (Sun Valley) new, 93.7 A TEXAS (Hudson) new, 96.3 A AMENDMENTS TO THE FM TABLE (Granted): TEXAS (Cleveland) KRTK, to 97.1 C from C1 REPORTED SILENT: COLORADO (Gunnison) KPKE, 1490 TENNESSEE (Fairview) WPFD, 850 TEXAS (Hemphill) KAWS, 1240 (Robstown) KGLF, 1510 FORMERLY SILENT COLORADO (Vail) KSKE, 610 SOUTH CAROLINA (Camden) WVEF, 1130 - Courtesy <u>M Street Journal</u> NEW CAR RADIO TO BE INTRODUCED by Pioneer Electronics. The new line of car radios have "ID Logic" technology. Users are able to scan stations by format, and it will display the call letters.

MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$

<u>St. Patrick's Day Breakfast</u>. Along with Halloween, St. Patrick's Day has become a big "adult" party day. The connection between alcohol consumption and this day is not something you want to associate with too closely, so a good solution might be a fun St. Patrick's Day breakfast remote.

Choose a popular and easily-accessible restaurant. Set up your morning show in a spot where it's easy for people to stop by and chat. It's a good chance to visit with listeners and do all those "Irish" things -

- Irish music
- Leprechaun stories
- Irish toasts

)

• Green omelettes and bagels

You can also use the morning-show remote to promote other St. Patrick's events coming up later in the day.

Easter church tie-in. Make your station the place listeners turn for details on which church to attend this Easter - and you don't have to do it for free.

Mail an invitation to all churches in your community inviting them to be part of your Easter Church Guide campaign. Tell them you'll be producing announcements containing 15-second descriptions of Easter services at three different churches in different areas of your city, voiced by your best-known air personality. The price: one-third of your normal spot rate per church.

Your sales staff follows up the mailing by phone. You should run a minimum of 15 of each 60-second announcement in the week before Easter. Messages can begin, "In the _____ area, a church with a warm heart and open arms is ..."

Churches recognize the need to reach the growing population of unchurched families, and love the opportunity to be on the air. It is also excellent PR for the station.

PS - This also makes a great promotion at Christmas time!

- Mike Bettelli and Susan Golden, Broadcast Programming, 800-426-9082

SALES - RETAILER STRATEGIES

Those who are competing effectively are focusing on making changes that can be summed up by these ten survival strategies:

- 1. Focus completely on satisfying the customer.
- 2. Study the success of others.
- 3. Gather and analyze management information regularly.
- 4. Sharpen marketing skills.
- 5. Increase the customer's perception of value.
- 6. Position the business uniquely.
- 7. Eliminate waste.
- 8. Find something to improve every day.
- 9. Embrace change with a positive attitude.
- 10. Pull the trigger and start the battle.

The three customer laws. There are three customer laws that are as real and consistent as the law of gravity. And, like gravity, the laws are in force whether you understand them or not.

- <u>Customers always go where they get good value</u>. Value is the <u>perceived</u> relationship between quality, quantity and price. Value is not what <u>we</u> think but what our <u>customers</u> think.
- <u>Customers always go where they are treated well</u>. "Whatever it takes" customer service will increase your customers' perception of value and will improve their shopping experience at your business.
- When the value isn't obvious or when the level of service slips, the customer slips away. They don't tell you that they are going; they just disappear.

Successful business owners understand these laws and use them to maintain a strong customer focus.

When do customers want to buy? A 1991 retail traffic study revealed that if given the choice, shoppers follow these general patterns:

30% will shop from 8 a.m. to 5 p.m., Monday through Friday.
 30% will shop from 5 p.m. to closing, Monday through Friday.
 40% will shop on Saturdays and Sundays.

Those retailers who hang onto traditional retail hours are missing as much as 50% of the traffic.

- Don Taylor & Jeanne Smalling Archer, <u>Up Against the Wal-Marts</u>, AMACOM, 212-586-8100 (<u>highly recommended</u>)

SMALL MARKET RADIO NEWSLETTER

POISON PREVENTION WEEK (March 19-25)

During Poison Prevention Week, ______ reminds you that about 90% of accidental poisonings occur in the home. If there are small children about, look for child-resistant packaging. But remember, child-resistant doesn't necessarily mean child-proof. The fact is, child-resistant containers are designed to keep out 80% of children four and younger. Don't forget the other 20%. says, keep those containers out of reach of children.

During Poison Prevention Week, ______ reminds you that about 90% of poisonings occur in the home. Be careful putting about pesticides like roach killers and ant killers in places where children and toddlers could find them. Many of these products are sweetened to attract bugs. They can do real harm to a child. A reminder from ______

During Poison Prevention Week, ______ reminds you to be careful with prescription and over-the-counter products. Don't take medication in front of small children - they tend to imitate adults. Store medications away from food products. Clean out your medicine cabinet periodically. Dispose of unneeded medicines by flushing them down the toilet. ______ reminds you that 90% of accidental poisonings occur in the home.

wants you to know that this is National Poison Prevention Week. Protect your children against the poison dangers in your home. For instance, these items should be kept out of sight and out of reach of children: cough and cold remedies, aspirin and aspirin substitutes, vitamin and mineral supplements. Be sure they are given to children only as directed. They can be very dangerous when taken without adult supervision. reminds you that 90% of accidental poisonings occur in the home.

brings you the following message during National Poison Prevention Week: many personal-care products contain alcohol. A small amount of alcohol can bring down a child's blood sugar level and endanger the brain. It takes only a few swallows for the damage to be done. Keep cosmetics and beauty aids out of sight and out of reach of children. _____ reminds you that 90% of accidental poisonings happen at home.

Did you know that house plants are the leading source of poisoning in children under the age of one? During National Poison Prevention Week, ______ reminds you to keep plants off the floor and out of a child's reach. Watch for plants that dangle overhead where kids can get to them. Be extra careful when using plant fertilizers and pesticides. A reminder from

SMALL MARKET RADIO NEWSLETTER

PRODUCTS & PROGRAMS YOU SHOULD KNOW ABOUT

Positive commentary from radio veteran Mort Crim is now available in "Mort Crim's Second Thoughts," a series of 260 two-minute features from Mort Crim Communications. The show is available on a market-exclusive, cash-free barter basis; it can run anytime Monday-Friday between 6 a.m. and 7 p.m. The show is sponsored by Kmart; local stations can sell adjacencies as well. For more information, contact Stuart Goldberg at 810-691-0500.

Morning show material galore can be found in a new book called <u>Celebrate Today: Over 3,000 Boss-Proof, Tamper-Resistant,</u> <u>Undeniable Reasons to Take the Day Off</u>. It covers special days, weeks, months, anniversaries and birthdays - and at \$13.45 is a lot cheaper than <u>Chase's Calendar of Events</u>. Contact John Kremer at Open Horizons, 515-472-6130.

Ride the computer wave with "Online Tonight with David Lawrence," a live three-hour satellite-delivered Sunday evening show beginning at 8 p.m. (If picking up the satellite feed won't work for you, you can dial up a phone feed.) This fast-paced show hits the high-technology consumer; it should provide additional revenue for your station from computer and electronics dealers, just for openers. For more information, contact Online Tonight at 301-854-5459.

Tattoos are a rage among younger people; if your station targets kids or their parents, you might think about getting your logo done up as a temporary tattoo. 1,000 full-color customized 2"x2" temporary tattoos are \$129 plus S&H from Calico Temporary Tattoos, 707-448-7072.

* * *

LIBERAL TALK RADIO LACKING SPONSORS read the headline for an article in <u>Advertising Age</u> (1/16/95). According to the article, "Radio talk shows command attention these days and 70% take the conservative view," according to Michael Harrison, editor and publisher of the trade publication <u>Talkers Magazine</u>.

"Despite the enormous success of talk radio, liberal talk show hosts in the national realm are few. While Rush Limbaugh has over 660 stations and 20 million weekly listeners, many of his liberal counterparts would be happy with a quarter of those.

"While there are a number of local liberal talk hosts, so far few have achieved sizeable national audiences. Former California Governor Jerry Brown has just 30 stations for his 'radical common-sense' show - and no advertisers."

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STATION OF THE MONTH: REVISITING THE FIRST DUOPOLY

In February 1992, the FCC granted Mike Tracy's Tracy Company at Scottsbluff, NE permission to buy KOLT-AM a waiver to pair with its 1kW AM (on 690 kHZ) and its co-located Class C FM station, KMOR. Looking back, Mike calls it "a long, hard, expensive sell."

Scottsbluff (county population 36,500, retail sales \$362 million) is one of the country's most over-radioed markets - three AMS and two FMS within the county (one station for each 7,300 people). Additionally, eight out-of-county stations deliver city-grade signals into the market and sell there. There are two TV stations selling actively, cable, a strong daily paper and two weeklies.

KOLT, the market's original station, had gone on the air in 1930. The family of its founder, L. L. Hillyard, operated the station for 53 years, until 1983 (billing in excess of \$1 million a year), when it was bought by station employees. By 1989, the station went into bankruptcy and off the air.

"The KOLT fortunes," Tracy says, "dropped when agriculture got into trouble. More important, the owners made a tactical error. I had put my standalone FM, KMOR, on the air in 1978. It was a straightout CHR station. By the early 1980s, it was a huge success. The KOLT employees traded over 50 years of tradition as a strong fullservice station to try to 'out-music' me."

Tracy bought KOAQ in 1986 after a string of ownerships had operated it without success from its founding in 1961. In Tracy's words, "The economies of operating it with our FM turned it profitable immediately."

"When KOLT went off the air, I watched it closely. The rules prohibited my owning it at the time. I wasn't all that interested anyway. I payed more attention when the Arbitron County-by-County credited it with a sizeable audience - over a year after it went off. Even though the court wasn't attracting any prospective buyers for it, I could see that there was value in the station - even in an FM world."

Tracy made a bid on the station, subject to FCC approval. The court accepted the bid. The Commission reluctantly issued the waiver. In early spring, 1992, KOLT returned to the air under Tracy ownership with his two other stations in the market.

The Tracy Company operation is a unique one: KOLT has been returned to its roots as a full service News/Sports/Agriculture operation; KOAQ broadcasts the Jones Oldies format; and the original Tracy station, KMOR-FM, continues its now 17-year-old CHR format. All three stations operate 24 hours a day.

The KMOR/KOAQ studios were not large enough to accommodate the third station. Tracy took the unusual tact of moving the three KOAQ and four KMOR salespeople to the KOLT building along with two

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salespeople hired to sell the newly-acquired station. He also moved KOLT operations to the KOAQ/KMOR building, which houses two salespeople for his paging service (established in 1982 as a sideline for the FM station). He says, "It was a 'have-to' situation which has paid handsome dividends. One building serves as the manufacturing facility, the other as the sales office. The move has eliminated the friction and distractions that are common to many operations where sales and operations are under one roof."

The paging business has grown to over 2,000 customers in more than a dozen towns, and, he says, "represents about half of Tracy Company revenues."

The Tracy stations employ current high tech in their operations, allowing them to operate with a total staff of about 17 (9 of whom are salespeople). The full-time news and sports directors appear on all three stations. There is one full-time employee who devotes his time exclusively to managing the promotions of the three stations.

"In the mid-1970s, I bought a car with an FM radio. There was nobody on the FM band," Tracy, a former insurance agency owner says. "When I traveled to cities, I tuned into FM and liked it. That's how I happened to build the FM.

"When I went on the air, the three AM stations here, the newspaper, and TV were selling straight-out advertising. We got into promotions heavily to build the FM set count and to offer something to compensate for our relatively small audience in the early days. We couldn't play the other media's game. We had to invent our own.

"Each of our three stations has something going on every week. The promotions are designed to match the audiences of the three stations. For instance, during the fair, there's a 'KMOR Days' with a contest appealing to younger people. On KOAQ Day, we stage a sock hop with old-time rock 'n' roll. On KOLT Day, we do a promotion tied into the station's 65-year agricultural heritage. Promotional activities tie in advertisers. They are station profit opportunities."

Tracy, three years into his three-station operation, says, "The community has its heritage station again. I don't think it would have if I hadn't stepped in. All three of my stations are profitable and doing a good job."

Tracy says further, "I think the radio ownership limits in small towns should be further relaxed. Radio is a very good medium, but it has to be in a position like cable, which can offer advertisers and the audience an unending choice of products. In an age of targeted media, radio has to have the opportunity to compete and serve." He points out that there are counties with more population than his that have just a single radio operator. "With so much print, television, cable, and direct mail, there's little chance that the public or advertisers won't be treated fairly."

SMALL MARKET RADIO NEWSLETTER

Small Market Radio Newsletter

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Publisher & Editor: Jay Mitchell Managing Editor: Lori Morgan Editor Emeritus: Bob Doll

Published by: Jay Mitchell Associates, Inc. P. O. Box 1285 • Route 2 Fairfield, IA 52556

Phone 515-472-4087 Fax 515-472-6457 Compuserve 73627,2120

 Subscription Rates:

 One Year
 \$119

 26 Weeks
 \$64

 13 Weeks
 \$37

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IN OUR 12TH YEAR



Bill Taylor KQSS P. O. Box 292 Miami AZ 85539 FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No: 5

ADDRESS CORRECTION REQUESTED

VOLUME XII - Issue #39 - February 16, 1995

OWNERSHIP RESTRICTIONS FOLLOW-UP: In SMRN Issue #38, we noted the Republicans rewrite of the Communications Act to eliminate owner limits. According to the proposed legislation, the only limitation on the number of stations a single company could own would be defined by antitrust laws. The draft mainly reflects deregulation in the telephone and cable TV industries. The NAB is cautious to comment, and is examining other aspects of the bill as well. Many broadcasters approve of the bill. However, some are concerned that such legislation would eliminate minority growth in the industry.

FCC REVEALS BROADCASTER-FAVORABLE PROPOSALS in an attempt to "reinvent government." The legislative proposals are listed in a report titled, "Creating a Federal Communications Commission for the Information Age." Here's what the list includes:

- Legalization of gambling ads
- License renewal process simplified, including automatic renewals for stations complying with statutory standards
 - Elimination of construction permit requirements for modifications which have little or no potential for interference
- Private labs' ability to test and certify equipment
- Abolish public hearing requirements for frequency or power changes
- Statute of limitations on fines extended from one year to five years

DIGITAL RADIO SEMINAR will be given on April 8, one day before NAB '95, by IEEE/BTS. The "Digital Radio Broadcast Transmission" seminar will cover topics such as: digital communications fundamentals, source coding, bit-rate reduction, digital modulation, error correction, and mitigation of multipath phenomena.

AT THE FCC

NEW STATIONS (Applied For): HAWAII (Princeville) Moore Broadcasting Company, 98.9, 51,000w, -315' (Princeville) Vetter Communications Co. Inc., 98.9, 100,000w, -295'IDAHO (Sun Valley) Keith Willis, 107.5, 100,000w, 1920' (Sun Valley) Ogden Broadcasting of Minn., 107.5, 100,000w, 1909' (Sun Valley) Sun Valley Broadcasting, Inc., 107.5, 100,000w, 1914' KENTUCKY (Clinton) Cindy Lowe, 102.1, 25,000w, 328' (Clinton) Gregory Leath, 102.1, 12,300w, 476' (Clinton) River County Broadcasting, Inc., 102.1, 25,000w, 328' (Glasgow) Judy Crabtree, 94.1, 2160w, 550' LOUISIANA (Lake Arthur) Edward Prendergast, Sr., 107.3, 25,000w, 328' MINNESOTA (Bagley) Omega Broadcasting Co., 96.7, 25,000w, 328' MONTANA (Cascade) Michele Doss, 104.9, 100,000w, 1000' (Cascade) Steven Dow, 104.9, 226w, 1952' OHIO (Athens) Christian Faith Broadcast, Inc., 95.9, 6000w, 328' SOUTH DAKOTA (Flandreau) Bruce Linder, 107.9, 8000w, 574'-TEXAS (San Saba) Texas Country Connection, Inc., 97.1, 779w, 42' WYOMING (Casper) Hart Mountain, Inc., 97.3, 183w, 1775' (Casper) Rule Communications, 97.3, 6000w, -322' (Kemmerer) Jimmy Ray Carroll, 107.3, 1500w, 653' AMENDMENTS TO THE FM TABLE (Proposed): WASHINGTON (East Wenatchee) KYSN, to 97.7 A from 101.1 A (Leavenworth) KLVH (CP), to 101.1 A from 97.7 A (Othello) KZLN-FM, to 97.5 C3 from C1 REPORTED SILENT: OHIO (Marietta) WEYQ, 102.1 VIRGINIA (Chase City) WMEK, 980 FORMERLY SILENT: ARKANSAS (De Witt) KDEW-FM, 96.7 (De Witt) KDEW, 1470 (England) KLRA-FM, 96.5 (England) KLRA, 1530 FLORIDA (Bradenton-Sarasota) WWPR, 1490 - Courtesy <u>M Street Journal</u> FCC ADDRESS CHANGE: The Office of Engineering and Technology has

moved to 2000 M Street NW, Washington, DC. The main number is 202-739-0700.

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MONEY PAGE - SALES & PROMOTION IDEAS

<u>April Fool's Day Walk-out</u>. This hoax was a huge hit some years ago at a little station on Long Island. To set the stage, for a few days before April 1 the popular morning man, Gordy Baker, made mention of the fact that he was renegotiating his contract with management, mildly grousing about how things were going.

As the days went on, Gordy's grousing became more intense, and he complained loudly - if vaguely - about "Management doesn't care whether I stay or go," "Fifteen years of effort down the drain," and so on.

On the morning of April 1, Gordy began his show in a huff, mentioning that management was being unreasonable about the new contract. His anger mounted until, at around 7:30, he said "I'm not going to take this any more," and walked out - leaving his mike open.

Dead air. Sounds of commotion in the background. Then the midday fellow went on and, in total confusion, tried to carry on the show. But within a few minutes, he, too, told the audience that he didn't want to continue and, out of sympathy for Gordy, <u>he</u> walked out.

More dead air. More commotion. Then the sales manager - who had never been on the radio - came on and ineptly kept things going.

One by one, the other personalities called in and were put on the air, saying they, too, would "strike" in sympathy for Gordy. (It is a wonder that the audience didn't suspect something when these calls were broadcast, but they didn't).

The talent line-up was a hoot. The bookkeeper, Esther Cohen, barely managed the news. Other sales and office people filled in on the air shifts, with varying degrees of success. All the while, they took phone calls from listeners and advertisers who were loud and vocal in their support of one side or the other.

This went on through the entire day and night. Then, bright and early the next morning, there's Gordy on the radio again, saying, "Yes, I'm back, and about what happened yesterday, I have only one thing to say - APRIL FOOLS!!!"

The advertisers (many of whom had been clued in ahead of time) and listeners (who had not) were good sports about it ... there was phenomenal word of mouth during the day ("Hey, you've got to tune into 1290, all their announcers walked out") ... and the community talked about it for years afterwards.

SMALL MARKET RADIO NEWSLETTER

\$ALE\$ - ACTIVITY LEADS TO RESULTS

The solution to most sales problems is making more sales presentations, not just more sales calls.

By calling everything they do "sales calls," salespeople fool themselves into thinking that they're selling when they're just visiting. You know you're in trouble when people start writing things on their call sheets like this:

"Dropped off station coffee mug." "Made a cold call, but Ed was out for pizza." "Faxed information about new package."

Seven more calls and this person has put in a full day.

Frightening, isn't it? But it could be happening in your sales department unless you insist on truth in labeling.

To build accountability and sales, salespeople need to accurately label each step in the selling process.

Here are the labels we recommend:

- <u>Seed</u>. Send or fax clients or prospects an article about issues or trends in their businesses.
- <u>Letter</u>. Includes letters to request a meeting, follow-up letters, and thank-you letters.
- <u>Dial</u>. Every time you dial the phone, you get one dial. This is true even if you get a wrong number.
- <u>Contact</u>. This is when a phone call or cold call results in talking to a decision maker.
- <u>Appointment</u>. You book a firm appointment.
- <u>Discovery Call</u>. You meet with the client to discuss needs. This can be a formal consultative interview or a more informal store tour. The purpose of the meeting is to gather information for a subsequent presentation.
- <u>Presentation</u>. You meet with a decision maker and present a plan to use your radio station. This presentation includes a schedule, a strategy and often a sample commercial.

These labels depict what really goes on out there. Tallying each activity on a simple box score form (see box) results in a daily reality check.

Follow a salesperson through a typical day, and you'll quickly see the value of counting the things that count.

8 a.m.: The salesperson calls up a new prospect and gets a wrong

SMALL MARKET RADIO NEWSLETTER

number. At best we could call this activity a dial. She puts down one hatch-mark on her box score under dial.

She dials again and this time it's the right number. She talks to a charming receptionist who informs her that the decision maker is out. Is this a sales call? Nope. Chalk up another dial.

Next, she dials a prospect, gets past the receptionist, and talks' directly to the advertising manager. He cannot meet with her for a month due to his vacation. She gets two hatch-marks for this effort: one dial and one contact.

Bingo. She makes her fourth dial, talks to the decision maker, and books an appointment for the following Monday. She marks down another dial, another contact, and one appointment (booked).

At 9:20 a.m. she meets face to face with a direct account to take a tour of a new location. They also sit down to discuss an upcoming grand opening. At the end of the meeting, she books an appointment to make a presentation with the client in three days. Chalk up a data call and another appointment set.

Her 10:30 meeting is a formal presentation with a spec tape. She asks for \$2,300 and ends up with a \$1,900 sale (in a large market, add a zero). The box score would reflect one presentation and a sale.

She takes a client to lunch and over coffee steers the discussion toward an upcoming promotion. She decides to call it a data call. This continues throughout the day.

At the end of the day, she sends a letter to a client she has been unsuccessfully trying to reach by phone.

She clips an article from the <u>Wall Street Journal</u> on automobile leasing, copies it five times, attaches her business card to each, and mails the five article copies to her car dealers and banking clients. She notes one letter and five seeds.

At the end of the day she reports accurately to the sales manager, "I made 12 dials, five contacts, booked three appointments, made two presentations, sold \$1,900, and sent out one letter and five seeds."

Quit making sales calls and start counting the things that count. Tracking the behavior you want is the first step in getting that behavior consistently. If you can't measure it, you can't manage it.

- Chris Lytle, Radio Ink, June 19, 1994; reprinted by permission

DAILY ACTIVITY LOG	ΓΙΝΙΤΥ L	00		AC	ACCOUNT EXECUTIVE	CUTIVE			WEEK OF.	
Activity→	Seeds	Letters	Dials	Contacts	Appoint- ments Set	Discovery Interviews	Presenta- tions w/ Schedules	Sales	Amount Sold	Commis- sion
Monday										
Tuesday										2 2 2 3
Wednesday										
Thursday										
Friday										
Saturday/ Sunday										
Totals										

NATIONAL AGRICULTURE WEEK (March 20-26)

This is National Agriculture Week! _____ reminds you that supermarkets abound with produce, grains, meat, milk, and packaged goods - thanks to the efforts and skills of our farmers and ranchers. says, thank you for a job well done.

During National Agriculture Week, ______asks, did you know that one American farmer produces enough food and fiber for 114 people? Did you also know that Americans spend just 10% of their disposable income on food, compared to 70% in some other countries? _______salutes America's farmers and ranchers during National Agriculture Week.

America's agricultural providers are the most productive in the world. They are responsible for bringing us plentiful produce, grains, meat, milk, and packaged goods every day of the year. _______ is proud to join in a salute to America's agricultural providers. _______ sends best wishes for continued success.

Raspberries in February ... asparagus in November ... pineapples the year around. Whatever food Americans want they can usually get - whenever and wherever they please. During National Agriculture Week, salutes the farmers of this area members of America's great agricultural provider team. salutes farming's productivity and ingenuity.

During National Agriculture Week, _______ salutes the farmers of this area. America's farmers and ranchers are the most productive in the world - one farmer provides enough food and fiber for 114 people, while in Russia one farmer feeds and clothes just 11 people. A message of appreciation from

believes it's too easy to take farming's contributions for granted. This week is National Agriculture Week; says, let's remember that no single segment of our economy does more for our standard of living.

reminds you this is National Agriculture Week - a time to salute America's agricultural providers ... a special tribute to the men and women whose initiative, ingenuity and hard work provide us with plentiful, high quality food all year long.

American agriculture has made this country the envy of the world. During National Agriculture Week, salutes the initiative, ingenuity and hard work of our farmers. appreciates the farming community's contribution to our area economy and our way of life.

SMALL MARKET RADIO NEWSLETTER

FROM OUR READERS

"In response to your piece about the public broadcasting budget cuts: If you'll recall, public broadcasting began as educational broadcasting, but somewhere along the way it changed, dropping a large percentage of educational programs. In fact, traditional education has been almost shoved out."

- John Frew, WYXC, Cartersville, GA, 404-382-1270

THE LAST WORD: WHO'S RESPONSIBLE FOR WHAT?

The Sonny Bloch incident has thrown a scare into all of us. The radio finance guru is in a world of hurt right now, thanks to the SEC and several state and federal courts, and radio is being indicted as well - literally as well as figuratively.

Where does that put us operators who innocently carry the programming of the satellite services? Can we be expected to police stringently the words of the satellite-transmitted talkers? Are we expected to be responsible for their gaffes (and sometimes, it would appear, their larcenies)?

In a word, yes we can and yes we are. The FCC - and the public, for that matter - charges us with the responsibility for the operation of our businesses. And nowadays that puts us squarely behind the eight-ball.

Most of us have turned to satellite formats to reduce costs. That means we have fewer people - and very little time to monitor these broadcasts from the bird. We could easily miss an outright obscenity, to say nothing of a clever con game. (By the way, I am not saying the aforementioned Mr. Bloch is guilty of anything; I am speaking of possibilities in general.)

On the other hand, for an owner to dodge responsibility for what his or her station broadcasts is a dangerous game to play, for the logical outcome of that course will be to take responsibility - and authority - away from the owner entirely.

What of the satellite programmers? I think a lot of the responsibility for these issues must be laid at <u>their</u> feet. They have the resources (Heaven knows they have the resources!) to check out their air talent more thoroughly than we owners can.

Perhaps the programming companies should provide some sort of bond to their affiliates to protect us from liability. Demanding such a bond might underscore the station owners' commitment to keeping our airways clean.

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Phone 515-472-4087 Fax 515-472-6457 Compuserve 73627,2120

Subscription Rates:One Year\$11926 Weeks\$6413 Weeks\$37

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IN OUR 12TH YEAR



Bill Taylor KQSS P. O. Box 292 Miami AZ 85539 FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

ADDRESS CORRECTION REQUESTED

VOLUME XII - Issue #40 - February 23, 1995

UPBEAT MOOD AT LARGEST-EVER RAB. With over 2000 radio broadcasters in attendance (2002 to be exact), this year's RAB Marketing Leadership Conference was up nearly 20% over last year's opening attendance figure. At the kick-off breakfast, RAB President Gary Fries noted that radio is now the fourth biggest advertising medium, overtaking Yellow Pages. (In an ironic twist, Fries has been invited to keynote this year's Yellow Pages convention.)

Fries set the tone for this year's RAB emphasis on management, saying, "We have to teach our people, but we have to learn to lead them."

ANOTHER SMALL MARKET BROADCASTER RECOGNIZED. SMRN subscriber Art Sutton, WBCU, Union, SC, was selected as the recipient of this year's <u>Radio Ink</u> "Radio Wayne" Manager of the Year award. The award was presented at the RAB conference last week. Congratulations to a great broadcaster! (Small market radio is on a roll: last year's recipient was Lou Vito, WPKO/WBLL, Bellefontaine, OH.)

NEW SMALL MARKET RATINGS STANDARDS URGED. At its meeting in Dallas last week, the RAB Small Market Advisory Committee called on the RAB Research Department to set up specifications for small market radio surveys. Among the specifications discussed: uniform sample size; standard demographics (e.g., 12+, Teens, 18-34, 25-54, 35-64); and consistent survey periods throughout the country (dates and duration).

Once the standards are established, they would be made available to all research companies. Surveys which conformed to the standards would carry a certification notice with the endorsement of the RAB Research Department and SMAC. SMRN Readers who wish to comment can contact SMAC Chairman Cary Simpson at 814-684-3200.

AT THE FCC

NEW STATIONS (Applied For): IDAHO (Shelley) Woodcom, Inc., 107.9, 100,000w, 1099' (Sun Valley) Alpine Broadcasting, Ltd., 107.5, 100,000w, 1734' LOUISIANA (Lake Arthur) G. Dean Pierce, 107.3, 25,000w, 328' MINNESOTA (Park Rapids) Bernadine Schumacher, 92.5, 3200w, 443' (Park Rapids) Richard Youngbauer, 92.5, 6000w, 328' (Park Rapids) Roger Paskvan, 92.5, 6000w, 266' MONTANA (Cascade) F&S Broadcasting, 104.9, 72,940w, 2178' NEVADA (Moapa Valley) Native American Bcstg. of M.V., 104.7, 3000w, 466' WEST VIRGINIA (Fisher) James Cookman, 103.7, 310w, 1384' NEW STATIONS (Granted): WASHINGTON (Ephrata) TRMR, Inc., 93.9, 50,000w, -206' FORMERLY SILENT: ALABAMA (Abbeville-Dothan) WIZB, 94.3 CALIFORNIA (Riverside-East LA) KVAR, 97.5 NORTH CAROLINA (Kinston) WQDW, 1230 PENNSYLVANIA (Ridgebury-Elmira) WMKB, 96.9 - Courtesy <u>M Street Journal</u>

* * *

SENATE DEMOCRATS JOIN REPUBLICANS TO ENDORSE ELIMINATION OF OWNERSHIP CAPS, but House Democrats are hesitant about such a move. Democrats on the Commerce Committee are ready to eliminate radio ownership caps, while keeping some TV restrictions. Senator Fritz Hollings (D-SC) wants to make sure that the public's interest is protected and that no one company "owns the town." The NAB position is split: the radio board is for doing away with the caps, but the TV board is not.

FCC SLAPS STATIONS WITH EEO FINES. KMPC-AM, Los Angeles, CA was hit for inadequate recruiting and fined \$20,000. WWCT-FM, Peoria, IL was hit for failure to recruit and hire minorities and for inadequate paperwork, fined \$10,000. WRRK-FM, formerly WMYG, Pittsburgh, PA was hit for inadequate recruitment efforts and fined \$16,000.

CLINTON'S BUDGETED \$4.8 BILLION IN SPECTRUM FEES WON'T HAPPEN, according to Senator Fritz Hollings (D-SC). Hollings introduced a similar proposal over 15 years ago, only to find it did not have Congressional support. Hollings believes there's no sense wasting time on such a measure now, but it remains part of the 1996 Federal budget.

SMALL MARKET RADIO NEWSLETTER

MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$ April Business Opportunities include the following businesses, whose sales in the month are above average: Auto Dealers (New Domestic) Hardware Stores Auto Dealers (New Import) Lawn & Garden Stores Auto Dealers (Used) Real Estate (New Houses) Real Estate (Resale Houses) Building Supply Dealers - RAB's Top 40 Business Survey April Promotional Opportunities - Events & Holidays Months Keep America Beautiful Month National Garden Month National Humor Month Stress Awareness Month <u>Weeks</u> April 9-15 - National Garden Week April 9-15 - National Home Safety Week April 9-15 - National Library Week April 23-29 - Big Brothers/Big Sisters Appreciation Week April 23-29 - National Volunteer Week April 23-29 - Secretaries Week Davs April 1 - All Fools' Day April 1 - Glen Edward "Bo" Schembechler's Birthday (1929) April 2 - Daylight-Saving Time April 3 - Inauguration of Pony Express (1860) April 3 - Wayne Newton's Birthday (1942) April 12 - David Letterman's Birthday (1947) April 14 - Pete Rose's Birthday (1941) April 16 - Easter April 17 - Income Tax Pay-Day April 18 - National Youth Service Day April 22 - Earth Day Anniversary (1970) April 24 - Barbara Streisand's Birthday (1942) April 26 - Secretaries Day April 26 - Carol Burnett's Birthday (1936) April 28 - Jay Leno's Birthday (1950) - Chase's Calendar of Events 1995

<u>Change the format</u> on April Fool's Day. On the morning show, switch every half hour - comedy, polka, Tejano, etc. Cut liners and promos for each half-hour "format."

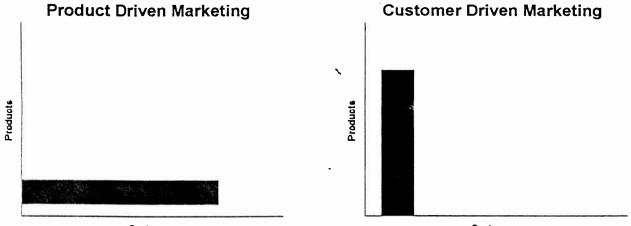
SMALL MARKET RADIO NEWSLETTER

\$ALE\$ - ONE-TO-ONE MARKETING

<u>Don Peppers</u> - a specialist in "one to one" marketing (as opposed to mass marketing) tells the story of a florist who understands the new marketing paradigm:

Last year, a friend of Peppers's walked into a florist shop and ordered an arrangement for his mother's birthday. This year, three weeks before his mother's birthday, the friend got a postcard from this florist saying, "Your mother's birthday is coming up. Last year you sent her an arrangement of Spring flowers; this year may we recommend ..."

This story illustrates what Peppers calls the "share of customer" strategy (as opposed to share of market). Traditional marketing focuses on marketing a particular product/service to as many consumers as possible; one-to-one marketing focuses on marketing as many products/services as possible to a particular customer:



Customers

Customers

While radio has been thought of as a mass medium, we are uniquely positioned to act as a conduit for one-to-one marketing. Certainly the proliferation of niche formats has narrowed the target of many stations, but that is only the tip of the iceberg. In the future, radio advertising <u>in conjunction with</u> database marketing, computer technology and other vehicles will succeed.

Peppers asks, "Is your business in the business of matching your customers with <u>their</u> customers? If you're in the radio business, you'll be <u>out</u> of business in ten years. If you're in the business of helping other businesses communicate with their customers, you'll succeed."

Peppers says, "The key to the future is being the <u>host</u> between the advertiser and the customer." And when you get right down to it, what medium can fill that role better than radio?

KEEP AMERICA BEAUTIFUL MONTH (April)

reminds you that this is Keep America Beautiful Month. Each year, public agencies, businesses, and private citizens join together in cleaning the environment and managing waste. believes a beautiful America starts with a beautiful

[COMMUNITY]. Do your part. This month, clean up, paint up, fix up. It's a beautiful idea.

This month, about one million people nationwide will work in organized environmental activities. It's Keep America Beautiful Month. ______ reminds you that there's a part in this effort for everyone. ______ asks you to join them. Look around your home, your business. Clean up, paint up, fix up. It's a beautiful idea.

reminds you that "a litter-bit here and a litter-bit there," and you've got an unsightly, perhaps unhealthy, situation. During Keep America Beautiful Month, _______ says, don't litter. Keeping America beautiful starts right here in [COMMUNITY]. Do your part! Just a "litter" extra care will be a big help.

wants you to know that this is Keep America Beautiful Month. That means it's time to do something about making [COMMUNITY] a more beautiful, healthful place. Support government efforts to improve the environment. Do your personal part by using environmentally friendly products and by refraining from littering. It's a beautiful idea that ______ deserves everybody's help.

It's Keep America Beautiful Month. believes that means thinking about keeping [COMMUNITY] beautiful. It's a big job - a job that needs everyone's support and effort. Support good environmental government policy. Keep your property up. Join your neighbors this month: clean up, paint up, fix up. ______ believes it's a beautiful idea.

Keeping America beautiful is something that deserves everyone's support and effort. Support sound environmental policy by your government agencies. Support companies who back a sound environment by using recycled or recyclable packaging. Don't litter, and maintain your property. ______ reminds you that keeping America beautiful starts here in [COMMUNITY] with you.

Keeping America Beautiful Month is one event in which everyone can and should take part. urges you to join in by looking around your property. Clean up, paint up, fix up. believes that's a beautiful idea.

SMALL MARKET RADIO NEWSLETTER

ABOUT CABLE TV: SLICING IT THIN

Viewers are flipping to new channels with ever-increasing frequency as cable continues to fragment the television audience. And the fragmentation will only accelerate: as cable operators pour billions of dollars into increasing their capacity, dozens of new channels are starting up. But even the most popular cable channels are dwarfed in the ratings by some of the lowest-rated shows on the broadcast networks. Below is a snapshot, from the 1993 fourth quarter, of how thin the audience "pie" is being sliced. Networks are ranked by audience share or, for those with no share figure, by number of subscribers.

In the columns below, SHARE indicates average daily percentage of all TV sets in use that watch the channel; AUDIENCE indicates average daily number of homes watching, in thousands; and PERCENT WATCHING indicates the average daily percentage of a network's subscribers watching.

AD-SUPPORTED CABLE NETWORKS	SUBSCRIBERS (in millions)	SHARE	AUDIENCE	PERCENT WATCHING
America's Disability Channel	15	х В	В	В
American Movie Classics	47	В	В	В
Americans Television Network	1	В	В	В
Arts & Entertainment Network	59	1	335	0.5
Black Entertainment Television	40	1	104	0.2
The Box	4	В	В	B
Bravo	17	В	В	В
Cable Health Club	0.5	B	В	
Caribbean Satellite Network	1	В	В	В
Cartoon Network	9	В	75	0.1
Comedy Central	30	В	66	0.1
Country Music Television	25	В	99	0.2
CNBC	52	8	75	0.1
CNN	61	2	338	0.5
Court TV	15	В	В	0.1
C-SPAN	59	В	B	В
C-SPAN2	32	В	В	B
Crime Channel	15	В	В.	B

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Discovery Channel	62	1	313	0.5
E! Entertainment	26	В	51	0.1
Employment Channel	2	В	В	В
ESPN	63	3	525	0.8
ESPN2	12	В	В	В
EWTN: The Catholic Network	37	В	В	В
Faith & Values Channel	20	В	В	В
Family Channel	60	1	251	0.4
FX	18	В	В	В
Galavision	5	В	В	В
GEMS Television	2	В	В	В
Headline News	54	1	181	0.3
Home Shopping Network 1	22	В	В	В
Home Shopping Network 2	21	В	В	В
International Channel	5	В	В	В
Inspirational Network	5	В	В	В
Jewish Television Network	3	В	В	В
Learning Channel	29	В	71	0.1
Lifetime	57	1	373	0.6
Mind Extension University	25	В	В	В
MOR Music TV	10	В	В	В
MTV	58	1	291	0.5
NASA Television	NA	В	В	В
Nashville Network	_60	1	273	0.4
National Empowerment Television	0.2	В	В	В
Nickelodeon	59	3	541	0.9
The 90s Channel	0.8	В	В	В
Nostalgia Television	15	В	В	В
Prevue	32	В	56	0.1
Prime SportsChannel Network	41	В	В	В
QVC	48	В	В	В
Sci-Fi Channel	15	В	57	0.1

SMALL MARKET RADIO NEWSLETTER

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TBS	60	4	842	1.3
Telemundo	13	В	В	В
Television Food Network	7	В	В	В
Travel Channel	20	В	В	В
Turner Network Television	59	3	531	0.9
Trinity Broadcasting	26	В	В	В
Turner Classic Movies	1	В	В	В
TV-Japan	0.1	В	В	В
Univision	6	В	В	В
USA Network	62	3	665	1
Value Vision	7	В	В	В
VH-1	52	В	99	0.2
Weather Channel	55	1	103	0.2
Worship	NA	В	В	B
WGN	38	1	234	0.4
Z Music	6	В	В	В
Other ad-supported cable networks	NA	6	1318	2.1
PAY CABLE NETWORKS				
Cinemax	7	1	223	0.4
Home Box Office	18	4	782	1.2
Showtime	11	1	203	0.3
Other pay cable networks	NA	1	205	0.3
BROADCAST NETWORKS (in cable ho	mes only)			
ABC	_	16	5365	5.2
CBS	-	16	5586	5.4
NBC	_	15	4914	5
Fox	_	7	2674	2.4
BROADCAST INDEPENDENT STATIONS (in cable homes only)	_	7	2917	2.4
PBS (in cable homes only)	NA	3	1030	0.9

NA=Not available

- The Wall Street Journal, September 9, 1994

Small Market Radio Newsletter

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

Publisher & Editor: Jay Mitchell Managing Editor: Lori Morgan Editor Emeritus: Bob Doll

Published by: Jay Mitchell Associates, Inc. P. O. Box 1285 • Route 2 Fairfield, IA 52556

Phone 515-472-4087 Fax 515-472-6457 CompuServe 73627,2120

 Subscription Rates:

 One Year
 \$119

 26 Weeks
 \$64

 13 Weeks
 \$37

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IN OUR 12TH YEAR



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VOLUME XII - Issue #41 - March 2, 1995

FEWER BUSINESSES FAILED in 1994, a decline of 17% from the previous year, according to a survey done by Dun & Bradstreet. According to the study, the number of failed U.S. businesses fell to 71,520 from 86,133 in 1993; and the dollar amount of liabilities associated with the failures fell 39% to \$29.3 Billion.

A VOW OF "NO SPECTRUM FEES" was given by Senator Bob Packwood (R-OR) this week at the NAB State Leadership Conference. Packwood vowed to object to spectrum fees for as long as he is on the Senate Finance Committee. Packwood's comments were generally pro-business, but he declined to give any specifics on how the Senate intends to liberalize ownership restrictions. The Senate will discuss the FCC's minority tax certificate program at a hearing scheduled for March 7. According to Packwood, if the debate concludes that the tax certificates are a quota system, it will not pass. If the program means equal access to capital, then it may pass.

OWNERSHIP RULES HEARING TO BE HELD TODAY, headed by Senator Larry Pressler (R-SD), Chairman of the Senate Commerce Committee. Pressler seeks to eliminate all ownership rules, including the 20/20 rule, the duopoly rules, LMA rules and radio/TV crossownership rules.

NAB TO LOBBY FOR RADIO DEREGULATION in the upcoming telecommunications bills in the House and Senate. The all-out grassroots lobbying effort is to ensure full radio deregulation legislation.

NAB REMAINS NEUTRAL ON TV OWNERSHIP RULES after a NAB TV Board meeting last, week. The Board reenforced the important role local TV stations make in communities. The Board agrees that regulatory changes are necessary, but members share different views on regulation.

AT THE FCC

NEW STATIONS (Applied For): ARIZONA (Nogales) Felix Corporation, 99.1, 6000w, 177' (Nogales) Nogales Community Service Broadcasting, 99.1, 6000w, 246' CALIFORNIA (Point Arena) Del Mar Trust, 102.3, 1200w, 1417' (Templeton) Radio Representatives, Inc., 100.5, 1180w, 738' (Templeton) Rita Bonilla, 100.5, 1150w, 740' (Templeton) Walter D. Howard, 100.3, 1200w, 722' ILLINOIS (Taylorville) Central Illinois Radio, 94.3, 5600w, 338' (Taylorville) Michael Walton, Jr., 94.3, 6000w, 328' (Taylorville) Miller Communications, Inc., 94.3, 6000w, 285' MAINE (Isleboro) Christopher diPaola, 105.5, 25,000w, 200' (Winter Harbor) Theodore Enfield, 97.7, 6000w, 328' MINNESOTA (Hermantown) Bruce Elving, 92.1, 6000w, 168' (Hermantown) Harbor Broadcasting, Inc., 92.1, 780w, 905' (Nashwauk) Minnesota Christian Broadcasters, 102.9, 25,000w, 328' (Nashwauk) Roger Paskvan, 102.9, 16,500w, 403' (Nashwauk) Two Sons Radio Partnership, 102.9. 25,000w, 328' (Walker) Carol J. de la Hunt, 101.9, 6000w, 328' (Walker) James Ingstad, 101.9, 6000w, 328' (Walker) Roger Paskvan, 104.9, 6000w, 230' NEVADA (Moapa Valley) Summit Media, Inc., 104.7, 3000w, 466' NEW YORK (Alfred) Pembrook Pines Elmira, Ltd., 101.9, 1280w, 699' (Jeffersonville) Michael Celenza, 102.1, 6000w, 318' (Jeffersonville) William Walker, III, 102.1, 6000w, 328' (Minetto) Robert Raide, 106.5, 5100w, 328' NORTH CAROLINA (Norlina) Robert Carver, 94.3, 6000w, 328' OHIO (Athens) Esquire Communications, Inc., 95.9, 6000w, 328' (Athens) William Benns, IV, 95.9, 6000w, 328' OREGON (Bonanza) B & B Broadcasting, Inc., 102.9, 785w, 882' (Keno) St. Michael's Catholic Church, 98.5, 6000w, 289' (Merrill) Dennis Crepps, 105.7, 112w, 2201' WASHINGTON (Quincy) Quincy Community Radio, 102.9, 2510w, 1045' WISCONSIN (Balsam Lake) Lightwood Broadcasting Co., 104.9, 25,000w, 328' (Balsam Lake) Michael Walton, Jr., 104.9, 25,000w, 328' (Balsam Lake) Thomas Beschta, 104.9, 13,500w, 328' NEW STATIONS (Granted): CALIFORNIA (Esparto) Pacific Spanish Network, Inc., 97.9, 6000w, 328' - Courtesy <u>M Street Journal</u>

NAB '95 ADDS ANOTHER EXHIBIT HALL to accommodate the vendors on its wait-list. The hall is on Desert Inn Road, across the street from the center building of the Las Vegas Convention Center.

MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$

Taxing Remote. Hold a live remote at the Post Office on April 15th. A local restaurant provides coffee and doughnuts; a local tax preparer offers free last-minute tax advice. Give free postage for returns to the first 100 people who show up during the remote.

Last-Minute Tax Tips. On April 14 and 15, schedule local tax preparers to spend an hour at your station taking phone calls from frazzled taxpayers. If your format permits, air lots of these calls in a talk-show format; if not, air edited versions in spot sets. Make frequent mention throughout the hour that so-andso of such-and-such accounting firm (or whatever) is on hand. Sell the hour to the firm.

<u>IRA Club</u>. Only a fraction of the public takes advantage of the up-to-\$4,000 tax break represented by the IRA concept, even though it is one of the best-promoted financial services. Work with a local bank or savings institution to offer customers a single-purpose savings account, like a Christmas Club, for IRAS.

Will baseball sell this year? If there is interest in your community for Major League or AAA League activity, consider running affinity trips to games - seniors, occupations, schools, etc. They can be sold to businesses who are targeting the different groups you assemble - e.g., savings and loan institutions who are after the wealthy seniors crowd, toy and sporting goods stores for kids, etc. Line up the bus and snacks, and see if you can get complimentary tickets for a middle-of-theweek game. Your sponsor can pick up the tab for the trip, and run lots of advertising. A location tying into the particular group senior center, teen center, etc. - can help with the arrangements and serve as the sign-up location.

Boosting Sports Boosters. Sell sports messages and sponsorships to even the most untraditional advertisers imaginable. Talk to chiropractors and dentists about promoting their services with sports injuries. You could even sell a judge! Can you hear the ad: "I want to see you <u>on</u> the court rather than <u>in</u> my court ..."

<u>Realty Bites</u>. Do an "Open House Guide" 3 times a day Friday & Saturday; list all the realtors' open houses for that weekend. To promote listings, sell a time check: "ABC Realty lists the time [chime] - it's 7:15, time to list your home with ABC Realty."

[Thanks to Dean Sorenson, Sorenson Broadcasting, Sioux Falls, SD, 605-334-1117; and Jim Thompson, Greenlight Productions, Watertown, SD, 605-886-3521]

SMALL MARKET RADIO NEWSLETTER

\$ALE\$

Knowledge about people will help close sales, according to Dr. Kerry Johnson of International Productivity Systems, who keynoted a lunch at the recent RAB in Dallas. Dr. Johnson notes, "What you know about people will make you more money than what you know about radio."

- Touch a person lightly on the arm below the elbow for no more than three seconds to reinforce a point - and you will make more sales. Furthermore, only 5% of those touched in this way even know they've been touched.
- Play music in a store with a tempo of 100 beats per minute and sales will go up.
- Ask people to select a number between one and ten; most people will choose <u>3</u> or <u>7</u>.
- Ask people to select the first flower that comes to mind; most will say rose.
- Ask people about their favorite color and most will say <u>blue</u>.

Dr. Johnson says that current research shows that these are the most persuasive words in the English language (in alphabetical order):

•	Discovery	•	New
•	Easy	۹	Proven
•	Guarantee	•	Results
•	Health	•	Safety
•	Love	•	Save
•	Money	•	You

Dr. Johnson's view of the sales process consists of four steps:

- 1. Approach Get in the door.
- 2. <u>Probe</u> Fact-finding, needs analysis, discovery. "Prescription without diagnosis is malpractice," Dr. Johnson notes. "Too bad you can't be sued for not asking enough questions."
- 3. Present solutions to solve problems.
- 4. <u>Close</u> "The least important is the one we know the best," Dr. Johnson says. "How you <u>open</u> is more important than how you close. The better you probe, the better you close."

AT THE RAB by Ray Holbrook, WMDM/WPTX, Lexington Park, MD

The Small Market Roundtable was held Friday (2/17) from 8:00-9:30 p.m. Sixty small market broadcasters attended the session, moderated by myself and Lou Vito, WPKO, Bellefontaine, OH.

The idea exchange was lively - so much so that most of the group stayed well past the ending time.

Lou kicked off the session with a discussion on "When Is the Best Time to Raise Rates?" There was no consensus (there never is), but the two most mentioned times were "When business at the station is good and you can afford to gamble," and "When you're coming into a busy time for retailers."

The group brought up many promotion ideas, large and small, with several reported to bring in \$20,000 to \$50,000 in additional revenue. [Editor's Note: The best will appear in future SMRNs.]

Three broadcasters from Ireland attended and contributed some good ideas - and a lot of good cheer. They talked of a promotion which involves a visit back to Ireland for someone who has left to live in the U.S. or some other country; they sold it to a bank for \$50,000.

It was an excellent session, taking on a life of its own very quickly. Many of the attendees said it was the best session they had attended and requested that it get a better time - and more time - next year.

Dr. Sean Joyce presented "Are You an Inspirational Leader or a 2x4-Between-the-Eyes Manager?" According to Dr. Joyce, "Leaders treat people with dignity and respect," whose most important words are "Good job" and "Thank you."

According to Dr. Joyce, the attributes of a good leader are

-		
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1.	Motiv	ateu.
		~~~~

- 2. Empathic
- 3. Flexible
- 4. Communication
- 5. Creative
- 6. Problem solver
- 7. Decision maker

- 8. Sense of humor 9. Good listener
- 10. Even-tempered
- 11. Honest
- 12. Fair
- 13. Consistent
- 14. Prepared

This was an excellent session! I listened to the gentleman for two and a half hours, stayed alert all the time, and could have listened for another hour.

SMALL MARKET RADIO NEWSLETTER

### GARDEN WEEK (April 9-15)

This is National Garden Week! _______ salutes the gardeners in this area. Our gardeners produce an abundance of fruits and vegetables to enliven our tables, and a stunning variety of flowers and shrubs to brighten our lives. ______ believes gardeners make this a better place in which to live.

During National Garden Week, _____ urges you to think about growing a garden. Gardening provides a special source of fulfillment where foresight, patience, and collaboration with soil and sunlight are repaid by beautiful flowers and luscious harvests. Try it! _____ believes you'll thank them for suggesting it.

Each year, the second full week of April is set aside as National Garden Week. ______ thanks to those of you who raise gardens in our area. You make this a much nicer and healthier place in which to live. If you haven't experienced the personal satisfaction and relaxation gardening offers, ______ suggests you try gardening this spring.

reminds you that growing a garden makes a great contribution to the preservation and enhancement of our environment. suggests you tell your gardening neighbors how much you enjoy the beauty of their efforts. Gardens make this a nicer place in which to live.

SMALL MARKET RADIO NEWSLETTER

# EASTER GREETINGS (April 16)

Happy Easter from your friends at _____. This very special time is an opportunity to let you know they value your friendship and patronage. Thank you and happy Easter from _____.

This is a very busy and quickly changing world. Fads come and fads go, but the old values endure. hopes that you and your family will enjoy an old fashioned holiday. is pleased to extend their best wishes for a happy Easter.

Most churches in this area are having special Easter services. hopes you'll join them in observing the true meaning of the Easter holiday by attending the church of your choice. Best wishes for a blessed holiday from

The beauty of Spring ... the richness of the Easter tradition. This is a truly special time. ________ sincerely hopes that this will be one of your very best Easters ever. Happy Easter from your friends at ______.

hopes that the blessings of Easter fill your holiday. Best wishes for the Easter season from

There are special services this weekend at churches in this area. ______ believes church attendance gives the Easter holiday special meaning. ______ says, see you in church.

If you're traveling this Easter weekend, reminds you that you're sharing the roads with many other travelers. Start early, stay alert, and drive with extra care. hopes you'll help them make this a safe and happy holiday.

hopes your home is full of the joy of Easter this weekend. They hope you're sharing this special time with family and friends. ______ sends every good wish for a happy Easter.

Holiday times are special at _____. That's because holidays give them the opportunity to let you know how special their friends and customers are to them. Thank you! _____ hopes this will be one of your happiest Easters ever.

If your Easter weekend plans include a trip, hopes you'll make it a safe one. Start early and drive carefully. wishes you and your loved ones a safe, happy Easter.

Easter is a time of hope, and _____ hopes your holiday is a joyous one. All the best to you and your family, with thanks from

SMALL MARKET RADIO NEWSLETTER

# THE LAST WORD

The 1995 RAB Marketing Leadership Conference and Executive Symposium is history now, and judging from the comments we heard in Dallas, it will go down in history as one of the - if not the - most successful RABs ever.

There was more for small market broadcasters than ever before, although most of the small-market sessions were scheduled in the "ghetto" - 6 a.m. or 8 p.m. - when most same people are sleeping or partying. We hope that the large turn-outs for these sessions will persuade the powers that be to give us a break next year.

This year's RAB achieved record attendance, breaking the 2,000 mark. This is good news and bad news. While from all accounts the conference was well-organized and relatively trouble-free (thanks to meeting-meister Wayne Cornils and his staff), the attendance figures are nearing a sort of convention critical mass, beyond which things tend to break down at a logarithmic rate.

Gary Fries has led the RAB into a new era of radio sales, emphasizing the consulting-relationship-based, customer-driven marketing approach. The RAB itself; in its total service orientation, has set a great example of how radio stations should treat its customers. And for the first time, this year's RAB conference found the speakers consistent in presenting this point of view.

But I think the RAB is fast approaching a crossroads. Can they go for ever-higher conference attendance numbers and still put the customer first?

Time was when registration was limited; the conference was a focused, serious growth experience. The lucky few went to Dallas to work and to learn. But in recent years, the RAB has followed the NAB's example of counting on the annual meeting to generate a large part of the organization's operating revenues. This has meant more emphasis on exhibitor dollars, and more emphasis on boosting attendance.

I urge Gary and Wayne and the RAB gang to keep their priorities straight. Until now, the RAB conference has avoided the hyped, bloated, unwieldy quality of the NAB Spring show - and lately the NAB Fall show as well. But to continue to do so, the RAB must continue to focus on two things: the mission of the conference, to produce better radio sales leaders; and the quality of the attendee (customer) experience. Putting numbers and profits in front would not only reduce the value of the conference, but would be a betrayal of what the RAB has come to represent.

SMALL MARKET RADIO NEWSLETTER

# Small Market Radio Newsletter

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

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Published by: Jay Mitchell Associates, Inc. P. O. Box 1285 • Route 2 Fairfield, IA 52556

Phone 515-472-4087 Fax 515-472-6457 CompuServe 73627,2120

Subscription Rates: One Year ..... \$119 13 Weeks ..... \$37

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IN OUR 12TH YEAR



Bill Taylor KQSS P. O. Box 292 Miami AZ 85539 FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

ADDRESS CORRECTION REQUESTED

VOLUME XII - Issue #42 - March 9, 1995

NAB CRYSTAL FINALISTS ANNOUNCED. These small market stations are among the 45 finalists:

KCDZ-FM, 29 Palms, CA KKBN-FM, Twain Harte, CA KKYR-FM, Texarca, AR KRRV, Alexandria, LA KWOA-AM, Worthington, MN KWOX-FM, Woodward, OK KZZY-FM, Devils Lake, ND WAXX-FM, Altoona, WI WDST/WDSP, Woodstock, NY WLNG, Sag Harbor, NY WPSK-FM, Pulaski, VA

KGUM-AM, Agana, Guam KSEN-AM, Shelby, MT WVPO-AM, Stroudsburg, PA

"These stations exemplify the public service tradition of radio in America," according to Wayne Vriesmah, NAB John Board chairman.

NAB RADIO BOARD AGAINST OWNERSHIP LIMITS. In a statement issued last week, the board said that it "continues to support the concepts of localism and service to the public that form the foundation of the American system of free over-the-air broadcasting. The Radio Board believes the FCC's current restrictions on radio station multiple ownership - both nationally and at the local level - prevent the radio industry from achieving the best service to the American public. NAB, therefore, will support proposals to eliminate all rules that limit the ownership of radio stations."

MAJOR BUYS STANDARD NEWS AND ZAPNEWS from Pat Robertson's Broadcast Equities. The agreement is set to go into effect this month.

CBS SIGNS NFL TO FOUR MORE YEARS of radio broadcasting, including all 41 season games and 12 post-season games.

NORTH GOES NATIONAL thanks to the Salem Radio Network, which will syndicate Ollie North's WWRC/Washington-based afternoon (3-6 p.m. ET) program tentatively beginning March 13.

'n -

# AT THE FCC

NEW STATIONS (Applied For): ALASKA (Houston) UBIK Corporation, 92.1, 6000w, 262' MAINE (Islesboro) Magunticook Gramophone & Radio, 105.5, 25000w, 269' NEW STATIONS (Granted): MISSISSIPPI (Mound Bayou) Mound Bayou Radio, 102.1, 500w, 85' AMENDMENTS TO THE FM TABLE (Proposed): MISSISSIPPI (Yazoo City) new, delete 93.7 A OREGON (Waldport) new, 105.5 A TEXAS (Clarendon) new, 99.3 C2 (Madisonville) new, 102.3 A AMENDMENTS TO THE FM TABLE (Granted: MICHIGAN (Budo) new, 104.3 C3 (Menomenee) WHYB, to 103.7 C3 from 103.9 A (Reed City) new, 97.3 A NORTH CAROLINA (Nashville) new, 99.7 A OHIO (North Kingsville) new, 107.5 A PENNSYLVANIA (Cambridge Springs) new, 104.5 A (Fairview) new, 93.9 A TENNESSEE (Norris) new, 106.7 A WISCONSIN (Oshkosh) WVBO, to 103.9 C3 from A REPORTED SILENT: ARKANSAS (Benton-Little Rock) KGKO-AM, 850

FORMERLY SILENT: TEXAS (Sherman) KJIM-AM, 1500

#### - Courtesy M Street Journal

NATIONAL RELIGIOUS BROADCASTERS SEEK "REASONABLE" ASCAP LICENSES. The NRB Music License Committee has filed a motion in ASCAP Rate Court asking for a reasonable per-program license for "religious, classical and other specialty-formatted stations that make limited use of copyrighted music." The NRBMLC claims that the per-program license is "priced to be more expensive than ASCAP's blanket license."

NATIONAL SPOT SALES UP OVER 35% IN JANUARY. Business placed through rep firms closed at over \$86 million for the month.

1995 RADIO HALL OF FAME NOMINEES at the Museum of Broadcast Communications include Stan Freberg, Wolfman Jack, Bing Crosby, Eddie Cantor and William Conrad (radio's "Matt Dillon").

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SMALL MARKET RADIO NEWSLETTER

# MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$

<u>Catch It and Keep It</u> is an old National Lampoon routine that WNNK/Harrisburg revived as an April Fool's bit. Their morning team set it up: contestants stand in the street and attempt to catch prizes pitched off a tall building. If they can catch them, they can keep them. It's all a case of clever production, of course, as "contestants" get pancaked by prizes like suitcases filled with gold bars and a 46-ton house. Station Production Manager Alan Peterson reports that phone calls came in from hundreds of listeners, some of whom had actually dragged their kids down to the alleged contest site.

Bag Your Phone. The morning man at WLXR/La Crosse announced on April Fool's Day that the phone company was cleaning out their lines, so listeners should put bags over their phones "so dust and dirt don't get blown through your lines all over the house." Listeners called both the station and the phone company to find out what type of bag to use, and when the cleaning would be done in their specific area.

<u>Space Shuttle Landing</u>. KGB/San Diego did a "live" broadcast from the commander of the space shuttle making a landing at a local field. Thousands of cars showed up to witness the nonexistent "landing."

<u>Stealth Bomber Landing</u>. Same idea as above: an announcement that the Air Force was conducting a tactical maneuver, landing a Stealth bomber at the local airport. But the announcement included the warning that listeners might not see the aircraft "because they might have their cloaking device on."

# Goodyear Blimp Landing. Same idea.

<u>Reset Your Clocks</u>. A morning man told everyone on the air to make sure they changed their clocks by moving them ahead one hour: "It's the first day of April and time to 'spring ahead.'" Believe it or not, lots of people fell for it.

April Fool's Songs. Pepper some "fool"-hardy titles into your music programming on April 1: Fool on the Hill, Fools Rush In, Fool (If You Think It's Over), Fooling Yourself, I'm A Fool to Care, Fool #1, Fooled Around and Fell in Love, Fool to Cry, What A Fool Believes, Everybody Plays the Fool, etc.

Another fun programming move is to have listeners nominate the "Worst Ten Songs Ever Recorded," counting them down (in a bad Casey Kasem imitation) on April Fool's night. (Better dust off those Village People albums!)

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#### \$ALE\$ - USING THE RAB

I was talking to a client recently, encouraging him to join the RAB and to make extensive use of its services. He replied, "We were members once, but nobody took advantage of it."

This is a common complaint among small market broadcasters, of course ... but it occurred to me that the issue is not whether a salesperson takes advantage of RAB services, but rather whether a salesperson is following the steps of a sales process.

At our station we talk about a seven-step sales process: preparation, discovery, attention, interest, desire, close, and follow-up. In fact, we talk about it until we're blue in the face, for it is a natural tendency for salespeople to want to <u>sell something</u>, and sometimes they feel that the process just gets in the way.

But it is a proven fact that salespeople who stick with the process sell more, more often, and for longer; they establish closer bonds with their clients and their billing is more reliable and bullet-proof.

And if a salesperson does stick with the sales process, there are three steps where the RAB becomes not just helpful, but invaluable: preparation, discovery, and attention.

While preparing for the first appointment, get all the information you can about the client's industry. The RAB offers three ways to do this: via their Member Services 800 number; the Instant Background book (and now computer disk); and the Sales Plus bulletin board.

During the first appointment - the discovery session - use your newfound knowledge of the client's industry in fact-finding gambits: "According to Dealer Business, the average floor-plan for your size dealership is \$____; how does that compare with yours?" (Never cite the RAB, always the primary source.)

And in your written proposal, which is designed to address the issues raised during the discovery appointment, use more industry information to display your commitment to the client's success. (The Instant Background disk and the Sales Plus BBS are especially valuable here: just import the information into your word processor.)

To ensure that your RAB membership is a good investment, emphasize the sales process; it'll pay off in more ways than you can imagine!

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#### FROM OUR READERS

<u>Issues and answers</u>. "There are a couple of issues facing the small market broadcaster that need to be discussed at the NAB: unattended operation is one; and EAS is the other. Why is EAS an FCC issue? Shouldn't it be Federal Emergency Management?

"If any SMRN readers have any other issues they think should be addressed in Las Vegas, please give me a call." - Dick McBroom, WMDH/WOMW/WZOM, Napoleon, OH, 419-592-8060

<u>Self-serving</u>. "I halfway enjoyed reading the article about the self-serving newspaper publisher in Kentucky. Your readers and he may want to ponder what his attitude would be if the Federal Government regulated his business like they do radio. What would his maintenance costs and staff attitude be like if the Feds ordered additional newspapers in his market to ensure fairness?

"Obviously, as has happened in radio, his operation or his competitors would suffer financially. He'd get desperate as his income plummeted. He'd try dramatic changes in his format to gain readers or quell the loss of readers and become more controversial to attract attention to his product. In other words, he would be just like radio is today!

"'Listen to your enemies, for they will tell you their faults' is the only thing I can think of after reading the article he wrote. While he is a lone-wolf himself, with a monopoly operation, his opinion might be different if he had the financial competition radio has been forced to battle."

- Rod Goeman, KJAM, Madison, SD, 605-256-4514

"A word to the wise about ratings services available to small market broadcasters. Besides the obvious problems with Arbitron, we've found inconsistencies with another survey company. Metro Radio Ratings/National Marketing Research, Inc. Of Mission, KS (formerly MJM Market Research) has raised some questionable and ethical concerns in our Lake of the Ozarks, MO market.

"Our station, along with two other stations in the market, commissioned Metro Radio Ratings in July of 1994. After some questions arose regarding the survey, Metro Ratings discovered that they had indeed made some mistakes in calculations on the results. Metro then agreed to provide an updated and corrected survey. As of January 1995, however, no new corrected survey has been taken, and Metro Ratings used the inaccurate figures to convince another station to purchase the survey. Apparently if a station commissions a report, anyone can come along later and get a copy. So why the initial survey cost? "We had used the service under MJM Market Research in the past and found their survey to be accurate and compatible with other survey results. Just a word of caution to fellow broadcasters on any survey company you use."

- Dan Leatherman, KBMX, Osage Beach, MO, 314-348-0500

National Marketing Research Replies: "First, I would like to make it clear that we never told any subscriber to our ratings that we were providing the service only to one station. Frankly, with our low rates, we couldn't pay the phone bill with only one subscriber.

"With regard to the difference in the old MJM ratings and the new Metro Radio Ratings, there is no comparison. For one thing, our company is a separate entity from MJM. The MJM system asked only for a favorite station and what time and for how long the respondent normally listened. It did not ask for specific listening yesterday and this week as MRR does. MRR provides real ratings that reflect actual listening, not just favorite station projections.

"With regard to our saying there was a mistake in the calculations, that is incorrect. The subscribers thought it looked different than any previous survey, so we agreed to remove the respondents that were not permanent residents of the Lake area. It made little difference except the overall listening levels dropped some."

- Bill Lochman, National Marketing Research, 913-384-6885

SMRN repetitious? Repetitious? "In talking to my staff, many of them don't read SMRN. They feel it's repetitious.

"Also, I'd like to see the newsletter put into 'sections' more, so it's easier to create a reference book - i.e., your 'message' pages could be called 'Campaigns' or something to that effect.

"Finally, we could use more information on satellites - maybe a section once a month. We'd like to know what programs are out there, maybe broken down by format." - Dick Gleason, Gleason Radio Group, 207-743-5911

Editor's Reply: Some readers find our industry news repetitious, but those readers usually subscribe to other radio trades. It is logical that the hot stories are going to show up everywhere.

We do try to group topics into sections, and we try to avoid putting different topics on the same page. Unfortunately, both sides of a single page will rarely contain the same topic, so readers do occasionally have to photocopy a side.

# STATION OF THE MONTH: "ONE OF A KIND"

"It sounds like no other radio station anywhere." That's what hundreds of radio people have said after hearing WSLM, Salem, IN. Like his station, founder/owner/operator Don Martin is a hybrid.

Last month, on the occasion of WSLM's 42nd anniversary, his weekly newspaper competitor devoted a quarter of its editorial page to Martin and his station.

Newspaperman Greg White of the <u>Salem Democrat</u> recalled WSLM's beginning, relating how the then-33-year-old World War II Marine and, at the time of WSLM's founding a schoolteacher, had intended to put his station on the air Christmas day, 1952, as a Christmas present to the people of southern Indiana.

Between times spent building his station atop what would become known as "Radio Ridge" overlooking Salem, he had pre-sold his station with almost every business in town sponsoring its own program. When he got up early on Christmas day, he tuned his radio to hear his station come on for the first time. He heard only silence.

He would soon find out that on Christmas eve a couple of young radio junkies had broken into his studios and stolen \$10,000 worth of broadcast equipment - intending to build a station at Oxford, OH (north of Cincinnati) using the equipment taken in Salem and several other small stations in Ohio and Indiana.

Martin quickly released a story to the Associated Press, telling the world that WSLM had the kind of equipment "most preferred by thieves." Martin's story got the attention of law-enforcement authorities, and they recovered the purloined equipment. WSLM made it on the air on Valentine's Day - February 14, 1953.

The original 250 watts at 1220 kHZ had amazing coverage, and from the beginning, the station did an equally amazing business for a station in a town of 4000. In Martin's words, "Radio advertising was new around here. The merchants took to it like a duck to water." Twenty of the charter advertisers have been on the station all of its 42 years. Newspaperman White noted, "Don Martin has been a good friend to the town's businesspeople. His promotions have brought people to town from miles around - and the merchants reaped the rewards."

Those promotions, many outlandish, have made Don a legend throughout Southern Indiana. Samples:

He talked the merchants into staging a "stag night" pre-

SMALL MARKET RADIO NEWSLETTER

Christmas 10:00-p.m.-to-Midnight shopping event where men selected presents for wives and girlfriends. To attract the men, he sent a bevy of attractive young women into the stores wearing scanty Santa Claus outfits ("Scanty Santies"). The event proved to be a huge success as women poured into the stores to make sure their men were really shopping.

- A pilot, Martin used his small plane for a Christmas promotion in which he tried to drop a cone-shaped form of Christmas lights onto the spire of the county court house. A strong wind nearly blew the plane into the side of the historic building. The stunt drew one of the biggest crowds in the town's history. Another Christmas time, Martin attempted to parachute Santa from his small plane. The wind shifted and Santa drifted into a fishing pond near the local shopping center.
- On another occasion, Don buried his most unpopular disc jockey in a hole he dug in the downtown area. Passers-by guessed how long the man would stay down under. When the disc jockey came up several days later, he emerged a local hero and for years after one of the station's most popular personalities.

Over the years, Don's big thinking in promotions was matched by equally big ambition for his station. The AM increased its power from 250 watts to 5000 watts. He added a 50,000 watt FM station and a cable system.

Don's "country boy" appearance and manner mask a shrewd business sense. He recently sold his FM station to become a Louisville, KY move-in. He received \$2 Million and a tax certificate. Salem is not without its own FM station, however.

A young man in town thought the community needed a sophisticated radio station. He petitioned in a FM allotment. His ambitions proved to be bigger than his pocketbook. When he didn't file, Don's daughter, Rebecca, who obviously inherited her dad's charm and shrewdness, filed for and was awarded the channel. Rebecca has LMA'd the station to her father. Another Martin offspring, J. R., serves as Don's right hand in the radio stations and a colocated gun shop/real estate business.

Don's fellow Indiana broadcasters delight in telling stories of him reading <u>USA Today</u> while the financial report is being delivered, or of his donating a gift certificate for a free funeral he'd acquired to settle a past-due advertising bill. (The winner was Earl Metzger, owner of WITZ, Jasper - a funeral director before he got into radio.) Don Martin, 75, has had his share of ups and downs; he says, "You've got to have a little fun along the way to make it through life."

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Bill Taylor KQSS P. O. Box 292 Miami AZ 85539

FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

ADDRESS CORRECTION REQUESTED

VOLUME XII - Issue #43 - March 16, 1995

**PEROT LEAVES RADIO.** The Tribune Radio Network announced that Ross Perot's last show will be June 9. Perot says that he does not have time for the show any more.

NATIONAL RADIO NETWORKS RISE, for the most part, in Fall 1994 RADAR 12+ ratings compared to Spring 1994. Here's a look at the top 14 networks:

Network	RADAR 49	RADAR 50	Change		
ABC Prime	4113	4023	-2.20%		
ABC Platinum	2177	2188	+0.50%		
WW1 Variety	2072	2171	+4.80%		
WW1 CNN	2159	2079	-3.70%		
CBS Spectrum	1755	1778	+1.30%		
ABC Genesis	1681	1713	+1.90%		
CBS	1346	1334	-0.90%		
WW1 AC	1194	1328	+11.20%		
WW1 Country	1083	1189	+9.80%		
WW1 Yng Adult	1153	1177	+2.10%		
ABC Excel	808	964	+19.30%		
WW1 Source	950	872	-8.20%		
ABC Galaxy	829	847	+2.20%		
American Urban	657	681	+3.70%		

HEDQUIST TO LEAD PRODUCTION PANEL DISCUSSION at the NAB in Las Vegas, April 10th. The one-hour presentation by award-winning commercial producer (and Fairfield, IA resident) Jeffrey Hedquist includes entertaining examples of powerful, results-getting spots.

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Subscription Rates:One Year\$11926 Weeks\$6413 Weeks\$37

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IN OUR 12TH YEAR



AT THE FCC

NEW STATIONS (Applied For): CALIFORNIA (Templeton) Earlimart Educ. Foundation Inc., 100.5, 1200w, 722' NEVADA (Moapa Valley) Tracy Taylor-Larson, 104.7, 6000w, 311' OHIO (Athens) Nelsonville Cable TV, Inc., 95.9, 6000w, 328' (Athens) Robert Lampert, 95.9, 6000w, 328' OREGON (Malin) The Jesuit Mission, Inc., 100.3, 750w, 899' TEXAS (Borger) Zia Broadcasting Company, 106.7, 6000w, 259' WISCONSIN (Balsam Lake) Yvonne Baum-Olson, 104.9, 25,000w, 328' NEW STATIONS (Granted): LOUISIANA (Amite) Michael J. Bergner, 96.5, 6000w, 328' AMENDMENTS TO THE FM TABLE (Proposed): MICHIGAN (Iron Mountain) new, 106.7 A AMENDMENTS TO THE FM TABLE (Granted): VIRGINIA (Ettrick) new, 93.1 A (Farmville) new, 92.9 A FORMERLY SILENT:

PENNSYLVANIA (Annville-Harrisburg) WWSM, 1510 - Courtesy <u>M Street Journal</u>

CELLULAR SITES MUST NOT INTERFERE WITH AM SIGNALS, and prove no interference before constructing a tower, according to rules recently adopted by the FCC. AM station owners have increasingly found their signals being disrupted by paging and cell sites.

WARNER SELLS ITS SW SHARE TO SONY. Last Friday, Sony Software bought Warner Music Group's shares in SW Networks. In the coming weeks, SW will be announcing some new shows.

CO-OP ADVERTISING PROGRAM SHOWS 26% INCREASE IN RADIO SPOT PURCHASES for the 1994 National Model Railroad Association's 9th annual Hobby Shop Rebate Promotion sponsored by leading railroading manufacturers. Most small hobby stores use print advertising, but with this promotion they can use radio as cost effectively as print. The ads attract model railroaders and people who have not bought railroading equipment as well. For more information, call 713-784-5560.

FCC STAFFERS AND LAWYERS FEATURED AT THE LAW AND REGULATION CONFERENCE April 10-12 at the NAB. The conference is for broadcast managers. Among the topics: license renewal, new EEO rules, political broadcasting, duopolies & LMAs, contests, lotteries, music licensing, and FCC fines.

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### MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$

Ideas for National Nursing Home Week (May 14-20). The following article was featured in SMRN in June of last year. One of our readers, Bill Holst, KYNT/KKYA, Yankton, SD, suggested that we re-run it closer to National Nursing Home Week to provide ideas for working with homes at that time.

"We're always looking for new sources of revenue, and one that has proved very lucrative for us is nursing homes. I am on the board of one of our local homes, and every empty bed is very expensive. When we're running 95% occupied, we're in good shape but when it dips to 90%, we take a real hit. That's where radio comes in.

"One of our homes sponsors the 'Hymn of the Day' every day at 10:10 a.m.; they get a sponsor intro, a close, and a spot. The spot is basically public relations - the regulations in our state are pretty strict about what a nursing home can put in an ad. This has been a long-term relationship - eight years - and a very successful one for the home.

"One time, before we knew any better, we advertised the home by going on the air and saying, 'Hey, we've got three beds available ...' But the state took a dim view of <u>that</u>.

"During National Nursing Home Week we do remotes from the home, interviewing the administrator and staff, and talking about the home. We also talk with some of the residents about their family backgrounds, how long they've been there, and so on. As one home official put it, the remote is 'a living history book.'

"When selling to a nursing home, the administrator will probably use the fact that they're non-profit as an objection - but all 'non-profit' means is they have a special place to <u>put</u> the profit. They're still in business to make one!

"Another objection is the price of the advertising. But both nursing homes in our area spend around \$1500-2000 a month with our three stations - because they know it's a lot less expensive than an empty room! Sometimes you need to point this out to the administrator." [Dean Johnson, KWAT/KIXX/KDLO, Watertown, SD]

Largest Garage Sale. With Spring in the air, people's attention turns to Spring cleaning. Your station can help by sponsoring "The World's Largest Garage Sale" or "The Largest Garage Sale This Town Has Ever Seen." For an extra touch, set it up to donate some or all of the proceeds to charity. Hang banners, broadcast live, include cross-promoting cosponsors. [Broadcast Programming]

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#### \$ALE\$ - POSITIONING YOUR CLIENT'S PRODUCT

Bruce Bendiger is a positioning expert who has spoken at a number of industry conferences. In his presentation he discusses how to arrive at a strong marketing position for a client, and then how to follow through with a comprehensive marketing plan.

To define the marketing process, Bendiger uses what he calls "the five Ps":

- 1. The <u>Problem</u> What are the customer's business objectives? What are we trying to accomplish?
- 2. The <u>Position</u> What place do we occupy in the marketplace? There are basically four positions we can take:
  - a. Best/#1 The leadership position. All things being equal, people like to be associated with Number One.
  - b. Against Compared to the category leader, in what ways are we better in at least one dimension?
  - c. Niche Can we establish leadership in one specific attribute?
  - d. New Can we invent or redefine a category, and then claim leadership in that new category?
- 3. The <u>Proposition</u> What is the series of steps which will establish our position in the market?
- 4. The <u>Promotion</u> What short-term incentives will get customers to buy right now? As Bendiger says, "Use a promotion to get things in motion."
- 5. The <u>Plan</u> In the long term, don't think in terms of spots, think in terms of campaigns.

This model can be useful in working up a long-term campaign for a customer - and especially to firm up a long-term relationship based on your marketing expertise.

# * * *

"What is customer satisfaction? It's not only the satisfaction of a good product for what you pay, it's a nice, warm, fuzzy feeling afterwards that you didn't get screwed while you were doing it." - Eddie Wiggins, Wiggins Ford-Lincoln-Mercury, Warner-Robins, GA, <u>Dealer Business</u>, December 1994

# MANAGING YOUR STATION BETTER: WATCHING EXPENSES

Editor's Note: The following article appeared in an auto-dealer trade publication, but its points are equally applicable to our business. For the sake of clarity I have changed some of their jargon to our jargon, changed other words here and there, and adjusted the table to reflect radio profit margins (15-25%) instead of auto dealer profit margins (1.5%).

Expenses can wipe out the gross profit of any sales - and even little expenses take a lot of selling to make up. To help keep expenses under control, develop an expense request form which requires the department head to outline the request and <u>the</u> <u>anticipated results of the expenditure</u>. This assures you that the urge to spend your money is not a spur-of-the-moment decision, and is at least worth the effort to complete the written request.

Bookkeepers should make it a point to eliminate the use of the account labeled "Miscellaneous Expense." Too often this account becomes a catch-all where expenses are buried. If this account contains a large balance, have your bookkeeper itemize every dollar expensed there for the last two or three months for your review.

There are many considerations when deciding whether or not to spend money in your business. The following table will help you put spending decisions in perspective, and help make clear how "miscellaneous expenses" could be sinking your business.

Assuming that net profit as a percentage of sales is 15-25% [see Editor's Note above], the following table shows how many sales dollars are needed to overcome specific dollar expenses:

Expense	Sales (15% profit)	Sales (20% profit)	Sales (25% profit)		
\$1.00	\$6.67	\$5.00	\$4.00		
\$10.00	\$66.67	\$50.00	\$40.00		
\$20.00	\$133.33	\$100.00	\$80.00		
\$50.00	\$333.33	\$250.00	\$200.00		
\$100.00	\$666.67	\$500.00	\$400.00		

By having a copy of this simple table, your department heads will be constantly reminded of what it takes for the sales department to make up for any expenditure they are considering making.

- Dealer Business, February 1995

# EARTH DAY (April 22)

On Earth Day, reminds you that our biggest concern when caring for our earth is that we put it back the way we found it. When we are camping, hiking, driving or just working in the yard, reminds you that we should all remember to leave the land as good as, or better than, we found it.

says, all of us can pick up litter. All of us can plant a tree. All of us can leave the land better than we found it. On Earth Day, let's all dedicate ourselves to making this a better world. This reminder is brought to you by

This message is brought to you by _____: Do you remember when the conservation clubs warned us we were wasting the land? Now we've learned the hard way that they were right. On Earth Day, reminds us it's not too late to get involved.

reminds us that the battle for clean air, clean water, and clean land has just begun. For the battle to be won, we all need to get involved. You can help make our world a better place to live by joining the effort to conserve our natural resources. This Earth Day reminder is from

On Earth Day, reminds us that the earth belongs to all of us. We all share in its treasures. Unfortunately, we all share in its filth, too. But we can do something about it. We can pick up litter; we can plant shrubs and tress; we can be conservationminded campers. We can give the earth what it deserves. This Earth Day message has been brought to you by _____.

says, it only takes one person to make a contribution toward preserving our planet. Like the guy who picks up a piece of litter every day. The family who leaves their campsite like they found it. The woman who plants shrubs and trees to help restore oxygen to the air. It all starts with just one person you. This Earth Day message is courtesy of _____.

This message is brought to you by _____: Earth Day reminds us that if we wait for the other person to start the fight, the fight may never get started. That's why this day every year is set aside to call attention to the need for all of us to make a contribution. says, get involved in the fight today!

On Earth Day, _____ reminds us that the earth is everyone's responsibility. Let's demand clean air and clean water. Let's care for our cars so they don't pollute the air, and our trash so it doesn't pollute the ground. The fight for the earth needs all of us now. This reminder is brought to you by _____.

SMALL MARKET RADIO NEWSLETTER

# PROGRAM & PRODUCT NOTES

- One of the hottest items in the control room is <u>wireless</u> stereo headphones. Jocks can move around freely without getting tangled up in wires. Current favorite models: Koss JR-750 and JR-900.
- GMI Media has a <u>new jingle package</u> for CHR/Top 40 stations.
   For information, call Leslie at 206-839-5112.
- Radio Express will air a weekly, four-hour world music program, "The World Chart Show." The show will count down the world's most popular songs as garnered from over 400 stations worldwide. For information, call 213-850-1003.
- Sports Byline has <u>expanded its overnight lineup</u> to include weekends. It will air 10 p.m. to 6 a.m. both weekend nights, and features interactive programs "Sports Byline USA -Weekend" and "Regular Guys Talkin' Sports." For information, call 415-434-8300.
- Prime Sports Radio will air "Slap Shot," a recap show of the National Hockey League, hosted by former New York Islander Dennis Potvin. The short-form feature show will air twice in morning drive and once in afternoon drive on Mondays. For information, call Bob Wheeler at 214-401-0069.
- SW Networks debuted <u>two shows</u> February 11-12: "Pure Concrete," a two-hour hard music show hosted by Bob Elliot; and "Country's Most Wanted," hosted by Carl Mayfield.
- United Spanish News, a <u>Spanish-language</u> news and entertainment network, is offering newscasts, commentaries, entertainment news, comedy and sports via satellite. For information, call Cynthia Hill at 305-649-3696.
- Sports Radio Network will launch a five minute, top-of-thehour <u>sportscast</u> and a two minute bottom-of-the-hour cast, 24 hours a day, seven days a week. For information, call Jeff at 800-800-9963.

RADIO STATION HELPS LOCAL POLICE by launching a "Camcorders for Cops" campaign. A Tulsa policeman had been murdered during a routine traffic stop. When the police chief commented that "Camcorder-equipped cars would make officers less vulnerable to attack," KRMG-AM in Tulsa responded by raising half a million dollars within a few days. The money was spent on camcorders for three hundred police cars.

SMALL MARKET RADIO NEWSLETTER

# REASONS TO BE GLAD WE'RE IN RADIO

These quotes are real. They may bring a smile, and may be worth sharing with friends and clients.

"Hundreds of Bombay residents have tossed their televisions out their windows to protest violence and sex on Indian TV. It started a few months ago when Saira Ali Mohammed carried her family's set to the window of their high-rise apartment and threw it out. The tremendous crash caught the attention of nearby residents, and it soon began raining TV sets. All 1,200 families in area apartments are now reported to be TV-free." - Detroit Free Press, 12/27/94

"Took out TV for Christmas present to Jesus and Mary after not watching except religious tapes for one year and using it as an altar. I'm using dining room table now for altar. I shot the TV with a gun and burned it." [Huntington, IN] - Letter to the editor of a religious publication

#### THE LAST WORD

A Republican rewrite of the Communications Act has appeared in the U.S. Senate. It calls for an end to all ownership caps in radio and TV. Theoretically, under its provisions, a single entity could own all the stations in a market and hundreds, even thousands, across the country. The only constraint would be Antitrust Laws.

Antitrust actions are longer and far more expensive than actions before the FCC. Few small owners could afford to take part in antitrust cases. They are long, complicated, and enormously expensive.

The present rules, in effect for less than three years, allow a single entity to own 2 AM and 2 FM stations in most markets, up to 20 AM and 20 FM stations nationwide. Even in the smallest markets, most operators can own three or four stations. It seems to us that expanding those limits at this time is premature.

Even our group-owner friends of Republican persuasion are concerned about the prospect of turning the radio business into a giant Wal-Mart-type operation. The business and our communities need a mix of independents and chains. Each has its own unique contributions to make to the industry and the public it is charged to serve.

Let's not rush into another 80/90 mess. Let's let the present rule prove itself.

SMALL MARKET RADIO NEWSLETTER

# Small Market Radio Newsletter

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

Publisher & Editor: Jay Mitchell Managing Editor: Lori Morgan Editor Emeritus: Bob Doll

²ublished by:
lay Mitchell Associates, Inc.
². O. Box 1285 • Route 2
²Fairfield, IA 52556

hone 515-472-4087 ax 515-472-6457 Compuserve 73627,2120

 Subscription Rates:

 One Year
 \$119

 '6 Weeks
 \$64

 3 Weeks
 \$37

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N OUR 12TH YEAR



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ADDRESS CORRECTION REQUESTED

VOLUME XII - Issue #44 - March 23, 1995

NAB RADIO BOARD RUN-OFF ELECTION RESULTS are as follows: District 11, Walter Stampfli, WNCO, Ashland, OH; and District 21, Steven Linder, KWLM/ KQIC, Willmar, MN. The new board members will take their seats at the next meeting, June 24-27.

NEWS/TALK NEW NUMBER TWO as AC drops to number three, according to M Street/RBR format track. AM Talk and Country have been replacing AC as the middle-American music choice. Country still holds the number one spot.

THINKING ABOUT NEW CALL LETTERS? You better hurry; low power television stations are now eligible to apply for four-letter call signs, in accordance to a Report & Order issued late last year. Processing will be done in phases. Stations licensed in 1989 or prior are eligible to apply on March 27.

EBS UPDATE: The newly adopted EAS rules state that EBS equipment must be modified by July 1, 1995. It is legal for a station to operate without EBS equipment while the equipment is outside the station for modifications. For specifications, see FCC Rule section 73.932, or call the FCC EAS office at 202-418-1220.

VIRGINIA SMALL MARKET STATION HITS MEDIA JACKPOT. SMRN subscriber WAGE, Leesburg, VA has been in the news a lot lately. First there was a <u>Washington</u> <u>Post</u> article about suburban DC stations, in which WAGE GM Chuck Thornton was quoted. Then CNN picked up the story and televised a five-minute feature last Monday (3/13). On top of that, WAGE air personality David Finnell wrote a "What It's like to Work at a Small Market Station" profile for a Leesburg-area paper, <u>The Public Pamphlet</u>. According to Chuck, "It's been quite a month. All the media attention, plus an attack of the 'Michelangelo' computer virus and our most successful Bridal Show ever." AT THE FCC

NEW STATIONS (Applied For):

ILLINOIS (Virginia) Mark Langston, 101.3, 6000w, 328' NORTH CAROLINA (Norlina) Alvin Woodlief, Jr., 94.3, 6000w, 328' OHIO (Athens) The Radio Group Partnership, 95.9, 5100w, 336'

AMENDMENTS TO THE FM TABLE (Proposed): KENTUCKY (Stamping Ground) WKYI, to 96.1 A from 99.1 A NORTH DAKOTA (Harwood) new, 100.7 C3 TEXAS (Gregory) new, delete 104.5 A (Robstown) KMIQ, to 104.5 C3 Driscoll from 105.1 A Robstown

AMENDMENTS TO THE FM TABLE (Granted): TEXAS (Los Ybanez) KYMI, to 98.5 C2 from 107.9 C2 (Odessa) KADM (CP), to 107.9 C1 from 107.7 C2

REPORTED SILENT: OHIO (Marietta) WYLI, 910

FORMERLY SILENT:

CALIFORNIA (Greenfield-Monterey) KLOK-FM, 99.5 (Soledad-Monterey) KVRG, 700 PENNSYLVANIA (Williamsport) WPCY, 107.9 TENNESSEE (Gallatin-Nashville) WYXE, 1130

- Courtesy M Street Journal

WABC SUES NEW YORK YANKEES OVER "SHAM COMPETITIONS." According to the Tampa Tribune, WABC claims the Yankees have caused the station to lose millions of advertising dollars by offering "sham competitions" for broadcast. The \$10 million suit alleges the Yankees, by using replacement players, breached their contract. We should all keep an eye on this one.

TIME IN THE BANK. Employees at companies like Nike, Commerce Clearing House in Illinois and Sisters of Charity Hospital in Texas are taking off-time to the bank. Through paid time-off banking programs, employees are allotted a standard number of days and determine how to use that time - whether as sick leave or personal time (holidays and vacations). Companies are seeking innovative, cost-effective ways to provide time-off benefits, says consultant Hewitt Associates of Lincolnshire, IL. A recent survey of 360 organizations found that 17% use such programs and 13% are considering them. [USA Weekend]

QUOTE OF THE WEEK. "When you have a dozen problems at your radio station and one of them is a sales problem, you only have one problem."

- Casey Warrington, WTKF, Newport, NC, 919-247-6343

MONEY PAGE - \$ALE\$ & PROMOTION IDEAS

May Business Opportunities include the following businesses, whose sales in the month are above average:

Appliance Stores Fast Food Auto Dealers (New Domestic) Florists Auto Dealers (New Import) Hardware Stores Auto Dealers (Used) Hotels/Motels Auto Parts Stores Lawn & Garden Stores Auto Repairs Mobile Home Dealers Beer Real Estate (New Houses) Bridal Market Real Estate (Resale Houses) Building Supply Dealers Restaurants Camera Stores Supermarkets Carpet Stores

- RAB's Top 40 Business Survey

May Promotional Opportunities - Events & Holidays

<u>Months</u>

National Barbecue Month National Bike Month National Good Car-Keeping Month National Physical Fitness and Sports Month Older Americans Month

Weeks

May 6-12 - National Nurses Week May 7-13 - National Pet Week May 7-13 - Small Business Week May 14-20 - National Nursing Home Week May 14-20 - National Police Week May 14-20 - National Transportation Week May 15-21 - National Salvation Army Week

Days May 1 - May Day May 6 - Kentucky Derby May 8 - Melissa Gilbert's Birthday (1964) May 9 - National Teacher Day May 12 - Katharine Hepburn's Birthday (1907) May 14 - Mother's Day May 18 - Reggie Jackson's Birthday (1946) May 20 - Armed Forces Day May 23 - Joan Collins' Birthday (1933) May 28 - Indianapolis 500 May 29 - Memorial Day May 31 - Clint Eastwood's Birthday (1930)

SMALL MARKET RADIO NEWSLETTER

#### \$ALE\$

<u>Community messages</u> have been a part of this newsletter from the very beginning, and many small market stations use them to boost their billing significantly. Bob Doll tells us that a well-run telephone sales effort will contribute 7½-15% of a station's total revenues.

How do various managers use community messages? Dean Johnson, KWAT/KIXX/KDLO, Watertown, SD, uses them as a reward or valueadded device for good customers rather than using them for independent income. Some tips from Dean:

- To reduce clutter, combine two or three advertisers in each message.
- Use a tag-line like, "This reminder brought to you by ______ and _____, caring about our community."
- Set the price and the number of messages in the package so the prospect cannot do the math. Rather than, say, ten messages for \$50 (quickly computed to be \$5 per message), offer twelve messages for \$55.

Bill Holst, KYNT/KKYA, Yankton, SD, is aggressive in his use of community messages. He tells us that each of his salespeople generates \$800-\$1500 from their monthly telephone sales blitzes.

"If we're off pace for the month," Bill says, "our telephone sales goal is whatever it takes to make our month. Not making the month is not an option." Bill's money-making ideas:

- Offer two or three choices to the prospect. The first choice should be an aggressively-priced advertising program with some messages thrown in. The second or last choice should be a package with messages only. For example, "Plan A" might be 55 ads plus 25 messages for \$395; "Plan B" might be 12 messages for \$55 (using Dean Johnson's pricing technique).
- Sell programs other than community messages via the phone. Bill's station has had great success selling to car dealers a super-high-saturation schedule for the weekend only, including "a ton" of spots and at least one remote. The schedule isn't cheap, but the results are fantastic: Bill tells us that one dealer wanted to sell 20 cars in the weekend; with the saturation package, he sold <u>60</u>.

For more information, contact Dean Johnson at 605-886-8444 and Bill Holst at 605-665-7892.

SMALL MARKET RADIO NEWSLETTER

#### SALES MANAGEMENT

HOW TO SPOT SALES STARS. Just because a salesperson brings in business doesn't mean he or she is a star performer or a good candidate for sales manager. Here's some advice on what to look for when seeking top sales or sales management talent:

- <u>Speed of accomplishment</u>. When people say someone is bright, they're usually impressed by speed of accomplishments. The top salesperson plunges out of the starting gate and gives everything he's got. He also makes sure not to bulldoze through the company in the process.
- <u>Knowing the boss</u>. Top salespeople have a "sixth sense" about how to deal with top management. They like it when the president or CEO attends a sales meeting and will challenge him/her.
- <u>Chaos in the hierarchy</u>. Thoroughbreds always have several deals going at the same time. They also try to ease the firm's way through the chaos they create. Management candidates aren't solo performers, they're concerned about the needs of everyone from secretaries to fellow salespeople.

- "The Marketing Report," Sales & Marketing Management

FOUR KEYS TO A HIGH-FLYING SALES FORCE. According to Prof. Derek Newton, Darden School of Management and Business, University of Virginia, there are four universal factors all successful sales organizations share:

- <u>Clarity of mission</u>. All personnel know what they are doing, why they are doing it, and share enthusiasm for doing it well.
- Sound policies and procedures. The rules that govern the management of the sales force encourage salespeople to carry out their roles in implementing business-unit strategy willingly and cheerfully, and in line with their personal goals for growth and development.
- <u>Commitment to field supervision</u>. Time and resources are devoted to high quality on-the-job coaching, a prerequisite for high-performance personal selling efforts.
- <u>Hiring eagles</u>. High-performance sales force executives avoid the trap of merely filling territories, because they know it leads to sales force mediocrity.
   <u>Personal Selling Power</u>, January/February 1994

SMALL MARKET RADIO NEWSLETTER

#### FROM OUR READERS

<u>Scam, or just naive</u>? "I received a fax from a Trinity Consulting of River Oaks, Texas, inviting me to join other small market broadcasters in a 'marketing alliance' to pursue 'the billions of dollars that major corporations invest in National Advertising every year.' I would have to pay a one-time fee of \$250, then 15% commission on any business I get from them. They guarantee 'a minimum of 1,000 high quality contacts on your behalf per year.'

"Is this a legitimate company?" - Gene Kauffman, KCLN/KLNT, Clinton, IA, 319-243-1390

Editor's Reply: We contacted a Mr. Warren Davis at Trinity, who told us he had sent some background information to Sue Toma, Executive Director of the Iowa State Broadcasters Association. We then talked with Sue. She checked with the Ft. Worth Better Business Association; they told her Trinity "established a file" - which means they sent in their name and address - in 1990. There is basically nothing in the file at this point. She checked with the Texas Association of Broadcasters; they had no information. She then called Warren Davis at Trinity; his background is that he did a successful economic development marketing campaign for the city of Perrington, TX, and in the course of that project worked with KEYE Radio there. Other than that he has no radio experience.

My personal feeling is this: Mr. Davis is probably not crooked but he is either naive or opportunistic - or both. He is clearly attempting to finance a start-up operation with up-front capital from his customers. His objectives seem worthwhile - and desperately desired by all of us - but we have no assurance that he will succeed; and if he does not, I doubt that subscribing stations will ever see their \$250 again. Our advice: steer clear.

Editor's Reply: I know of one source for medical programming: Marcia Simon, MSE, 203-399-0191. Do our readers know of others?

Legal eagle-eye. A bone to pick with your 'Writing Better' [1/12/95]: one example of 'clutter' given was 'Pleaded innocent to a charge of manslaughter.' As an improvement, the article suggested 'Pleaded innocent to manslaughter.' Both are wrong. No accused person has ever pleaded 'innocent'; the correct term is 'not guilty.' Ask any lawyer.

- Chuck Crouse, Beech Tree Broadcasting, Kane, PA, 814-837-9711

#### NAB '95 PREVIEW

What will be happening at NAB '95, April 9-13 in Las Vegas? Here are a few of the events that are scheduled:

- Entertainment mogul, author and strategist <u>Ken Kragen</u> will be the featured speaker April 11 at the Radio Luncheon.
- Also at the Radio Luncheon: the 1995 <u>Crystal Awards</u> will be presented, and legendary radio personality <u>Gary Owens</u> will be inducted into the Broadcasting Hall of Fame.
- On April 8, IEEE/BTS will present a "<u>Digital Radio</u> Broadcast Transmission" seminar. Topics: digital communications fundamentals, source coding, bit-rate reduction, digital modulation, error correction, and mitigation of multipath phenomena.
- Stanley S. Hubbard and his late father, Stanley E. Hubbard, will be awarded the <u>Distinguished Service Award</u> for a lifetime of service to the industry at the opening ceremony.
- FCC Commissioner <u>Jim Ouello</u> will deliver the opening keynote address for the Broadcast Engineering Conference, one of the eleven conferences featured.
- There will be three <u>radio production</u> seminars:

"Raise Rates and Ratings with Better Radio Copy," presented by Ty Ford

"The Ultimate Radio Production Tool," by Jeffrey Hedquist

"Radio Production Workshop," moderated by Dennis Daniel and includes six panelists

- The RAB will host a day-long seminar on <u>New Business</u> <u>Development</u> (NBD) exclusively for RAB member GMs at the NAB show. Topics include "NBD Overview" - why to pursue NBD, key areas, GM do's and don'ts; "GM's Commitment" - goals, budgets, training and accountability; "GM's NBD Strategic Plan" - including small and medium market case studies; "GM's NBD Action Plan" - getting started, getting people. Registration is \$350, which <u>includes</u> registration to the NAB. For more information, call Dana Honor at 1-800-RAB-SELL.
- Your Editor will be attending the NAB and would love to see as many of our readers as possible. I'll be staying at the Best Western Mardi Gras, 702-731-2020. Call when you get in.

SMALL MARKET RADIO NEWSLETTER

#### THE LAST WORD

Arbitron has just announced a new product for media planners and buyers. It's called "Media Professional," and it is yet another computerized Ratings-O-Matic which allows the numbers to be sliced and diced into wholly, irresponsibly inaccurate tidbits.

Over the years I have computed hundreds of "analyses of variance," the statistician's term for "How far off can these numbers be?" In most cases - even when the diary count is in the thousands - the most accurate number in the entire ratings book (12+ Cume, Monday-Sunday 6 a.m.-Midnight) could be off by 30% or more. From there it goes downhill.

Now, thanks to the proliferation of computer software from Arbitron and third-party vendors, ratings subscribers can look at extremely narrow demographic and daypart segments - with results that range from uncertain to disastrous.

Imagine how accurate an hour-by-hour breakdown is. Or the figure for Women 25-54 in the 7 p.m.-Midnight daypart. Or, come to think of it, a 12+ rating in a County Study with 50 diaries in-tab.

Actually, we don't have to imagine. I can tell you. With a sample of 50, if a station had a 25% Cume rating, 12+, Monday-Sunday 6 a.m.-Midnight, the rating could be off by 69% plus or minus. Okay, let's say we <u>quadruple</u> the sample, to 200. That would give us a rating that could be off by "only" 38% plus or minus. (The formulas I use come right from Arbitron, by the way.)

With a new radio general manager at Arbitron – a fellow who has always represented responsible, accurate research – I call for a new policy: that no user of the Arbitron numbers, nor Arbitron itself, be permitted to issue any statistic which is less accurate than  $\pm 30$ % at the 99.5% confidence level.

That means all the computer products provided by Arbitron and other vendors would simply not be able to produce any number which did not conform to that criterion. It means that the hourby-hour numbers, and for a few other dayparts as well, would be cleaned up or eliminated.

Arbitron will argue, "Sure, we'll do that, but it will cost more." I argue, "The industry should not pay more to get the product it should have been getting all along."

It especially means that the County Studies, the bane of the small market broadcaster's existence, would be eliminated or made a responsible marketing tool at last.

SMALL MARKET RADIO NEWSLETTER

# Small Market Radio Newsletter

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Publisher & Editor: Jay Mitchell Managing Editor: Lori Morgan Editor Emeritus: Bob Doll

Published by: Jay Mitchell Associates, Inc. P. O. Box 1285 • Route 2 Fairfield, IA 52556

Phone 515-472-4087 Fax 515-472-6457 Compuserve 73627,2120

 Subscription Rates:

 One Year
 \$119

 26 Weeks
 \$64

 13 Weeks
 \$37

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IN OUR 12TH YEAR



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ADDRESS CORRECTION REQUESTED

VOLUME XII - Issue #45 - March 30, 1995

FCC REDUCES FINE FOR UNAUTHORIZED TRANSFER OF CONTROL against WREM, Monticello, ME. The \$10,000 fine was reduced to \$2500. The FCC reduced the fine after determining the station had an "inherently low value." WREM is an AM daytimer operating in the red; Monticello is a very small market.

FCC FINES STATION OVER \$15K - \$15,500 to be exact - for repeated multiple violations. KLDT, Lake Dallas, TX was charged with having a studio completely unattended, an incomplete public file, and failure to file an agreement regarding the station's ownership.

CONGRESS CUTS FUNDING, NPR HIT HARD. Here is the breakdown of how NPR will be effected:

- In FY 1996, \$47 Million of the \$312 Million appropriated for the Corporation for Public Broadcasting will not be received. Of the \$47 Million, public radio will lose \$10 Million.
- In FY 1997, \$94 Million of the \$315 Million appropriated will be lost. Radio will lose \$21 Million.

NAB IS PUSHING FOR DEREGULATION of radio and TV ownership limits to be included in the Communications Act re-write in the Senate. The NAB is urging all broadcasters to contact their Senators about this issue. For more information, call the NAB's Government Relations Hotline, 800-424-8806.

FCC DELAYS ACTION ON SATELLITE DAB. It was originally scheduled for the FCC's April agenda, but some Commissioners didn't want to take any heat at the NAB regarding the matter. The FCC will take up the matter after April.

## AT THE FCC

NEW STATIONS (Applied For): MICHIGAN (Harbor Beach) Thumb Broadcasting, Inc., 103.7, 47,500w, 505' NEW STATIONS (Granted): ARIZONA (Bagdad) 21st Century Radio Ventures, 103.9, 1400w, 659' (Chinle) 107.3, Thomas C. Troland, 3618w, 1630' CALIFORNIA (El Rio) Clayton Corp., 103.7, 478w, 807' FLORIDA (St. Augustine Beach) Prospero Broadcasting, L.C., 105.5, 1900w, 410' GEORGIA (Dalton) Radio Center Dalton, Inc., 104.5, 3000w, 328' IDAHO (Gooding) Idaho Broadcasting Consortium, 100.9, 100,000w, 1578' AMENDMENTS TO THE FM TABLE (Granted): ALABAMA (Chatom) new, 106.1 C3 ALASKA (Seward) new, 105.9 A CALIFORNIA (Long Beach) KLAX-FM, to 97.9 B East Los Angeles COLORADO (Brush) new, 106.3 A FLORIDA (Apalachicola) new, 105.5 A (LaCrosse) new, 99.5 KANSAS (Larned) new, 106.9 C1 MAINE (Milbridge) new, 93.7 B (Van Buren) new, 98.1 A MICHIGAN (Benton Harbor) new, 94.9 A MINNESOTA (Deer River) new, 105.5 C1 MISSISSIPPI (Greenville) new, 104.7 C2 MONTANA (Deer Lodge) new, 96.7 A (Ennis) new, 98.7 C2 NEBRASKA (Imperial) new, 103.1 A (McCook) new, 93.9 C2 NORTH DAKOTA (Sarles) new, 105.9 C (Williston) new, 98.5 C2 OHIO (Piketon) new, 100.1 A TEXAS (Dimmitt) new, 100.5 C3 (Pearsall) new, 104.1 A WYOMING (Fort Bridger) new, 99.3 A (Powell) new, 104.1 C1 REPORTED SILENT: ARKANSAS (Hardy) KSRB, 1570 MARYLAND (Oakland) WXIE, 92.3 (Oakland) WMSG, 1050 PENNSYLVANIA (Tobyhanna) WPMR-FM, 107.9, pending sale TEXAS (Sherman) KWSM, 104.1 FORMERLY SILENT: OKLAHOMA (Wagoner) KBIX-FM, 102.1 - Courtesy M Street Journal

SMALL MARKET RADIO NEWSLETTER

# MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$

SPRING THINGS from various towns around the country, courtesy of the <u>Downtown Promotion Reporter</u>, can be tied into your station for promotion and profit ...

Festival of Flowers. Work with downtown to present a flower display in a large public area. Have listeners place flowers in that display, then judge the results. Involve hardware stores, nurseries and other gardening-related businesses to put on gardening clinics and demonstrations. For an extra touch, have live music on hand. Then, at the "Late Bloomers Sale," the blooming annuals can be sold for 50¢ a piece to benefit downtown beautification or some other charitable cause. [Portland, OR]

Lunch on the Lawn. Sponsor a series of monthly get-togethers where listeners can meet public officials and learn about their community. Each month features a theme such as agriculture, economic development, public safety, recycling, children's issues, and so on. Government officials involved in a particular field are invited to come and set up informative booths and displays. [DeLand, FL]

<u>Walk with the Mayor</u>. Your mayor leads walking tours of downtown, pointing out historical sites and points of interest, providing tidbits of information about them. It also gives merchants and businesspeople a chance to offer helpful comments and constructive criticism as the mayor strolls by. [Hendersonville, NC]

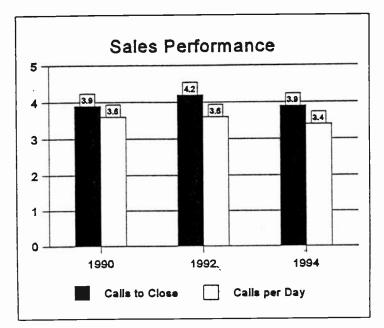
<u>Seniors Week</u>. Work with a shopping center to present a "55+ Week." The week's events include Big Band music played by a local group; church choirs; ballroom dancing; and a range of activities centered on good health awareness. Local hospitals and clinics offer free blood pressure tests, cholesterol screening, spinal exams, dental information and nutrition tips. In addition, participating merchants offer 10-20% discounts during the hours of the promotion each day. Ahead of time, send flyers to retirement communities and other senior activities to request input on what types of activities they would like to see and participate in. [Northglenn, CO]

<u>KidsDay</u>. Put on a youth-oriented Saturday afternoon of indoor and outdoor activities. Yellow footprints on the sidewalk lead children on a guided tour of downtown's historic, cultural and architectural landmarks. At the start of the tour, each child gets a "passport," which gets stamped at each stop along the way. At the end of the tour, the kids show their filled-up passports to get a souvenir KidsDay tee shirt. [Syracuse, NY]

SMALL MARKET RADIO NEWSLETTER

\$ALE\$

How many calls, how many closes? The Dartnell Corporation, as reported in <u>Personal Selling Power</u> (March 1995) has found that the average sales professional makes 3.4 face-to-face calls per day, and invests in 3.9 calls to close the sale. The following graph shows how this year's figures compare with past results:



<u>Here's a P.O.P. quiz</u> to test your knowledge and help your customers (from a DisplayOne ad in <u>Advertising Age</u>):

- 1. Which <u>color</u> generates more sales, red or blue?
- 2. Does motion increase or decrease sales?
- 3. How much does product height affect sales?

#### Answers:

- In a recent study, shoppers spent about 50% more on televisions placed in front of a <u>blue</u> display. With a red display, twice as many purchases were postponed.
- In a study of five product categories, each one showed significant sales increases when motion was added to the displays. In four out of the five, increases nearly doubled.
- 3. Research shows that moving a product from the bottom shelf to waist level increases sales 43%. Moving from top to bottom reduces sales 80%.

# SALES MANAGEMENT: TRACKING ACCOUNT ACTIVITY

In past issues of SMRN we have presented some forms we use to help salespeople and management monitor sales performance. The following table, the brainchild of Don Hightower, KNIN, Wichita Falls, TX is a simple but effective way to monitor the salesperson's daily activity and the account's monthly activity at the same time. As you will see, it gives a very complete picture at a glance.

All the accounts are listed in the first column of the table, with columns for all the days of the month. The last column (T) shows the number of contacts for each account. The last three rows are for the number of qualified sales calls per day, the number of sales made that day, and the ratio of sales to calls.

ACCOUNT	1	2	3	4	5	6	7	8	9	10	•••	T
Buddy's Restaurant	FC						WP		FU\$			3
Hy-Vee Foods		SC						SC\$				2
Lesser's Appliances	WP\$			5C\$					5C\$			3
Merchants Bank & Trust			FC		WP\$					SC		3
Yank's Ford-Lincoln												0
				·								
SALES CALLS THIS DAY	2	1	1	1	1	0	1	1	2	1		
SALES MADE THIS DAY	1	0	0	1	1	0	0	t	2	0		
CALLS TO MAKE A SALE	2	NA	NA	1	1	NA	NA	1	1	NA		

Here's a sample table showing only a few accounts and days:

On the first of the month, the salesperson made two calls - a first call (FC) and a written presentation (WP) which resulted in a sale (\$). On the second, she made only one call, a service call (SC). And so on through the month.

Looking at the table as a whole, we find that whenever we call on some clients, we get a sale (Lesser's) - so it makes sense to call on them more. We also discover that some clients are getting lost in the cracks (Yank's Ford-Lincoln) - so we need to set up more regular servicing.

All in all, this is an efficient and revealing tool for managing accounts and sales people.

#### GRADUATION MESSAGES

Graduates, extends best wishes for a graduation full of memories to last a lifetime. wants this to be one of your best times ever - a prelude to a lifetime of success. Celebrate with style! Leave drugs and alcohol out.

The most important part of any community is the people who live and work there, particularly its young people. knows this is a particularly special time for the graduating seniors of our area schools. believes these graduates are our community's real future. That's why they send their best wishes and congratulations to the Class of '95.

The members of the Class of '95 can be very proud of their accomplishments. shares this pride. Congratulations and best wishes to you all from .

extends best wishes to the Class of '95. They hope that you'll carry pleasant memories of school days and graduation time the rest of your life. _______ says, celebrate with style. Leave drugs and alcohol out.

The Class of '95 will be remembered for a long time as one of our very best. Congratulations to every graduating senior on your outstanding accomplishments. Best wishes from _____. We're proud of you at _____.

hopes every graduating senior will enjoy the graduation activities with style by leaving alcohol and drugs out. Best wishes for the graduation season and the future from

believes graduation time is more than just receiving a diploma. It's a turning point when young people become adults. believes the future is bright, because our schools have prepared our young people to make the most of it. To each member of the Class of '95, here's hoping that your every wish comes true from

wants this to be the best, safest graduation season ever. That's why they bring you this message, "Celebrate with class. Leave drugs and alcohol out." believes graduation time is too special to mar it with an accident. Congratulations and best wishes.

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# FROM OUR READERS

■ "Thanks for more regular 'Last Word' commentaries. Our industry needs this. Certainly not every week is there an urgent issue, but whenever you feel like it, you owe it to us subscribers to express a view - whether I agree with you is beside the point.

"On another topic, I have noticed something about the hiring practices in our industry, especially in small markets. When somebody leaves - especially in sales - we don't replace them with people of equal quality. By about the second or third replacement, the customers and listeners are really screaming. Has anybody else noticed this?"

- Cary Simpson, Allegheny Mountain Network, 814-684-3200

■ "In reference to your 'Last Word' about Sonny Bloch [2/16], the problems are not all satellite-delivered. We recently had a PSA regarding a fund-raiser for two local terminal cancer victims. The only problem was, the victims and their families didn't know anything about the fund-raiser or the organization behind it - and the victims weren't "terminal" anyway.

"We had the original press release - which looked official enough - so we were technically off the hook ... but these days you never know who's going to try to use our airwaves for what!" - Trevor Stern, KGRC, Hannibal-Quincy, MO, 314-221-2221

"Do you know, or can you ask your many subscribers if they know, of a source for radio horoscopes - either pre-produced or live copy that we could use every day?" - George Kimble, WNYR/WGVA/WFLK/WYLF, Geneva, NY, 315-781-7000

■ "This has been a slow first quarter - the worst since the station went on the air. And it's all a matter of getting out and selling. Our local economy is good - Wal-Mart didn't hurt us that much - it's just that I've been a very poor judge of people when it comes to hiring.

So you can thank U.S. West. They've rented space on my tower for a cell phone site and they helped me make payroll this month. I never thought I'd be thankful for the phone company. - Bill Taylor, KQSS, Globe, AZ, 602-425-7186

■ "I am distressed about your article in SMRN about the Mort Krimm show. The show is being offered on a barter basis in smaller markets - but they are paying the stations that carry it in the top 50 markets.

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"These folks will never spend money with our smaller stations if we continue to give them free access to our audience. Small market broadcasters should band together and refuse to play this game. If no station accepts the show on a barter basis, that will force the producers to compensate stations."

- Name withheld upon request

# THE GUEST WORD: EDITORIAL REPLY by Gary Fries, President, RAB

Thank you for your constructive comments regarding last month's successful RAB '95 Marketing Leadership Conference. We appreciate the kind words about what we've achieved, but would also like to address a few of the specific concerns raised in your editorial.

Yes, registration at the RAB conference has grown. We believe that's because it just keeps getting better - not because of hype. And the greater the number of radio marketers attending our conference, the better for them, their stations, and the industry as a whole.

We're not interested in seeing registration increase each year for the sake of profits, since our annual MLC conference is not, as you state, the source of "a large part of (our) operating revenues." It is, in fact, a very small part of RAB's revenue stream; we are almost entirely dependent on membership dues.

We keep the MLC registration fee as low as possible in order to give every broadcaster the opportunity to come learn with us in an environment that we believe is even more of a "focused, serious growth experience" than in years past, when the attendance was significantly lower. I think most attendees would agree that RAB is giving them more educational opportunities for their money than ever before, including more than 100 workshops, forums and general sessions on essential, cutting-edge issues, as well as a host of "extras" we go out of our way to provide, like extended-hour workshops, special brainstorming sessions, consultant Q&As, and more.

As for exhibitor dollars, they're a small part of RAB's event income. In fact, we have no problem turning away potential exhibitors who don't fit our requirement that exhibitors be sales and marketing-oriented <u>only</u>, and have a product or service which will benefit conference attendees.

The integrity of RAB's Marketing Leadership Conference is not for sale at any price. The RAB launched its conference fifteen years ago for the same reason it exists today: to provide a valuable learning experience for the betterment of our industry's marketing force - not to provide revenue for the RAB.

SMALL MARKET RADIO NEWSLETTER

FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

#### ADDRESS CORRECTION REQUESTED

Small Market Radio Newsletter

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

Publisher & Editor: Jay Mitchell Managing Editor: Lori Morgan Editor Emeritus: Bob Doll

Published by: Jay Mitchell Associates, Inc. P. O. Box 1285 • Route 2 Fairfield, IA 52556

Phone 515-472-4087 Fax 515-472-6457 Compuserve 73627,2120

Subscription Rates:One Year\$11926 Weeks\$6413 Weeks\$37

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IN OUR 12TH YEAR



Bill Taylor KQSS P. O. Box 292 Miami AZ 85539

VOLUME XII - Issue #46 - April 6, 1995

FEBRUARY REVENUES INCREASED 15% in combined local and national spot sales, according to RAB's radio revenue index. Local and national figures remained steady overall.

AGENCY "POSTING" POLICIES UNDER FIRE. This is more of a rated-market issue right now, but considering how much trouble we have with networks and advertisers who try to apply ratings to our markets, this one bears watching. It seems that some big ad agencies, led by Young & Rubicam, were telling radio stations they would do "post-buy" analyses of ad schedules, has king for make-goods if ratings went down. This "posting" policy immediately drew fire from several sources stations, other agencies and rep firms. Several large radio groups have let the agencies know that they simply will not submit on buys with posting criteria. So Y&R and other agencies are backing down - for now, anyway - though they say they will continue to "post," not to demand make-goods but as "another tool to analyze future buys."

WHAT A SURPRISE: EBS TESTS ARE TUNE-OUTS. EBS equipment manufacturer TFT commissioned the Eagle Group to survey 400 people 25-54 nationwide. 98% said they were aware of the EBS tone. 23% said they "always" change stations or turn their radios off when the tone comes on; 21% said they "sometimes" do so. TFT points out that stations can minimize tune-out by quickly converting to the new equipment permitting monthly, rather than weekly, tests.

MINORITY TAX CERTIFICATES OFFICIALLY DEAD. A Senate-House conference committee voted last week to do away with the FCC program. The measure is tied to another bill to allow the self-employed to deduct health insurance expenses, so a Presidential veto is deemed unlikely.

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# AT THE FCC

NEW STATIONS (Applied For): ALABAMA (Addison) Abercrombie Broadcasting, 105.7, 6000w, 328' (Addison) Newman Family Partnership, 105.7, 6000w, 328' IOWA (Madrid) Bradley Olson, 96.1, 5100w, 354' MICHIGAN (Harbor Beach) Jennifer & Edward Czelda, 103.7, 25,000w, 328' OHIO (Van Wert) Maumee Valley Broadcasting Inc., 93.9, 4400w, 288' TEXAS (Borger) Romero Broadcasting, 106.7, 6000w, 328' AMENDMENTS TO THE FM TABLE (Proposed): FLORIDA (Port St. Joe) WPBH, to 94.5 C Parker, FL from Port St. Joe AMENDMENTS TO THE FM TABLE (Granted): WEST VIRGINIA (Ravenswood) WRZZ, to 106.1 A Elizabeth from Ravenswood REPORTED SILENT: MINNESOTA (Collegeville) KSJU, 96.5 FORMERLY SILENT: ALASKA (Bethel) KYKD, 100.1 ARIZONA (Nogales) KLCR, 98.3 GEORGIA (Jasper) WYYZ, 1490 ILLINOIS (Quincy) WZLZ, 103.9 MAINE (Augusta) WMDR, 1340 PENNSYLVANIA (Mount Carmel) WMIM, 1590 WASHINGTON (Lacey-Olympia) KBRD, 680 - Courtesy <u>M Street Journal</u>

HAVE AN OPEN POSITION? Check with NAB's Employment Clearinghouse (ECH) which collects resumes for entry-level to managerial positions. ECH has about 3000 resumes on file. Broadcasters are encouraged to call 202-429-5498 or fax 202-775-3526 with job opening information.

#### * * *

QUOTE OF THE WEEK: "We renew contracts not when they're due, but when the customer is the happiest." - Steve Trivers, WQLR/WQSN, Kalamazoo, MI, 616-385-2757

SALES TIP OF THE WEEK: An angle to take with the "tough nut" - the guy none of the salespeople has been able to get on the air: ask prospect, "Are you the guy nobody can sell?" It'll get his (or her) attention.

- Harry Ladas, KEZM, Sulphur-Lake Charles, LA, 318-527-3611

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# MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$

Mother's Day Getaway. This is a simple sponsor-registration contest, awarding prizes to randomly-selected winners. The prizes can include accommodations for two at a nice hotel within driving distance (trade scrip is generally available for this); an arrangement from a local florist; and dinner for two (which can usually be tied into the hotel trade). Use three levels of sponsorship - aggressive, moderate and conservative. Base the rate strictly on the card; the value-added will be the increased store traffic and participation in the on-air promotional announcements.

As you sell the promotion, you may run across other sponsors that want to be involved with prizes. They would still be charged the full (aggressive) program rate; the prize value is offset in the fact that they and their prize will be mentioned in <u>every</u> promotional announcement, not just rotated with the other sponsors.

Throw Mama on the Plane. Work with a local travel agent to provide \$500 in airfare to wherever Mom wants to go to visit family for Mother's Day. This is another sponsor-registration contest; sponsorship is billed entirely in May. [KAYL, Storm Lake, IA, 712-732-3520]

<u>Call Mom for Free</u>. Set this up with a local restaurant so that for a two- or three-hour period on Mother's Day, patrons can place a three-minute call to Mom, on the house. (This sounds bigger than it is: at 25¢ a minute, three hours of calling is only \$45.) Either have the restaurant pick this up, or work with a local long-distance supplier to cover it. This is of course supported by a massive radio campaign.

<u>Other Mother's Day Ideas</u>. Have station personalities perform routine household chores for the winning Mom ... have a local restaurant cater breakfast in bed on Mother's Day ... have a special contest just for first-time Moms ... hold a "Diaper Derby" where registered mothers throw wet diapers into a pail (most accurate pitching arm wins) ... expectant mothers can register in a "Baby Derby," with the winner being the one who gives birth after but closest to 12:00 a.m. on Mother's Day ... or try a "Mom-A-Thon," where qualifying moms compete for prizes in various events - baby diapering, laundry folding, toy pick-up, mall scavenger hunt.

Here are some good all-purpose prizes for your Mother's Day events: a year of diaper service, household cleaning, fitness club membership.

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# \$ALE\$ - TEN DYNAMIC PRINCIPLES

1. <u>Be enthusiastic</u>! Enthusiasm sells. It is a tremendous momentum-builder, and momentum closes sales. Enthusiasm is a choice. Very few, if any, people wake up in the morning, spring out of bed, dive into a cold shower, wolf down a meaty breakfast and tear off to work screaming "Let me at 'em Boss!"

No, enthusiastic people get up and make a decision to be enthusiastic. When you are committed enough about your product to be enthusiastic about it, you are very persuasive. People follow and believe enthusiastic people. If you are too cool to get enthusiastic and excited about your station, then you're too cool.

2. <u>Be positive</u>! Anything the mind of man can conceive, it can achieve. You can accomplish your goals. Anything is possible if you have faith. Guard your positive attitude. Avoid negative people. They can cost you success. Their negative perspective on circumstances can rob you of conviction and belief in yourself and your station. Be honest with them, tell them you like them as a person, but their constant negative barrage is detrimental to your career.

We all must deal with limitations and unfortunate situations. Winners become successful "in spite of" circumstances. Losers fail "because of" circumstances. Can you image telling Helen Keller you can't make it because of your poor lot in life?

- 3. <u>Be industrious</u>! Work harder. Make your last appointment after 4:30 p.m. each day. It is a very bad habit to finish a call between 4 and 4:30 and decide it is too late to make another call. Don't quit for the day until you have made at least one call after 4:30. You will see at least 20% more people this way, probably more, so you will make more money.
- 4. <u>Be brave</u>! Ask for more money. Check all of your contracts for the last year. Add the total amount of each contract together and divide the total by the number of sales you closed. This will give you your average sale. Now multiply this amount by 30% and make a commitment not to propose any contract for an amount smaller than your last year's average plus 30%. <u>If you</u> <u>ask for more you will get more</u>! Timid sales people have skinny kids.
- 5. <u>Be nice</u>! Friends buy from friends. Do something special for every client you have at least once every month. Send them thank-you notes, articles about their business you find in

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papers & magazines, cartoons that relate to their business. Take them to lunch. Buy them an inexpensive gift. Refer customers to them.

6. <u>Be smart</u>! Protect your selling time. Don't do non-selling activities between the hours of 9:30 a.m. and 4:30 p.m. "Selling activities" means you are either on the phone with a client or actually in front of a client. Do all your detail activities before or after selling time or during a one-hour lunch.

Important non-selling activities that should not be done during selling time include writing copy, producing ads, going through the paper for leads, reorganizing prospect cards, etc. You will be surprised at how many more calls you will make by adopting this policy.

7. <u>Be healthy</u>! It is hard to be successful if you are sick and tired. If you are always worn out you will make fewer sales calls. If you are sick all the time you will miss more work, and a salesperson who isn't working isn't making commissions. Take responsibility for your health.

There are some people who, because of genetic problems, are doomed with poor health. But many of the "Sick & Tireds" in today's society are a result of poor habits. There are four basic foundations to good health:

- a. Diet If you fed a race horse Twinkies & Diet Coke, he wouldn't win many races. Cut down on the fat, sugar and salt. Every day, eat some vegetables and take high quality nutritional supplements (vitamins); you just can't get the nutrition you need in today's American diet.
- b. Get your rest You must recognize how much sleep you need to operate properly and see that you get it. No excuses. Go to bed earlier.
- c. Exercise Find something that fits you and be faithful to it. Nearly anyone can walk. Unless you are a rare case don't waste your money on a fitness club; it is too inconvenient. Play tennis. Get an exercise machine and set it in front of your TV; you'll use it a lot more. [Editor's Note: Before I get angry letters about running an article advocating watching TV, let me add, "or set it in front of your radio."]
- d. Emotions Anger, jealousy & fear are the big three

negative emotions that can take a big toll on your health.

All you can do is all you can do. As far as others go, accept the fact that you can't change them. You have to accept them as they are or get away from them. You can only control yourself. You can find happiness a little bit at a time every day. Learn to enjoy and dwell on the good, beautiful, pleasant, kind and positive encounters of each day. STOP & SMELL THE ROSES. Happiness is an event, not an environment.

8. <u>Be sold</u>! You can't sell if you are not sold. To be convincing, you must be convinced. If you take the paycheck you must stand behind the product. You will hear objections lots of them. After a while, you can start to believe them yourself. You are paid to believe in your station. Your station is just as good as it was when you started. If it wasn't a good station, you wouldn't have taken the job in the first place.

Top producers are people who make a decision to stay sold. If you let the normal obstacles and objections of sales erode your convictions about your station you will never make any money. "I don't think it is working" is simply a test by your clients to see if you really believe in your product. It is a signal to start selling not running. If you are going to be successful in life you will have to commit your faith, your ego and your reputation behind a product or service.

- 9. <u>Be generous</u>! Be a giver. Some people are always talking about what they are going to do when their ship comes in. Well, let me tell you, no ship is going to come in until you send one out. A fundamental law of life is you must plant to reap. Give yourself, your time and <u>your money</u>. Help the needy; there is great blessing in this. A generous person prospers.
- 10. <u>Be a self investor</u>! Invest in yourself mentally. Think about it: most stations invest equally among sales staff on training and sales tools. So if you are going to excel above the others you are going to have to do some personal investing in yourself. All top producers regularly buy books and training tapes and attend seminars to improve their talents. They own their own tape recorders, organizers and other sales tools. They realize the wisdom in investing their own money on their own careers. Most people expect their companies to invest all the money in them, so whatever you put in yourself, puts you that much ahead of the others.

- Promises Radio Sales Letter, January 1995

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## MEMORIAL DAY (May 29)

Memorial Day is a busy day. It marks the start of summer, the end of the school year, sporting events and picnics. But asks you to stop to remember why we observe this day. Pause and reflect on the sacrifices made by American men and women in defense of the nation's liberty. says, let's rededicate ourselves to things for which they sacrificed.

believes Memorial Day is a day to celebrate liberty, but more important, to remember the sacrifices that made liberty possible. Please join ______ in paying tribute to the men and women of our area who sacrificed so much in the nation's wars.

It's about a dream - the American dream - and the men and women who made it possible. _____ hopes you'll join them this Memorial Day in paying tribute to Americans who answered the call of duty when freedom was threatened. _____ believes they are special people who deserve special thanks.

hopes you'll join with them in pausing this Memorial Day to remember its real meaning. We live in freedom today because of yesterday's sacrifices. This message from

Six times in just over a century, American men and women have been called upon to defend freedom. reminds you that Memorial Day is observed in their honor. Let's give thanks for those we honor.

What would life be like without the brave men and women who answered when liberty was threatened? ______ asks you to join them in paying tribute to the many Americans who answered the call. ______ is pleased to join with you in recognizing the real meaning for the Memorial Day holiday.

Since the Memorial Day holiday was first observed in the Civil War, 600-thousand men and women have made the supreme sacrifice. _______asks you to join in thinking about the true meaning of this holiday.______believes this is the ideal time to rededicate ourselves to the principles of the men and women we honor this weekend.

asks, what would life be like if it were not for the brave men and women we honor this Memorial Day weekend? They answered the call when our liberty was threatened. Join in reflecting upon them this weekend.

hopes you're enjoying a happy holiday weekend. They hope you will take just a moment to reflect upon the sacrifices of the men and women who fought and died for our freedom. That's the true meaning of the holiday. _______ asks you to join them in rededicating ourselves to the cause for which they served.

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## THE NEXT-TO-LAST WORD: MORE RATINGS HOOEY

On Page 1 this week we discuss the latest manner in which ratings can be used against us: the ad-agency practice of "posting," meaning post-analysis of ad schedules to see whether a station's ratings warranted the price paid for the ads. If not, some agencies say, they'll ask for make-goods.

It should be noted that while ring-leader Young & Rubicam has backed off, this idea - a common practice in television - will probably take hold sooner or later.

But why should we small market folks care? I think because if there is a way that advertisers or those who sell to advertisers (like networks, program suppliers and agencies) can squeeze us even further, they will use it ... and this tendency inevitably trickles down to us.

Look at what is already happening with the networks. My own stations fell into a ratings Twilight Zone this year - we accidentally showed up (poorly) in a DMA, so the network didn't even bother to check that our County ratings were quite respectable. That slight-of-hand means it now costs me \$150 more a month to run my stations.

Using the principle of posting, what is to stop the network from coming back to me for a fee <u>retroactively</u>? (Only my contract, which can easily change the next time it's up for renewal.)

I feel like I'm spending too much newsletter space on ratings of late, but in talking with fellow small market operators I find that ratings are a fact of life that can swing revenues, in some cases 20% in either direction. That's significant. So it's important to keep an eye on those who produce and use these alltoo-fallible - and increasingly manipulable - "tools."

THE LAST WORD: JUMPING INTO THE FIRE

As of this Monday, I am now the active General Manager at my Fairfield stations. Our manager for the past year has returned to his local insurance business, and it made sense for me to give it a go. We have moved our JMA and SMRN offices to the station (lock, stock and Lori).

Immediate impressions: (1) After not doing this for 18 years, it's like riding a bicycle - I can still do this! (2) The biggest part of the job is the people - giving them full attention, support, direction and above all, positive inspiration. As the weeks progress, I'll keep you posted.

SMALL MARKET RADIO NEWSLETTER

# Small Market Radio Newsletter

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Published by: Jay Mitchell Associates, Inc. P. O. Box 1285 • Route 2 Fairfield, IA 52556

Phone 515-472-4087 Fax 515-472-6457 CompuServe 73627,2120

Subscription Rates:One Year\$11926 Weeks\$6413 Weeks\$37

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IN OUR 12TH YEAR



Bill Taylor KQSS P. O. Box 292 Miami AZ 85539 FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

ADDRESS CORRECTION REQUESTED

VOLUME XII - Issue #47 - April 13, 1995

RADIO DEREGULATION GAINS ANOTHER SPONSOR as Senator John Breaux (D-LA) announced that he will join Senators Trent Lott (R-MS) and Richard Bryan (D-NV) in support of legislation to eliminate ownership caps. The legislation will come up for a vote after the Easter break. Other Congressmen attending the NAB did not appear to object to radio deregulation.

ARBITRON ASKED TO FORMULATE POSTING GUIDELINES by the Arbitron Advisory Council. The guidelines are to include "the limitation of the reliability and stability of the data." A deadline for the guidelines has not been set.

FCC FINES STATION FOR MAIN STUDIO VIOLATIONS. WRSF, Columbia, NC, had asked the FCC permission to relocate its studios three miles outside the station's principal contour to the site of its "auxiliary" studio in Nags Head, NC. The request was denied, but the FCC later received complaints that WRSF was operating primarily from Nags Head. The Mass Media Bureau investigated the Columbia studio and found it inadequately staffed; the station was originally fined \$20,000. WRSF asked for reconsideration. The FCC upheld the finding, but reduced the fine to \$12,000. The FCC qualifies a "main studio" as having at least two employees based there - one manager and one staffer. Management level employees must report to work at the main studio daily, spend substantial time there, and use the studio as "home base." The staff-level employee needs to stay at the station during normal business hours.

DUOPOLY CONSOLIDATION REACHES OVER 22% according to research by <u>Radio Business Report</u>. Of 10,121 commercial radio stations, just over 22% are connected with a duopoly or a Local Marketing Agreement. AT THE FCC

NEW STATIONS (Applied For):

ALABAMA (Addison) New Life Broadcasting, 105.7, 6000w, 328' IOWA (Madrid) Boone-Story Broadcasting, Inc., 96.1, 6000w, 328'

<u>NEW STATIONS (Granted)</u>: LOUISIANA (Clayton) Clayton FM Partnership, 107.9, 6000w, 328'

AMENDMENTS TO THE FM TABLE (Granted): COLORADO (Estes Park) new, 102.1 A MINNESOTA (Pequot Lakes) new, 100.1 A (Spencer) KIGL, to 104.9 C3 from A (St. James) KXAX, to 101.5 A from 104.9 A

FORMERLY SILENT:

FRITTS OPENS NAB95 with remarks about freedom of the press in recognition of World Press Freedom Day, May 3; about the changes facing our industry in the form of digital transmission, the proliferation of content options, and the lifting of broadcast ownership restrictions. "We cannot predict all of the opportunities and challenges that digital transmission will mean for broadcasting," Fritts said, "but we know they will be dramatic."

CRYSTAL RADIO AWARD WINNERS ANNOUNCED, recognizing radio stations' efforts to improve their community's quality of life. Winners from smaller markets: KZZY-FM, Devils Lake, ND; WPSK-FM, Pulaski, VA; KFGO-AM, Fargo, ND; WVPO-AM, Stroudsburg, PA. The awards were presented during the NAB/RAB luncheon at NAB '95.

Also at the NAB/RAB luncheon, Ken Kragen, artist representative and the force behind "We Are The World" and other charitable efforts, delivered the keynote address; and broadcasting legend Gary Owens was inducted into the NAB Broadcasting Hall of Fame.

CUOMO TO JOIN LIST OF TALK SHOWS in a deal with SW Networks. Former New York Governor Mario Cuomo will host a weekly, threehour syndicated talk show, "Thought-Talk," starting this summer. Feature guests will be from government, science, entertainment, sports and literature.

## MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$

First news from NAB '95 comes from the well-attended "Small/ Medium Market Idea Swap" held Sunday afternoon (4/9). Here are a few of the ideas presented:

<u>Treasure Chest</u>. In addition to an ad package, each sponsor contributes a prize worth \$100 or so. All the prizes go into the "treasure chest"; the key is hidden somewhere in the community (on public property, in plain sight). Give out clues every day for three weeks or so. Extra "bonus clues" are available exclusively at sponsor locations, but otherwise people must listen to the radio to get the clues - they aren't given out over the phone. Contributor Yogi Yoder, WEPM/WKMZ, Martinsburg, WV reports that this promotion generates lots of outside publicity, including TV coverage, and "a ton of excitement."

The Best of [Market]. This is a 10-13-week campaign which starts at the end of a strong month, bridging weak months. Ballots are distributed through participating sponsors; customers are invited to vote on the "best" of the area - best pizza, best breakfast, best fast food ... best bank, best new business ... best car repair shop, best happy hour, best sunset ... best local radio station, best newspaper, best radio personality ... etc. Voters give their names and addresses to be entered in a drawing "to win hundreds of dollars in great prizes." Sponsors receive an ad package, participation in radio promos, POP posters, a supply of ballots and participation in print ads. The ballots are counted by an independent CPA firm. Contributor Joel Day, WFKZ, Tavernier, FL says that not only can the station use the results (they're almost always named "best radio station"), but other "best" businesses tout the fact in their marketing, giving more exposure to the promotion and the station.

<u>Christmas Music</u>. Lots of stations run continuous Christmas music for 24 hours on Christmas Eve and Day. Instead of the common practice of selling the whole package to one sponsor, why not sell each half hour to six sponsors, running a promo at the beginning of each period saying, "This half hour of KXXX Christmas music is brought to you by [six sponsors]." Bud Walters, The Cromwell Group, Nashville, TN tells us that this way of selling adds up to 144 sponsors over 24 hours. If you sell for \$15 a shot, that's \$2,160; if you sell for \$20 or \$25 or \$30, it's much more.

Logo Store. Sell your station hats, tees, coats, etc. through a local retail outlet (which must be a cash advertiser). Advertise the "WXXX Shop at Barney's" on the air. Yogi Yoder notes, "People will wear your clothing more if they pay for it."

SMALL MARKET RADIO NEWSLETTER

# SALES - NEW SALESPERSON TRAINING CHECKLIST

Here's a list of subjects that you can review with your newest recruit - and perhaps with your old hands, too!

- Why advertise?
- Why radio?
- Why your format?
- Why your station?
- Feature/benefit selling
- How advertising works best
- Schedules that work on your station
- The inner workings of a station
- Selling ideas, not discounts
- Primary retailer needs
- How a retail business works
- What to bring on a call
- Relationship selling
- Research
- The consultant sell
- Why two ears and one mouth?
- Typical client needs
- Competitive media
- Prospecting avenues
- It's a numbers game
- Accountability
- What you're really selling
- Commitment
- Traits of a winner
- Traits of a loser
- What advertising means to a business
- Advertising: expense or investment?
- Newspaper: measuring; cost of an ad
- Asking for the order every time
- Spot peddlers vs. problem solvers
- Agency vs. direct prospecting

- Irwin Pollack

SMALL MARKET RADIO NEWSLETTER

## ABOUT RADIO OWNERSHIP DEREGULATION

Bud Walters, The Cromwell Group: "The NAB Radio Board has supported the idea of eliminating restrictions on the number of radio station licences that an individual operator can hold. If approved, this will permit you or others to own/operate all the stations in your marketing area. Before you say 'No,' read on and consider what is happening:

"(1) Cable systems operate 30, 40, 100 channels in your town under one owner - selling local advertising. (2) The telephone company may be offering 30, 40, 100 channels to your home as one owner - selling local advertising. (3) Direct TV now offers 30 channels or more to your home with two owners nationally selling regional advertising. (4) DARS Satellite Radio in a few years will offer 30-plus channels heard in your town with one or two owners nationally - selling regional advertising. (5) The Internet is fast-growing and offers multiple information sources to the home in your community - selling who knows what, with lots of options.

"As a small market broadcaster of the old school, with 'localism' in my blood, I do not like the idea that my station could be owned by the newspaper, my competitor, a national company, Wal-Mart, or others. It goes against my grain. However, Congress and the FCC are on track to permit telephone and cable companies, satellite providers and others to be single owners with multiple channels serving our communities. For a small market broadcaster with only one product competing against other broadcasters <u>and</u> the new technologies, survival will be a very difficult challenge.

"We may think we are protected by having ownership rules, but in the future we will be hamstrung. We won't be able to compete or sell, because our value will have declined.

"Eliminating ownership rules (as distasteful as it sounds to me today) makes it possible to have 'localism' in the future. We can't use old regulation to protect against a horse that's already out of the barn.

"I know it may go against your grain to support eliminating ownership limits today, but please do it to ensure you have positive options in the future."

<u>Dean Sorenson, Sorenson Broadcasting</u>: "Radio ownership rules are up for grabs in Washington. As a broadcaster who has built his career on local service radio, I feel it's imperative that you and I protect our stations, communities and the concept of local

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service radio - NOW!

"What am I asking? (1) You and I must consider strong support of the position voted by our NAB Board of Directors; and (2) you and I need to contact our Congressmen, especially Senators on the Commerce Committee.

"I grew up in a different world than we're now experiencing. It's excitingly scary what is being proposed for the future. However, I am certain I want to be able, as a local radio broadcaster, to play in the new technologies, whatever they happen to be.

"Experience shows it's hard to 'out-localize' the local radio station. But if ownership rules are changed to give the 'trump card' to other media, we could find ourselves embarrassed into a position of weakness. This could also affect the present and future value of our radio stations.

"NAB's Radio Board has thoughtfully presented a position which deserves our support. I ask simply that you familiarize yourself with that position, and begin explaining it to your Congressman."

<u>Ray Lockhart, Ogallala Broadcasting</u>: "I was stunned to hear that some Senators and the NAB were receiving calls from broadcasters opposing the idea of radio deregulation. Are you kidding me? In my tiny market my local cable system with 3500 paid subscribers delivers 30 Music Express channels, sells local :30 commercials for \$1.25, and have plans to deliver more TV signals with more local access. The cable owner, TCI, has systems all over the country. No ownership limits, no FCC intervention except for technical standards. Why shouldn't I, as a broadcaster, be afforded the same?

"By the year 2000 one DBS operator will be able to deliver 50-60 regular channels to every market in the country with none of the rules I labor under. The Baby Bells will be able to do the same thing. Why can't I have that?

"Some local operators say the FCC must protect us from someone buying everything up. Why? They protected us in the 80s with 80/90. Wasn't that fun? If I can't compete with the big boys that could and will buy multiple markets, at least a market has been created for my stations that will bring a better price than if we don't have a level playing field with the new technologies.

"Tell your Senator to help broadcasters by not protecting us. Cut us loose from ownership and everything but technical regulation so we can compete. It is the future of our 'over the air' broadcast industry we're dealing with. Get involved!"

## STATION OF THE MONTH: IN THE MIDDLE OF A FIRESTORM

On the evening of Sunday, July 24, 1994, the on-duty announcer at KOZI AM/FM, Chelan, Washington, told the station's audience that isolated lightning strikes had interrupted the calm, warm summer evening in North Central Washington. Those lightning strikes had set off a series of small fires.

It would be 32 days before things got back to normal in the area, and at Jerry Isenhart's small radio station. By August 25, 135,170 acres at Tyree Creek, Rate Creek, Round Mountain and the Hatchery Complex would be laid waste by the fires - the second largest fire disaster in the history of Washington state.

Over 8,000 government workers and volunteers would take part in extinguishing the fires. Over 1,000 pieces of equipment would be put into service. Costs would exceed \$70 Million.

After the fires were put out, losses would total more than \$18 Million, including 37 homes and 76 buildings. Moreover, the local economy would for long suffer the effects of losing more than a month of the 1994 peak tourism season.

KOZI expanded coverage as the emergency worsened. At the peak, the stations stayed on the air 24 hours a day for 14 straight days manned by its 15 full- and part-time employees, aided by 10 former employees. In addition to broadcasting news and advisories of the catastrophe in both English and Spanish, the KOZI team also supplied information to the Associated Press and the Wall Street Journal, as well as to radio and TV stations and newspapers as far away as Albuquerque and Chicago.

Steve Maher, of the Wenatchee <u>World</u> newspaper, who listened to the station hour upon hour while covering the emergency for his newspaper, describes the KOZI coverage: "KOZI served as the news source, fire spotter, community bulletin board, relief effort coordinator, town psychologist - you name it." This January, Washington's Governor Mike Lowry singled out KOZI in his "State of the State Address" as an example "of public-private partnerships for the common good."

Isenhart's longtime operating philosophy prepared his stations to rise to the occasion. In a February 1993 interview with Small Market Radio Newsletter he said, "We haven't pushed our (profit) margins to the limit. We have always had a small but very good, well-paid staff." Isenhart has invested in equipment and a 3500square foot building, which he calls "as nice as anything you'll find anywhere."

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Jerry broke into radio in the 1960s as a traveling installer/ troubleshooter for IGM. Of his chance to buy KOZI at age 25, Jerry says, "I had been in and out of stations all across the country. I had seen the best operations and the worst. By the time I got here, I knew what to do. More important, I knew what not to do."

KOZI was then doing \$3,300 a month with rates as low as 67.5¢. In the '90s it averages over \$40,000 a month with rates averaging \$10. Like most owner-operators, Jerry admits to having "a blue day" once in a while. His antidote is to review the very early days at KOZI, "when there were several \$20 and \$30 days."

The recent high-profile activities during last summer's firestorm are only the latest chapter of Isenhart's and KOZI's involvement in the area. In the 1980s, Jerry served on the Chelan city council and as the small town's mayor. It was during that time that he stepped into the center of a local controversy. The EPA had shut down all building in the area. He recalls, "I came out squarely against it. About half the people around here were for it - the other half against it. Ultimately, we were successful in overturning the 'no-building edict.' I know I'll be proven right over time, but there are a lot of people with bruised feelings about what I did."

As to the current status of Isenhart and his radio station as heroes in the community, he wishes that "those fires had never happened. Things will never be the same here again." The monetary losses and human hardships will take a long time to recover.

As it did covering the tragedy, KOZI is taking a leadership role in the healing and rebuilding effort. Its newscasts carry a heavy schedule of information and its public affairs programming zeroes in on the effort to make the area whole again.

Jerry freely shares credit for what his station did, calling himself "part of the team" that included Bud Walter - the News Director who cut short his vacation - and Steve Byquist, Ray Dobbs, Jenifer martin, Dennis Rahm, Mike Wood, Carrie Pickett, Rebecca Meadows, Maryls April Krumm, Jorge Valencia, Gilberto Romero, and Gregorio Bonavido. Former staffers included Kathryn Dobbs, Andy Busso, Sandy Miller, Judy Clark, Stacey Byquist, Sue Crinklaw, Paul Huck, Jim Russell and Cecilia Isenhart.

Those slimmer-than-necessary margins that Jerry talked about in 1993 have paid off handsomely in hundreds of laudatory comments, typical of which was this one from Chelan's mayor: "We are fortunate to have not only a local radio station, but one of superior quality."

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Market Radio Newsletter

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

Small

Publisher & Editor: Jay Mitchell Managing Editor: Lori Morgan Editor Emeritus: Bob Doll

Published by: Jay Mitchell Associates, Inc. P. O. Box 1285 • Route 2 Fairfield, IA 52556

Phone 515-472-4087 Fax 515-472-6457 CompuServe 73627,2120

 Subscription Rates:

 One Year
 \$119

 26 Weeks
 \$64

 13 Weeks
 \$37

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IN OUR 12TH YEAR



Bill Taylor KQSS P. O. Box 292 Miami AZ 85539

VOLUME XII - Issue #48 - April 20, 1995

NAB 95 BREAKS ATTENDANCE RECORDS. There were 83,408 attendees, up 17% from last year. International attendees made up 21% of the total attendance. The convention has outgrown its current location; next year, portions of the show will be held at other Las Vegas venues.

ATTENDEES ASTONISHED AT AM DAB DEMO by USA Digital (a division of Gannett) at NAB '95. Representative comments: "Amazing" and "Just like FM." According to many observers, this advance will truly level the playing field for AM radio.

In related news, USA Digital has selected National Semiconductor as the supplier of a silicon chip which will allow digital AM and FM reception. National Semiconductor must shrink three equipment racks of hardware into a microchip - by sometime next year.

BROADCASTERS URGED TO GIVE FREE SPOTS TO CANDIDATES by Rupert Murdoch, Fox TV Chairman. According to Murdoch, "We don't need the money"; he noted that other countries give time for free. (The international media mogul was trying to gain favor with Congress; he took a lot of heat recently when his Harper-Collins publishing agreed to pay House Speaker Newt Gingrich a \$4.5 Million book advance.)

FCC DELAYS AUTHORIZATION OF EAS EQUIPMENT. Several reconsideration petitions have been filed by manufacturers. There's no word whether the delay will effect the compliance dates for the new system.

WATCH AN ACTUAL STATION INSPECTION in a new videotape produced by the SBE with support from the FCC Denver Field Office. The tape is available by calling Christopher Haskell at 303-969-6497.

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AT THE FCC

NEW STATIONS (Applied For): ALABAMA (Addison) Eugene Hutchens, 105.7, 2500w, 505' OHIO (Van Wert) D. Robert Eddy, 93.9, 6000w, 328' TEXAS (Uvalde) US Ninety West Communications, 93.7, 2900w, 292' NEW STATIONS (Granted): ARKANSAS (Monticello) P. Q. Gardner, 99.9, 3000w, 328' KANSAS (Sterling) Ad Astra per Aspera Broadcasting, 95.7, 6000w, 328' REPORTED SILENT: ALASKA (Soldotna) KSLD, 1140 FORMERLY SILENT:

MISSOURI (California-Jeff City) KREL, 1420 NEVADA (Laughlin-Las Vegas) KLSQ, 870 NORTH CAROLINA (Warrenton) WARR, 1520

- Courtesy <u>M Street Journal</u>

#### * * *

### NEW PRODUCTS AND PROGRAMS

<u>Computerized audio & data</u>. Infinity Broadcasting and Virtex have created Musicam Express, "a new programming and information superhighway distribution service for the radio industry." The service will allow users to deliver instant CD-quality audio and information to stations via satellite and computer-network file servers.

<u>First Windows™ music scheduler</u>. Warren Media has released a new music scheduler package, "Music 1." According to company president Steve Warren, Music 1 is the first Windows™-based music software package. Users can draw format clocks right on the screen and fix scheduling problems on the fly. For information, call 512-392-2415.

<u>All creatures great and small</u>. From reader Chuck Thornton, WAGE, Leesburg, VA comes an endorsement of BeeBee Productions - "famous for the six-foot bunnies and other stuffed creatures." According to Chuck, this year the "WAGE Wabbits" generated \$1,100 in revenue on an investment of \$190. "The best part of the story," says Chuck, "is our salesperson ordered the 'Wabbits' via phone on Friday and they arrived the following Tuesday morning." Contact BeeBee Productions at 800-654-5960. For more information about how WAGE marketed their Wabbits, contact Chuck at 703-777-1200.

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# MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$

Pile the food high in the grocery store, and pile the money high on your way to the bank. Here's how you do it:

Talk your friendly grocer into displaying, in the middle of the store, enough food to feed a family of four for a month. Boxes and crates are piled to the ceiling. A big display. Lots of bulk items.

Encourage the public to visit the store, survey the mountain of food and register a guess as to the total dollars to buy it all. But here's the hitch: listeners must go to registration locations to enter the contest.

Think about it: a promotion based on human need, with a prize - food - everyone can use. A sharp grocer will work with the food vendors at no cost to his/her store.

The winner claims the prize in four weekly visits. Each visit the winner selects the food items on the prize list. No substitutes. Each food item that goes in the display goes on the official prize list, along with its price. Grocery people are experts at telling you how much a family should eat, so let them pick it all out.

No Substitutions. Display a big sign at the grocery store with a list of all the food to be given away (Frozen food cannot be displayed in the middle of store.) Mark it "No substitutions" so the winner won't hassle the grocer to change this and that - "I don't like cottage cheese, I want ..."

Have signs at all registration locations. You may put a photo of the mound of food at all registration locations. All locations should post simple rules and a list of sponsors encouraging listeners to visit other stores to register. A large banner can be hung from the grocery ceiling. You may also explore putting laminated signs (not really expensive) on each shopping cart, telling about the contest and listing all sponsors - value added.

Schedule on-air promos including a partial list of food items to be awarded. Broadcast another set of promos telling listeners where to register to win the food. Broadcast the rules at least once a day in a no-frills, matter-of-fact announcement.

<u>What You Sell</u>. You make your money by selling the registration locations. Give each location regular commercials as well as promos inviting listeners to register. The grocery store agrees to be part of the promotion and to arrange the food in return for

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numerous promo mentions for the length of the contest. Complete the promotion in 45 days. Divide billing evenly across the two months. Sell up to ten sponsors.

Here's how to price it: get a base figure by multiplying 45 days by the number of commercials per day at rate card. Get an "extras" figure by adding the value of 45 "register at" promos. Then figure the value of generic promos or announcements and rules listing and the cost of registration boxes and slips and any extras. Finally, divide by the number of sponsors. Combine the base and "extra" for "per advertiser" price. Add 10-15% as a promotion bonus for the station.

<u>Value-Added Ideas</u>. Some twists that will bring this promotion home:

- Broadcast the drawing of the winner live from the grocery store.
- If entrance doors are big enough, put a pickup truck in the store, overloaded with groceries, on the hood, in the seat, on the floor around. (This will work only in a store not obsessed with floor space use.) It makes a great display idea for a truck dealer.

Your profit is almost 100 percent. The only cost is time and some signs. Grocery store people are experts with signs and will provide most on request.

The Pitch. Here are the points for salespeople to make in the presentation:

- Grocery stores have great traffic patterns. Everyone has to eat.
- This promotion pulls traffic to the advertiser's store.
- The advertiser is mentioned in "register at" promos.
- The advertiser receives signage display at the store.
- The advertiser receives a registration box and slips; a picture of the food display; and a listing on the shoppingcart sign.
- In addition, the advertiser receives three (or more) halfminute commercials per day for 45 days.

- Mike McDaniel (812-847-9831) in Radio Ink

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## \$ALE\$ - LEARNING FROM OUR COMPETITORS

Editor's Note: The following article appeared in the <u>Gannetteer</u>, house organ of the Gannett Corporation. What happened to Bob Fahy can happen to our salespeople, too.

> REVERSAL OF FORTUNE After 34 years, Bob Fahy is back on fire

Little more than a year ago, Argus Leader sales rep Bob Fahy was feeling blah, discouraged about his job.

Sales were slow. Ads from a local shopping mall in his sales territory, usually fertile ground, were drying up as mall management - not shop owners - began handling advertising.

"When that happens, you start losing your incentive and enthusiasm. You feel like you are up against a wall," recalls Fahy, 70, a South Dakota native who has sold advertising at the Sioux Falls newspaper for 34 years. "I was feeling stale and stagnant, and wasn't really looking forward to coming into work."

Then Fahy turned his professional life upside down. Since October 1993, 69 percent of Fahy's accounts have increased Argus Leader ad spending and he's signed 44 new contracts. His income from commissions grew 30 percent in 1994 vs. 1993. Says Argus Leader Advertising Director Martin Till, "The guy's on fire!"

Fahy has become a firm believer in needs analysis, in finding out what advertisers want, in using research to sell. He's a real fighter for his accounts, making sure they get good rates.

Fahy, whose title changed to "marketing consultant" from "ad rep," finds out as much about clients as possible so he can help them in their decision-making. For instance, Foresight Cleaning Center, an occasional advertiser targeting schools and hospitals, went weekly after Fahy suggested it beef up promotion of its environmentally safe cleaning product to the general public.

Fahy says other adjustments factor into his come-from-behind run. The newspaper's ad department developed a team strategy. One assistant handles day-to-day administrative duties of three sales people, giving them more time to develop new clients. "Instead of making five or six sales calls a day, I might make 20."

In the past, Fahy rarely presented potential customers with "spec layouts," or suggested ads. Now, he often presents advertisers with a series of "slicks," or proposed ads, created by the newspaper's creative services department.

Ad territories were reconfigured to be more contiguous, too, so sales people spend less time on the road and have more personal contact with advertisers.

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## HIGH SCHOOL BASEBALL OPENING

How will the [home team] do this season? Part of the story will be told this [day] afternoon at [time]. That's when [home team] meets [visitors] in the opening home game of the season. says, come on out for a great afternoon of high school baseball. hopes you'll join them in supporting [home team] for a great season.

reminds you that it's great entertainment and it's great for the young people on the [home team] team. Come on out for the opening home game when [home team] meets [visitors]. Game time is [time] on [day]. says, support [home team].

believes that you can help make this a great season for [home team]. Come on out for the opening home game with [visitors]. It'll be [day] at [time]. ______ says, let's make this a great season for [home team]. See you opening day.

Let's make this a great season for [home team]. ______ says you can be part of it by being at the games often. Opening game is with [visitors] on [day] at [time]. ______ is going all out for [home team]. How about you?

reminds you that [home team] will be opening its home season with [visitors] on [day] at [time]. Follow the team often this year - it's always a great afternoon. A reminder from - behind [home team] all the way.

If you're looking for a great spring afternoon, says you don't have to look any further than [field] Field. That's where [home team] will be playing its opening home game on [day] at [time]. says, come on out for [home team]-[visitors] game on [day] at [time].

hopes this will be one of the great seasons in history for [home team]. Be part of it. Be at the opening home game on [day] at [time]. [Home team] will be meeting [visitors]. reminds you it's high school baseball time.

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## SALES MANAGEMENT: THREE QUESTIONS YOUR CUSTOMERS ASK

One of the marketing manager's most urgent tasks is differentiating the sales force from the competition. David People, a noted author and speaker, has identified three questions customers ask about your sales force. The answers will affect your bottom line.

The marketing manager's most important asset is his/her relationship with customers. Control over that asset - which is always either appreciating or depreciating - is in management's hands.

<u>Differentiation via the sales force</u>. It's easier to differentiate your salespeople than your product, for two reasons:

- 1. No company can consistently maintain product superiority.
- In many industries, products are becoming "look-alike" commodities.

If there's not much difference between your product or service and those of your competitors, then there had better be a big difference in the way you deal with people. The more generic the product, the more important the salesperson becomes, and the more likely it is that buyers' decisions will be based on him/her.

Customers or clients ask three core questions about salespeople, and they ask them without regard to the company the salesperson works for, or the product he or she sells:

 <u>Are they dependable and reliable</u>? Do your salespeople do what they say they're going to do? Do it when they say they will? Do it right the first time? Get it done on time?

The performance of salespeople must match their promises. Herein lies an opportunity for salespeople to differentiate their companies from their competitors by doing more than they are paid to do and by giving better service then they are paid to give.

Salespeople are frequently criticized for being unresponsive. that's opportunity knocking. When a customer or client asks you to do something, do it now - right now!

 Are they candid? Does your customer see your salesperson as one who tells it like it is? To be a partner and not a peddler, one must tell both the pros and cons - the advantages and the disadvantages.

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There's no reason not to be frank. The customer will do his or her homework and identify the soft spots in your proposal anyway. Why not let the customer hear about your product's limitations from you first - in a context that you control?

3. <u>Are they competent</u>? One way to be perceived as highly competent is through the use of proof sources - that is, other people who will testify to your competence.

Your salespeople can further enhance their image of competence by discussing the relevant subjects the customer is likely to know about and understand - industry studies and surveys, quotes of recognized experts, new developments and trends, and/or pending legislation.

A customer perceives salespeople as more credible when they genuinely understand the industry and market. That credibility increases still more when salespeople can pull together facts and data that are relevant to solving the customer's problems.

> - David Peoples (813-383-0954), "Selling to the Top," <u>The Marketing Report</u>

## THE LAST WORD: LEAVING LAS VEGAS

This year's NAB Spring convention was a very good show. But was it the convention, or was it us?

I applaud the NAB for not only scheduling more small-marketoriented sessions, but for clearly identifying them as such in the program. (I only wish the program were divided into separate radio, television and what-have-you sections - the jumble of multimedia listings was difficult to follow.)

As usual, the idea swap was most rewarding; nothing compares to a group of broadcasters sharing freely. (I know my station will make money on several ideas!) Perhaps at future gatherings that session can be scheduled later in the program rather than the very first thing, so more people can attend.

But I think much of the beauty of the convention is in the eye of us beholders; we have put on our rose-colored glasses again. This year's industry functions (the RAB in February and the NAB last week) have been enriching, even exciting experiences ... because after a long, cold winter of turmoil, uncertainty and contraction, we're ready for a little bit of enrichment and excitement again.

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# Small Market Radio Newsletter

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

Publisher & Editor: Jay Mitchell Managing Editor: Lori Morgan Editor Emeritus: Bob Doll

Published by: Jay Mitchell Associates, Inc. P. O. Box 1285 • Route 2 Fairfield, IA 52556

Phone 515-472-4087 Fax 515-472-6457 CompuServe 73627,2120

Subscription Rates:One Year\$11926 Weeks\$6413 Weeks\$37

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IN OUR 12TH YEAR



Bill Taylor KQSS P. O. Box 292 Miami AZ 85539

ADDRESS CORRECTION REQUESTED

VOLUME XII - Issue #49 - April 27, 1995

BROADCASTERS WERE THERE TO SERVE in the aftermath of the tragic bombing of a Federal office building in Oklahoma City last week. Many stations in the region ran reduced commercial loads or commercial free to give more air time to coverage of the disaster. Some stations went to full-time coverage. Carl Smith, executive director of the Oklahoma Association of Broadcasters, credits radio and TV with doing "a fantastic job" of serving the local community and the nation.

SENATE TO ACT ON PRESSLER TELECOMMUNICATIONS BILL this week as that body reconvenes. As for ownership limits, Congresspeople in both houses are weighing elimination of ownership rules against "undue concentration" of ownership; at this point the matter is still up in the air.

NEWS PROGRAMMING MAKES MONEY for over 44% of stations surveyed in a new RTNDA/Ball State University study. This is up from the all-time low of 38% in 1993. The survey drew 148 responding stations from a random mailing to 942.

MINORITY GROUPS PLAN TO MONITOR BROADCAST EEO PRACTICES. Several groups are talking about funding a plan to review the EEO efforts of stations during the renewal cycle, but this will likely be more of a spot-check than extensive scrutiny. Groups are also considering a program using "testers" - one minority and one white neither with intentions to accept the position would apply for the same job to determine whether the white applicant receives preferential treatment.

FCC REVISES DOWNLOADING INSTRUCTIONS for using the Internet to get documents from the Commission. For information, call Jorden Brinn at 202-418-0507 or E-mail at jbrinn@fcc.gov.

# AT THE FCC

NEW STATIONS (Applied For): CALIFORNIA (Los Molinos) Tehama County Comm. Bcstrs., 101.7, 6000w, 328' NEW STATIONS (Granted): CALIFORNIA (Lompoc) Stuart McRae, 106.7, 1650w, 1237' TEXAS (Sterling City) Leonel Sanchez & Mark Nolte, 96.5, 50,000w, 492' AMENDMENTS TO THE FM TABLE (Proposed): COLORADO (Grand Junction) KAFM (CP), to 100.7 C1 NEVADA (Pahrump) new, 95.1 A NORTH CAROLINA (Fair Bluff) new, delete 105.3 A AMENDMENTS TO THE FM TABLE (Granted): TEXAS (Commerce) KEMM, to 103.3 A from 92.1 A (Fairfield) KNES, to 99.1 A from 92.1 A (Tyler) KDOK, to 92.1 C3 from A REPORTED SILENT: PENNSYLVANIA (Port Matilda) WIKN, 107.9 FORMERLY SILENT: PENNSYLVANIA (Tobyhanna) WPMR-FM, 107.9 TEXAS (Odessa) KNDA, 1000

- Courtesy <u>M Street Journal</u>

ATTENTION NORTH CAROLINA, SOUTH CAROLINA, AND WASHINGTON LICENSEES: The FCC will be mailing booklets containing necessary information for renewal. The FCC has published a list of the official addresses for each station. If you haven't updated your address with the FCC, mail your changes to the FCC, Janice Smith, Room 302, Washington, DC 20554, or fax them to 202-418-1411.

ANNUAL EMPLOYMENT REPORTS are in the mail, and must be filed by May 31. If you do not receive your form by May 8, contact the FCC's EEO branch at 202-632-7069. There is no filing fee.

PREMIER PICKS UP LARRY "BUD," DROPS GERRY HOUSE. Premier Networks have signed David Letterman regular Calvert DeForest (previously known as Larry "Bud" Melman) for a weekday mini-feature based on his book, <u>Cheap Advice</u>. Premier has also signed cable TV entertainment reporter Tanya Hart, and has entered into an agreement with Quincy Jones to produce and distribute radio programming. Meanwhile, Premier has dropped its national syndication deal with Nashville Country morning personality Gerry House.

## MONEY PAGE - \$ALE\$ & PROMOTION IDEAS

June Business Opportunities include the following businesses, whose sales in the month are above average:

Appliance Stores Hotels/Motels Auto Dealers (New Domestic) Lawn & Garden Stores Auto Dealers (New Import) Mobile Home Dealers Auto Dealers (Used) Movie Theaters Auto Parts Stores Real Estate (New Houses) Beer Real Estate (Resale Houses) Bridal Market Restaurants Building Supply Dealers Sporting Goods Stores Camera Stores Supermarkets Fast Food Hardware Stores - RAB's Top 40 Business Survey June Promotional Opportunities - Events & Holidays Months Dairy Month National Fresh Fruit and Vegetable Month National Frozen Yogurt Month National Iced Tea Month National Pest Control Month National Rose Month Weeks June 4-10 - National Safe Boating Week June 11-17 - National Flag Week June 12-18 - National Little League Baseball Week June 18-25 - Amateur Radio Week <u>Davs</u> June 9 - Donald Duck's Birthday (1934) June 10 - F. Lee Bailey's Birthday (1933) June 14 - Flag Day June 17 - Watergate Day (1972) June 18 - Father's Day June 21 - Summer Begins MOTHER'S DAY. Here's a cute Mother's Day promotion from One to

<u>One</u>: Have your air personalities get their mothers to tape little anecdotes about their son or daughter, but without mentioning his/her name. Play the pieces on the air, inviting listeners to try to identify whose mother is being played. This would work just as well with sponsors or with local business or civic "personalities."

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#### \$ALE\$

Lately I have noticed that lessons in salesmanship can come from unexpected places. For example ...

Ask for the order and always assume a buy. We have a little dog named Issa, and whenever I come home Issa greets me at the door with her favorite toy, a "Boodah" rope bone, as if to say, "Time to play." Whenever my wife or I move from room to room, Issa grabs her Boodah and runs up to us as if to say, "Time to play now?"

I would guess Issa makes the sale about one time in three or four - but she always asks for the order; she's great at using the assumptive close.

<u>Uncover the true objection</u>. There are times when Sharon, my wife, and I have a discussion that's not about what it seems to be about. (I'm sure this never happens to you and your spouse.) In the course of planning our lives, one of us will suggest some plan or activity and the other will be unenthusiastic about it and offer a less-than-credible reason for not doing it.

The conversation then moves to a new level as the suggester asks the suggestee, "What is it <u>really</u> that causes you to feel that way?"

Love the customer. It happened again last week. I was returning home on a United Airlines flight, minding my own business, when the flight attendant handed me a signed business card from the pilot bearing a handwritten note: "Mr. Mitchell, thanks for flying with us so often."

Since this is the second time this has happened in the past few months (albeit with different wording in the messages), I know this is part of UAL's "format" to surprise and delight their regular customers.

Ignore the customer. Unfortunately, all too many of my experiences go the other way. Recently I was in a local shop, waiting my turn to be served. I realize the two people behind the counter (the owner and his assistant) were busy, but I was annoyed that neither of them even bothered to acknowledge my presence in the store (with a smile, a look or a nod) during the five minutes I waited.

What really got to me is that now that I am a local businessman who relies on the business of people like this guy, I couldn't tell him how I really felt!

SMALL MARKET RADIO NEWSLETTER

## IT'S A TWO-WAY STREET

Editor's Note: The following letter was sent by one of our readers, the manager of a small market station, to the affiliate relations director of a regional network that asked its stations to participate in a supermarket promotion for which they received no compensation.

"When it's a good idea, I'll tell you. When it's a bad idea, I'll tell you. Asking affiliates to participate in a promotion for \$1.00 off coupons redeemable at [supermarket] is a bad idea.

"Just this week, the Small Market Radio Newsletter ran the following letter:

"'I am distressed about the Mort Krimm show being offered on a barter basis in smaller markets but paying stations to carry it in larger markets. These folks will never spend money with our smaller stations if we continue to give them free access to our audience.'

"The same goes for radio as a whole, dealing with the megaretailers of today who <u>don't</u> buy radio. Just recently in our county our local animal shelter sent us information to promote 'Pictures With Your Pet,' the proceeds to benefit the local shelter's operation. To participate, pet owners, their families, friends and pets only had to come to the photo department of our Leesburg Wal-Mart. Wal-Mart has yet to consider local radio here significant enough to make a cash investment in maintaining our product. However, they have been diligent in getting their community involvement information to us. We have a firm policy of doing promotional tie-ins at or through a commercial entity <u>only</u> if that entity is an advertiser on our station.

"[Supermarket] has consistently chosen <u>not</u> to invest its advertising dollars in radio. Our local IGA store spends more with our station than [supermarket] does. As broadcasters, we are not helping ourselves at all by <u>giving</u> away our product to nonadvertisers.

"I feel that you have further compromised our affiliates without asking permission first if you go through with the proposal to announce on the network that the coupons will be available at our station!

"If the network wants to compensate our station for its participation in this promotion, that's another subject; but as outlined, this promotion does nothing to help either radio as a whole or our station in particular."

## ENGINEERING: MINOR MODIFICATIONS

Many station operators are not aware that they must file for and obtain a construction permit before making certain facility modifications. I've seen several instances of stations moving their tower site without first obtaining FCC approval!

Basically, anything that changes your transmission system requires a construction permit - a change in tower site, a change in tower height (see below), a change in the antenna system that changes by more than three meters the height of the center of radiation, and any change in effective radiated power (with certain exceptions for Class A stations that were authorized to increase to 6kw).

You must file FCC Form 301 and obtain a construction permit before making any such changes. Then, once the change is made, you must file FCC Form 302 for a modified license.

Many broadcasters forget this important second step, and after making the changes they were authorized to make, have had their construction permit canceled for failure to file Form 302. Unless you do so, as far as anyone at the FCC knows, the change has never been implemented.

Some changes can be made without prior approval, such as replacing an FM antenna with another model with similar characteristics (as long as the height of the center of radiation does not change), replacing the transmission line, or even the transmitter.

However, after making any such changes, you must still file FCC Form 302 for a modified license. For changes that do not require prior approval, there is no filing fee when submitting Form 302.

One often-overlooked requirement is that a construction permit is required whenever the height of your tower is changed. If you have an FM antenna side-mounted on a communications tower and the tower owner decides to add an extra 50-feet to the top of the tower to accommodate a new 2-way antenna, you must file an application for a construction permit to modify the height of your supporting structure, even though the height of your FM antenna is unchanged.

If there are multiple broadcast stations on the tower, they must all file separately. It's unfair, but it's required. It will also cost you \$650 to file, plus another \$135 when you file Form 302.

- Larry Fuss, Contemporary Communications, 601-846-1787

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## COPYWRITING BLOCK-BUSTERS

Jeffrey Hedquist, who owns an award-winning production company in the Midwest (right here in Fairfield, as a matter of fact -515-472-6708), presented a series of thought-provoking copywriting tips at the NAB in Las Vegas. Here are some of them:

- <u>Use mnemonic devices</u> to make your advertiser memorable. The audio example Jeffrey used was a commercial for a company called Anderson Ellerding, in which a bell sounded ("ding!") each time the company name was mentioned.
- <u>Design with sound</u> to give life to the message. In a commercial about computer networking, Jeffrey used a series of sound effects to illustrate and reinforce the concept of connectivity.
- 3. <u>Do "whole brain radio</u>." Combine "left-brain" and "rightbrain" messages (appealing to the emotions and to the intellect) to stimulate interest and to persuade.
- 4. <u>Use perspective</u> to draw your listener into the situation. Jeffrey's example: a commercial in which we hear one of the characters, voice muffled, speaking from inside a closet.
- <u>Use the "four colors" of radio production</u>: voices, music, sound effects - and silence.
- 6. <u>Make dialog ads more natural</u> by listening closely to actual conversations. They are not linear, where one person talks, then stops, then another person talks, then stops, and so on. People overlap, they interrupt each other, they leave sentences unfinished, they pause and say "Um" and "Er." Work this into your ads.
- 7. Use conflict to get the listener's attention. Examples: one person is skeptical about the product and must be convinced by another person; two people disagree about the benefits of a product ("It's a breath mint" "No, it's a candy mint"); a disagreement between two people is resolved by the product in some way. <u>Contrast</u> is a form of conflict as in using a sound effect that doesn't seem to relate to the message.
- 8. Your characters must go through a transition for an ad to be successful. Examples: unconvinced to convinced; frustrated to satisfied; unhappy to happy.

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- 9. <u>Take the "five-second headline" test</u>. Play the first five seconds of your commercial and stop. Would you continue to listen? If not, change the spot.
- 10. <u>Build empathy</u>. Your listener should relate to what is going on in the commercial. Use "little focus groups" (people who represent the intended audience) to make sure you are hitting the target.
- 11. <u>Use real people in commercials</u>. The "person on the street" technique is very effective in building empathy, but be selective. The pros interview hundreds of people and take only a very few and only the choicest sound bites.
- 12. <u>Carry a tape recorder</u> to capture ideas as they happen. It's much easier and more effective than using a notepad (particularly when driving!). According to Jeffrey, this also helps to avoid the self-editing process that sometimes gets in the way of creativity.
- 13. <u>Try "continuous writing</u>" as a technique to break through a creative block. Put pen to paper and don't stop writing for five minutes, no matter what gibberish comes out.
- 14. <u>Try the "What?" "So what?" test</u> to get the juices flowing. Ask "What?" (what is the client offering?); then ask "So what?" (why should the listener care?). Keep asking, keep answering; then pare the responses down to the greatest benefit.

Jeffrey also offered a few tips on selling your creative copy to the advertiser:

- <u>Use radio to establish parity</u>. A small budget in radio can level the playing field. Television commercials cost an average of \$250,000 or more; if an advertiser went totally crazy on radio he/she might be able to spend \$15,000.
   <u>[Editor's Note</u>: Naturally in our markets the numbers are slightly different, but the point is the same.]
- Peer selling to the client involves using examples from similar advertisers in different markets. For radio stations, the RAB's Spot Bank service provides useful audio tools. Spec ads are another way to put the client in the picture (so to speak).
- Education is sometimes necessary with the client to help him/ her accept new commercial concepts, new ways of doing things.

FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

ADDRESS CORRECTION

REQUESTED

# Small Market Radio Newsletter

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

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Phone 515-472-4087 Fax 515-472-6457 CompuServe 73627,2120

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Subscription Rates:One Year\$11926 Weeks\$6413 Weeks\$37

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IN OUR 12TH YEAR



Bill Taylor KQSS P. O. Box 292 Miami AZ 85539

VOLUME XII - Issue #50 - May 4, 1995

BEWARE OF EEO SCAMS - many stations have received calls from organizations claiming that stations must be listed with them - at up to \$500 a pop to comply with EEO rules. Stations do <u>not</u> have to be listed with such an organization to be in compliance; they must simply list job openings with minority and female-specific organizations.

NATIONAL REVENUE UP 14% IN MARCH, compared to March 1994, according to RAB's Radio Revenue Index. Local revenue rose 9%; the combined total increase over last year, 10%.

RADIO CONTINUES A BULL MARKET according to all the signs, says RAB's Gary Fries, barring an economic downturn. Fries spoke of radio's strengths at the RAB board meeting last weekend in San Francisco.

ARBITRON STUDY ON RADIO USAGE is close to completion. The findings: twice as many people are satisfied with radio as with TV; and 96% of commuters listen to radio. More results will be out in June.

RAB SURVEYS AD AGENCIES to check the effectiveness of the Mercury Awards and their effect on radio awareness. After three years, 60% are aware of the awards and 54% say they use radio very often.

FORMAT ROULETTE has been played most in these markets, according to <u>M Street Journal</u>, which has tracked the marketplace since January 1, 1994: 13 changes in Albuquerque; 12 in Monterey-Salinas-Santa Cruz; 10 in San Francisco, Houston-Galveston, Honolulu and Youngstown-Warren; 9 in Seattle-Tacoma, Minneapolis-St. Paul, Riverside-San Bernardino, Greenville-Spartanburg and Corpus Christi; 8 in Los Angeles, Chicago, Miami, New Orleans, Grand Rapids, Bakersfield, Utica-Rome and Jackson, MS. AT THE FCC

NEW STATIONS (Applied For): CALIFORNIA (Ludlow) KHWY (California), L.P., 100.1, 25,000w, -216' KANSAS (Hill City) Radio Inc., 101.9, 100,000w, 810' NEW MEXICO (Jal) John H. Wiggins, 107.1, 100,000w, 371' TEXAS (Edna) Hill Country Radio, Inc., 96.1, 12,800w, 456' AMENDMENTS TO THE FM TABLE (Proposed): NORTH CAROLINA (Edenton) new, to 102.5 C1 from C2 (Edenton) WERX-FM, to 102.5 C1 Columbia from Edenton (Pine Knoll Shores) new, to 105.9 A from 102.5 A AMENDMENTS TO THE FM TABLE (Granted): ILLINOIS (Knoxville) new, 105.3 A MONTANA (Billings) new, 105.1 A FORMERLY SILENT: ARIZONA (Rachina Village-Flagstaff) KFLX, 105.1 WISCONSIN (Oshkosh) WVCY, 690

REPORTED SILENT: MAINE (Bath-Porland) WKRH, 105.9

- Courtesy M Street Journal

## * * *

## PROGRAMS AND PRODUCTS

Eco-show. NPR's half-hour program, "Living on Earth," will begin a five-part series exploring the world's endangered food supply. The series begins June 2. For information, call 202-414-2313.

New personality & job profiles. From sales consultant Andy Willoughby comes a low-cost personality profile which can be used to evaluate the suitability of a candidate to a position, or to gain greater understanding of current employees.

In addition, Andy offers a Job Analysis which matches candidates to positions.

The cost of a single Job Analysis is \$95 including telephone consulting, \$50 without the consulting. A personality profile is \$25. Or you can go for ten profiles and one job analysis for \$249, which also includes telephone consulting.

As a special offer to SMRN readers, Andy will profile the manager for free. For more information, call 800-918-6390.

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## MONEY PAGE - \$ALE\$ & PROMOTION IDEAS

THE "ANNIVERSARY CELEBRATION" was one of the great ideas at the Idea Swap at the NAB. During the anniversary month of your station, conduct a telemarketing campaign in which you offer to celebrate the prospect's anniversary, on whatever day of the year it is, with "congratulations" messages. Price it according to the year you began - e.g., \$19.58. Collect the money from everyone right away and schedule the messages throughout the year.

SURFING THE 'NET. The first instance we've heard of a small market station setting up an Internet "page" to be accessed by listeners comes to us from KTOE & KDOG, Mankato, MN. Here is a description of the new service from the KTOE/KDOG newsletter:

"KTOE & KDOG are making history in Minnesota and in the country by being on the Internet! Program information about both stations is now on-line for the thousands of people in our area with computer access to the Global Internet. If you're one of them, send an E-mail message to KTOE at <ktoe@prairie.lakes.com> or KDOG at <kdog@ prairie.lakes.com>.

"In three seconds you'll receive a message back from us about the information resources we have available to you through our new Internet service. This method works if you have an Internet E-mail address, or subscribe to America Online, CompuServe, Prodigy, etc.

"You've heard us on the air and talked to us on the phone ... now see us on the Internet! KTOE & KDOG have a World Wide Web (WWW) page, including pictures of our entire staff at <http://www.prairie.lakes.com/ktoe-kdog>. We invite you to browse our web page to stay updated on demographic data about our listening audience and keep your company's products and services out in front." For more information, call KTOE/KDOG at 507-345-4537.

Many readers and clients have asked us about getting on the Internet, but for most stations it may be a little premature. While the <u>percentage</u> of computer users who log onto the Internet is growing rapidly, the absolute numbers are still quite small. On the other hand, the home PC market is finally exploding in real terms, and it makes sense for even small market stations to tap into that trend. This can be done most easily by setting up an in-house BBS (bulletin board system) that listeners (and advertisers) can dial into; and/or by establishing and promoting an address on America Online (which is shaking out to be the best online choice for the home computer enthusiast).

We'd be interested in hearing about other stations' experiences!

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## SALES - SELLING IN THE FUTURE

Consultant and speaker Ashley Page Herweg (803-559-9603) presented a session at the NAB entitled "FutureSell." Here are some high points from her presentation:

- In the evolution of an economy, we move from agriculture into industry into mass marketing. With the advent of computers, we are now in the information age. "Information is the currency of the future." This leads to a segmentation of marketing; in radio, this means fragmentation of audience.
- The future is individually-addressable radios. They have already been introduced by Motorola (Broadcasting 7/11/94). Today, only 7% of all businesses are using niche marketing. It is predicted that in the future, 70% will use it.
- Ashley presented a refinement to the standard "Consultant Interview" format, including detailed questions about the prospect's use of other media. Put easy questions - like name, address and phone - at the beginning of the form, to establish a non-threatening environment for the interview. The questionnaire, used by the salesperson, gives the prospect a chance to "sample" your station.
- "The more time you take to work up a presentation, the less time you spend closing."
- Mass markets are a thing of the past. There are no "average customers."
- Marketing services are a natural line extension for radio.
- Share data from promotions with advertisers. "Businesses always want more information about their customers." Tailor your registration blanks for particular customers. Offer to the advertiser to tabulate the information on a regular basis, tied into a long-term advertising plan.
- Collect questionnaires of the companies you buy things from and use them as a model for your own questionnaires and registration blanks.
- For example, a registration form for an auto dealer might include these questions: present vehicle make & model; second & third vehicle make & model; car or truck I'd like to own; important features; price I can pay; monthly payment I can afford; 
   I've never leased a vehicle; I 
   have 
   have not purchased from this dealership; age & sex.

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## LITTLE LEAGUE WEEK (June 12-18)

believes we hear too much about youngsters who go wrong - and not enough about youngsters who work hard to excel in endeavors like Little League. This week is "Little League Week," by Presidential proclamation. _________ sends best wishes to Little Leaguers in [town]. Have a great season.

Little League teaches sportsmanship, promotes strong healthy bodies, and teaches good citizenship. _____ reminds you that the success of the Little League program is dependent on support from adults. ______ says, during National Little League Week, attend a game. Find out how you can help.

Little League players learn the importance of teamwork and individual effort. ______ believes the lessons learned in Little League will profit youngsters all their lives and make our free enterprise system work better. The Little League is important to the future of our community, and ______ believes it deserves our support.

During Little League Week, observed by Presidential proclamation, urges you to give your support. See a game this week. You'll enjoy it - and, by attending, you'll be helping to make the Little League experience more meaningful to young people in our community. _____ believes in Little League.

says, instead of being troubled about the kids who go bad, think about the kids who go <u>right</u>. You'll see a lot of them in action on the Little League baseball diamond. ________ says, come out to a game this week during Little League Week. You'll have a good time - and you'll show your support for the <u>good</u> kids.

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## TECHNICAL: NEW TELEPHONE INTERFERENCE STANDARDS

Interference from broadcast stations to home electronics is of growing concern to many broadcasters. As homes and businesses move closer to transmission sites and as new transmitter facilities are built, the mitigation of RF and electrical interference has become a challenge for radio engineers.

The device that seems most susceptible to RF interference is the telephone. The addition of active electronics to home telephone equipment has brought increased susceptibility. The semiconductor devices in phones can rectify the RF fields and feed the demodulated baseband signals to the handset. Electronic telephones can detect both AM and FM modulation; thus the signals from nearby radio stations can sound like a mix of voice, music and buzz.

Resolving these interference problems can prove challenging. The FCC generally expects that AM and FM stations will assume full financial responsibility for satisfying all reasonable complaints arising from blanketing interference within one year of a major facility change. Areas adjacent to a transmission site are considered to be "blanketed" when the field strength exceeds 1 V/m for AM stations and 562 mV/m for FM stations (see §73.88 and §73.318). After a year, licensees should provide information or technical assistance as needed to help resolve interference problems.

In response to this problem, the Engineering Committee of the Telecommunications Industry Association (TIA) has proposed immunity standards for telephone terminal equipment having acoustic output. The standard specifies performance criteria in three categories (1) immunity to radiated E-fields; (2) immunity to conducted interference on signal leads; and (3) immunity to conducted interference on power leads. The compliance criterion is specified in the sound level out of the handset receiver. The sound level of the interference cannot exceed 55 dB SPL when the phone is exposed to the following fields:

Condition	Field
Radiated E-field	3V/m
Conducted, signal leads	3V (voltage on the lead)
Conducted, power leads	3V (voltage on the lead)

These limits are a good first step in mitigating the RF interference problems with phones, but this is only a proposal and it may be a few years before we see large numbers of phones that comply. Further, there are some limitations with the standard.

If you are having interference problems, a publication that can provide some guidance is <u>The Interference Handbook</u>, available from the FCC Consumer Assistance Office at 202-418-0200. - NAB <u>RadioWeek</u>

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### FROM OUR READERS

<u>Profit Margins</u>. "I was interested in your comment in a recent SMRN that most operators shoot for a 30% operating margin. I wonder if that really is true in small town radio. As you know, we beat our brains out to be commercially successful at our stations. I have found, for a variety of reasons ranging from management and employee turnover to the state of the national economy to whether or not the Wal-Marts of the world are displacing non-rated stations' traditional customer base, that a 20% margin is a goal to strive for in markets like ours.

"As we have pared operating expenses our personnel costs, including commissions, might account for as much as 60% of our operating expenses, even though we have automated much of our operations. We feel it is essential to cover local news and community events and to have enough account executives on the street so our 'people' costs remain a large part of our operating budget. It would be interesting to learn from other SMRN readers whether their experiences are the same or different.

"Do you think your subscribers would respond to a survey asking them to indicate by market size their non-trade revenues, even if only in \$100,000 increments; certain key operating expenses; and their operating margin by general percentage (e.g., 10-15%, 15-20%, etc.)? Would they be willing to indicate the number of AES they have per \$100,000 revenues and the method they use to compensate their sales staffs?

"Such information would fill a void and be particularly interesting inasmuch as it would address small market station realities rather than the more rarified air occupied by our larger brethren. Perhaps it would be possible to discern if there are certain constants which more successful small market stations employ in contrast to those stations which seem to struggle year in and year out."

> - Grenville T. Emmet, Emmet Broadcasting, Leesburg, VA, 703-777-1200

Editor's Reply: Good idea, Gerry. We'll publish a short questionnaire in an upcoming issue.

<u>Network Compensation</u>. "Your comments about the ABC network levying a charge for its service based on so-called ratings nonperformance struck a responsive chord.

"It would be interesting to poll SMRN subscribers to find out how many people got letters from ABC saying that they had to pay for network service, as opposed to how many got letters saying they

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no longer had to. I suspect more people are paying than not paying."

- Matt Billings, KWRT, Boonville, MO, 816-882-6686

Editor's Reply: Have other readers had a similar experience? Let us know.

<u>Database Marketing</u>. "I have a suggestion for a future article: I'd like to find out whether any other stations are using a computer-generated database as a money-maker.

"Many times these databases are in conjunction with a 'listener loyalty card' or 'station value card' concept. We are considering such a program and wondered if other stations in a market of 10,000 or so have tried this type of campaign.

"The concept behind such a system is obviously to have a database of listener information that can be tied into station promotions and client specials that can be tracked and used for future promotions. Today, radio must be able to prove who our listeners are and what their shopping trends are - especially in non-rated markets.

"In the years ahead non-traditional revenues other than the sale of ads themselves will have to be the way stations stay ahead of the game."

- Gene Kuntz, WITZ, Jasper, IN, 812-482-2131

Editor's Reply: For a simple way to build consumer information for a database from contest registrations, see our \$ALE\$ Page this week (Page 4). Also, there was a panel at this years RAB Management Leadership Conference in February about database marketing; it might be worthwhile to order a tape of that session from RAB Member Services at 800-232-3131. Do any other readers have database experiences to share?

"If Arbitron is selling surveys they claim are accurate but which are obviously statistically inaccurate, that's fraud. Maybe mail fraud.

"Why not a class action suit by small market stations like me who've lost business because they try to use 50 diaries as a survey? That cost me the Wendy's account this year; triple damages would amount to \$21,600."

- John David, KMPL & KSTG, Sikeston, MO, 314-471-1520

Editor's Reply: Interesting idea, John, but Arbitron wisely does not make any claims for the accuracy of the ratings. Radio has to take some of the blame for how influential they have become.

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FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

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Published by: Jay Mitchell Associates, Inc. P. O. Box 1285 • Route 2 Fairfield, IA 52556

Phone 515-472-4087 Fax 515-472-6457 Compuserve 73627,2120

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Subscription Rates:One Year\$11926 Weeks\$6413 Weeks\$37

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IN OUR 12TH YEAR



Bill Taylor KQSS P. O. Box 292 Miami AZ 85539

ADDRESS CORRECTION REQUESTED

VOLUME XII - Issue #51 - May 11, 1995

RADIO EXCLUDED FROM TELCOM BILL, along with TV, introduced in the House. Rather, ownership issues were separated out into a bill likely to be offered as an amendment to the main telcom bill. The main bill consists of telephone and cable issues. Following a hearing on antitrust issues regarding the telcom bill, NTIA's Director Larry Irving alluded to problems the Clinton Administration has about deregulation. Irving said ownership deregulation would threaten localism. NAB President Eddie Fritts was disappointed by the exclusion; they will push to get it included.

NAB SUGGESTS SATELLITE RADIO AUTHORIZATION for service, ensuring "minimal impact on the free over-the-air radio stations that serve local communities across America." Other points made to the FCC:

- DARS should not be given a head start over terrestrial DAB
  - more DARS applications
  - a "promise vs. performance" requirement
- no "boosters" or "gap fillers"
  - no "warehousing" of spectrum, waiting for the value to rise

PUBLIC BROADCASTING PROPOSES TRUST FUND to Congress. The proposal establishes the fund from revenue sources such as spectrum fees and contributions from commercial broadcasters. While NAB has long supported public broadcasting, it does not want to assume financial responsibility for their proposal.

NAB TO LAUNCH ANTI-ALCOHOL ABUSE CAMPAIGN later this month. Senator Strom Thurmond's support helped create the Stations Target Alcohol Abuse Reduction (STAR) campaign. STAR material, and PSAs on CD, are on the way to member stations.

#### AT THE FCC

NEW STATIONS (Applied For): ALASKA (Seward) William M Holzheimer, 105.9, 3000w, -1725' MICHIGAN (Benton Harbor) Andrews Broadcasting Corp., 94.9, 6000w, 248' (Benton Harbor) Benton Harbor Partners, 94.9, 2100w, 380' (Benton Harbor) Michael Walton, 94.9, 2150w, 284' (Benton Harbor) Wydle Broadcasting, 94.9, 3000w, 328' MINNESOTA (Deer River) Harbor Broadcasting, Inc., 105.5, 100,000w, 508' MISSISSIPPI (Chatom) Capital Assets, Inc., 106.1, 18,600w, 382' (Greenville) CD Communications, Inc., 104.7, 50,000w, 492' (Greenville) Delta Radio, Inc., 104.7, 50,000w, 476' (Greenville) Mondy Rueke Broadcasting Corp., 104.7, 50,000w, 492' OHIO (Piketon) Sydney Parker, 100.1, 3000w, 328' TEXAS (Dimmitt) James Peeler, 100.5, 100,000w, 328' VIRGINIA (Brunswick) Broomfield Broadcasting, Inc., 103.1, 1800w, 328' WYOMING (Powell) Cedar Mountain Broadcasting, 104.1, 78,000w, 1925' (Powell) Mount Rushmore Broadcasting, 104.1, 93,000w, 1938' AMENDMENTS TO THE FM TABLE (Granted): ARKANSAS (Danville) new, 105.5 A GEORGIA (Sparta) new, 102.7 A IDAHO (Cocu D'Alone) new, 102.3 A (Taland Park) new, 106.5 C (Wallace) new, 100.7 C ILLINOIS (Farmington) new, 96.5 C INDIANA (Charlestown) new, 104.3 A MICHIGAN (Baraga) new, 104.3 C (Hancock) new, 98.7 C2 MISSISSIPPI (Kosciusko) new, 103.3 C3 MISSOURI (Campbell) new, 107.5 C3 NEW MEXICO (Kirtland) new, 102.9 C NEW YORK (Old Forge) new, 94.1 A PENNSYLVANIA (McConnellsburg) new, 103.7 A TENNESSEE (Byrdstown) new, 96.7 A TEXAS (Comanche) new, 94.3 A VIRGINIA (Harrisonburg) new, 100.7 B AMENDMENTS TO THE FM TABLE (Proposed): OREGON (Depoe Bay) new, 105.5 A REPORTED SILENT: IOWA (Cedar Falls-Waterloo) KCFI, 1250, pending sale FORMERLY SILENT: INDIANA (Battle Ground-Lafayette) WASK-FM, 98.7 NEW YORK (Pulaski-Syracuse) WSCP-FM, 101.7 - Courtesy <u>M Street Journal</u>

SMALL MARKET RADIO NEWSLETTER

#### MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$

The Great Kite Flight. Invite parents to bring their kids and kites to a local park on a weekend day. Hold contests for most creative kite, highest-flying, most kites kept aloft at once, etc. Provide games, food and entertainment (like face-painters and clowns). Admission can be a dollar or two, with proceeds going to a local school project (like computers in the classroom, for example). Get sponsors involved - local toy stores, game arcades, video stores, etc. [Broadcast Programming]

Lawn & Garden Happy Hour. Host a "Happy Hour" from 4-6 p.m. at a local nursery every Thursday for seven weeks to build pre-weekend traffic. Run promos announcing everything in the store will be 20% off during the Happy Hour - targeting people driving home from work and thinking about all the lawn and garden work they've planned for the upcoming weekend. Have your air personalities do live broadcasts that include interviews with local gardening experts.

Listeners register each week at the nursery to win prizes like rakes, hoses and garden tools. The winner is chosen at the end of the Happy Hour.

During the last week of the promotion, at the final Happy Hour, one listener wins a prize collection of everything that's been given away in previous weeks.

You can tie in with other clients to supply refreshments such as hot dogs and soft drinks. This might encourage more families to bring along the kids. [Holly Buchanan, WMXB, Richmond, VA, 804-560-1037 - as reported in RAB's <u>Radio Sales Today</u>]

Morning Show Bit. It's called "Tribond"; the announcer reads three items and the caller has to guess what they all have in common. Example: A rifle, a handgun and Roy Rogers. Answer: They all have triggers. [Ron Montgomery, TPK., Topeka, KS, 800-524-4263 - as reported by Broadcast Programming]

How Hot? As Spring approaches, invite listeners to mail their guesses of when (time and date) the temperature in your area will match your station's frequency for the first time.

Monday Morning Mini-Vacations. The morning show gives to a listener the right to go into work late that day (11 a.m. or Noon). Take entries ahead of time by phone, mail or sponsor registration. Set it up in advance with the winner's employer. This is easier to set up than an entire day off, but has almost as great an impact.

SMALL MARKET RADIO NEWSLETTER

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#### \$ALE\$ - WHAT THE JOB ENTAILS

This is about the most thorough outline of a salesperson's job I've seen. What do you think?

ATTITUDE:

1. Professional. 2. Knowledgeable. 3. Provide accurate information. 4. Deal with integrity; never misrepresent. 5. Don't promise something that you can't deliver. 6. Follow through. 7. Keep high profile. 8. Be positive - sell strengths, not someone else's weaknesses. 9. Maintain a sense of humor! 10. Have fun! 11. Know that sales success is the net result of talent, hard work and perseverance. But don't forget the element of timing and luck! 12. Set goals! BE ORGANIZED: Maximize peak selling hours: 9:30-11:30 a.m.; 2:30-4:30 p.m. 1. - only four hours per day, plus`lunch. The day begins at the office and ends at the office. 2. 3. Direct sales, more calls, more orders. 4. Plan more calls. 5. Plan the week: Sunday night - list a. Daily calendar - reminder of key calls b. c. Check activity as completed 6. Sample day: a. 8:30-9:00 a.m. - letters, paperwork 9:00-10:00 a.m. - phone calls b. c. 10:00 a.m.-12:00 noon - street 12:00 noon-2:00 p.m. - client lunch or office work d. 2:00- 5:00 p.m. - street e. 5:00- 5:30 p.m. - phones, paperwork, etc. f. WEEKLY RESPONSIBILITIES: Make calls on clients to service existing business and 1. stimulate new business.

- 2. Issue weekly call reports.
- 3. Issue weekly status reports.

KNOW COMPETITION:

- 1. Have a thorough understanding of all your competition.
- 2. Learn as much as possible about their salespeople.

SMALL MARKET RADIO NEWSLETTER

#### COVERING YOUR CLIENTS:

- 1. Maintain accurate, up-to-date files.
- 2. Know who you can see without an appointment, and who requires one.
- 3. Plan calls for the day in a logical order, based on location.
- 4. Canvas streets and building directories for new clients.
- 5. "Read desks," ask questions, listen.

#### PRE-SELL:

- 1. If the first time you're telling your story is when you're submitting an avail, you're in trouble!
- 2. Make certain that the appointment leaves enough time for you to tell the whole story.
- 3. Follow up with air checks, letters, articles and promotion pieces.
- 4. <u>Never</u> see a client without asking for an order.
- 5. <u>Never</u> see a client without giving information about your product.
- 6. Always get a reason to come back.
- 7. Always make sure that the client has up-to-date information.

#### PREPARING THE PRESENTATION:

- 1. Design everything to fill the client's needs. Never try to sell someone something that they don't want to buy.
- 2. <u>Never</u> assume that the client knows everything about your product, regardless of how many times you've pre-sold him.
- 3. Gather your facts and check them for accuracy.

#### DELIVERING THE PRESENTATION:

- 1. Sell your strengths.
- 2. Determine if there are any hidden objectives.
- 3. Ask for the order, then shut up!
- 4. Call back with more information.

#### AFTER THE SALE:

- 1. Thank the buyer for the order.
- 2. Verify details.
- 3. Get the competitive information.
- 4. Confirm the order with your traffic department.
- 5. Write up clear, concise and accurate paperwork.
- 6. Confirm to agency.
- 7. Issue competitive.
- 8. <u>Always</u> thank all support groups for their help research, traffic, clearances, programming and affiliate relations.
- 9. Return to the buyer, provide continuous service and start pre-selling your next order.

- Ellyn Ambrose

SMALL MARKET RADIO NEWSLETTER

#### STATION OF THE MONTH: REVIVAL IN THE ONION CAPITAL

WVOP, "The Voice of Progress," breathed its first breath in the town of Vidalia, GA on December 2, 1946. Its owners were Bill Ledford, the publisher of the local newspaper, and local businessman Jack Ladson. The station was an instant success, thanks to radio man Howard Gilreath, whom the owners brought in as general manager. For 40 years the station's success continued, but after hitting its peak in 1987, its fortunes began to slide.

The town of Vidalia had taken several economic hits, and there was formidable new radio competition from three 100,000-watt FM stations which had sprung up in the area, as well as a Class IV AM/Class A FM combo which had gone on the air six miles away. As in many other areas, there were more radio stations competing for fewer traditional radio dollars.

By 1993 John Ladson and Bill Ledford, sons of the founders, decided the station had reached a crossroads. There was no sign that the billings slide was subsiding, or that the shrinking profit margin would not disappear altogether. They gave serious thought to selling, but in John Ladson's words, "This is Billy's and my hometown, and the station is an almost-50-year-old family treasure. You don't easily part with something like that."

Ladson and Ledford brought in outside help "to help us determine what we had, and to draw up a plan to restore WVOP and its colocated FM station, WTCQ, to their former viability." It would mean a substantial investment, and most of all a stronger manager to rebuild the station's business and justify the infusion of new capital. They found that strong manager in the person of Zack Fowler - or rather, in Ledford's words, "You don't find a fellow like Zack; he finds you - and he did."

Fowler had spent the first 12 years of his life in Vidalia, a South Georgia town most famous as a shipping point for the area's principal crop - onions. Fowler, now in his early fifties, remembers the first time he was on the radio, appearing in a third-grade radio play on WVOP. When Fowler was 12, the family moved 60 miles to Sandersville, where his father found a bigger store for his furniture business.

At age 14, Fowler talked his way into a weekend announcing job on Sandersville's WSNT. When it came time for college, Fowler landed a job at WGAU in Athens, GA, owned by Randolph Holder. "Randolph was my mentor. It wasn't what he said, it was what I saw him doing: working long, hard hours and enjoying every minute of it. He involved himself, his staff and his station in what was right for the community. Even though it was a CBS station, it carried heavy local news coverage and community involvement."

Fowler's plans to go into radio full-time upon college graduation were sidetracked when he received a draft notice during the Vietnam war. "I got lucky and was chosen for Officers Candidate School. By the time I was eligible to muster out, I was a captain and couldn't afford to leave the service."

Zack Fowler had an ambition to join Armed Forces Radio, but, "I spent eleven years waiting for a chance at that." When the chance finally came, he spent 16 years in AFR, rising to colonel and the head of Army broadcast operations for all of Europe.

On a visit to see his mother in a Vidalia senior care facility, Fowler stopped in to see Billy Ledford at his Vidalia newspaper office, asking, "Do you have any openings at the radio station?" Ledford answered, "Several."

When Fowler met with Ledford and Lanson, they outlined their plans for the Vidalia radio stations - and for a silent station they could buy 20 miles away at Soperton, a town with two failed stations in its history.

When Fowler arrived, there were 11 employees. The three stations were put onto Jones satellite programming - the AM went Oldies, the FM went AC, and the Soperton station, WKTM, went Country. A Computer Concepts system allowed the three stations to be operated by a staff of seven.

Fowler, in addition to his management duties, became news director, sportscaster and special events announcer. "I did the things I saw Randolph Holder do almost 30 years before."

Only one staff member remains from two years ago - salesman Johnny Winge, whose radio sales experience is backed up by 20 years at a downtown department store, where he bought radio time and wrote the ads. In Zack's words, "He believes in radio because he's seen it work. His belief is coupled with as much natural sales ability as anyone I've ever met."

The stations' other salesperson is a longtime schoolteacher, Linda English, who came to the station for what she calls "an overdue career change."

The two on-air talents, Scott Crabb and Marvin McIntyre, are both Vidalia natives who spent time at other stations and in other businesses over the years. "They're glad to be home," Zack says, adding wryly, "and I guess they're comfortable with the 'spit and

polish' you usually find in a business managed by a longtime Army guy."

Two women run the office and the hard disk automation - Joyce Wilkinson, a longtime assistant librarian and visual aids specialist in the local school system; and Carol Stalneck, who came to the station as an intern from the local technical school and was discovered to have a talent for airwork, copywriting, production and computers.

In Fowler's view, "It takes more disciplined, mature people to operate a station successfully in this more high-tech competitive radio environment. But, as always, the people really have to love the business. Working hard and smart has to be fun for them."

Fowler is not arrogant about it, but he is certainly proud of the fact that WVOP and WTCQ are surpassing the billing benchmarks achieved in 1987. Moreover, there is little doubt that their station in Soperton (population 2737, county population 6000, retail sales \$15.3 million), operated as a duopoly, will succeed where two stand-alone stations failed. "In a year we've reached half our billing goal for WKTM," Zack says.

His years in the service taught him the value of planning and setting goals. "I've learned the real fun is getting there - the journey to the goal. If you aim high, the journey never ends - so you keep having fun."

#### FROM OUR READERS

"Just got through reading this week's newsletter that I got today and Page 6 was useless. Great idea to give us some info about high school baseball openings, only one problem: our high school season ends this week. We've been broadcasting high school games for the last six weeks. Please get us the info early enough to be useful. Surely other stations aren't just now beginning their high school season. In fact, give us the fall sports stuff real soon, as we are already selling fall sports." - Marvin Hill, WGOG AM & FM, Walhalla, SC, 803-638-3616

Editor's Reply: Marvin, your letter was an eye-opener. Those of us who are just now thawing out won't open our baseball seasons for about another month, and I was unaware that other parts of the country started theirs so much earlier. In the past year or so we have been running things earlier and earlier in response to the requests of our forward-thinking readers. It's great to see so much planning, and we'll do a better job of accommodating.

SMALL MARKET RADIO NEWSLETTER

# Small Market Radio Newsletter

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

Publisher & Editor: Jay Mitchell Managing Editor: Lori Morgan Editor Emeritus: Bob Doll

Published by: Jay Mitchell Associates, Inc. P. O. Box 1285 • Route 2 Fairfield, IA 52556

Phone 515-472-4087 Fax 515-472-6457 CompuServe 73627,2120

Subscription Rates:One Year\$11926 Weeks\$6413 Weeks\$37

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IN OUR 12TH YEAR



NEXT WEEK: 12TH ANNIVERSARY ISSUE! Bill Taylor KQSS P. O. Box 292 Miami AZ 85539 FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

ADDRESS CORRECTION REQUESTED

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VOLUME XII - Issue #52 - May 18, 1995

AD TAX DEDUCTIBILITY excluded in the House version of the U.S. budget. An earlier version would have allowed 90% deductibility for advertising for radio and TV stations. House and Senate budget committees are still deciding on what to keep and what to toss out of the FY'96 budget proposals.

1995 NAB/BROADCAP MINORITY FELLOWSHIP AWARD goes to Margaret Escriva, Pres. and GM, KWIC-FM in Topeka, KS. The award promotes advancement and training for minority broadcasters.

STUDY REVEALS NEWS DIRECTOR PAY has increased less than 1% from 1993. The University of Missouri study reveals that for 196 radio stations across the country, the average salary for news directors is \$19,825; the average reporter \$14,560. The study did not break down salaries by market size.

15% AGENCY COMMISSION NO LONGER THE NORM, according to a new study by the Association of National Advertisers. The 97 company study, representing 121 agency contracts, revealed that 14% of advertisers pay the standard 15% commission; in 1992, 33% were receiving 15%.

SMALL MARKET OPERATOR NAMED TEXAS BROADCASTER OF THE YEAR. Bill Buchanan, 20 year owner/operator, KSHN, Liberty, TX received the award for his longtime service to Liberty and Texas.

BUFFALO STATION SLAPPED WITH A \$4000 FINE, a Notice of Apparent Liability, for airing indecent material back in September 1993. WGRF-FM made references about a woman and a plunger which were "unambiguously and graphically sexual."

STATION HIT WITH AN ARBITRON FLAG. WJZF, La Grange, GA ran a top-of-the-hour promo asking listeners to make a mental note of their "time spent listening to 104.1 FM."

### AT THE FCC

NEW STATIONS (Applied For): KANSAS (Larned) Western Kansas Wireless, Inc., 106.9, 100,000w, 482' MICHIGAN (Benton Harbor) Michael Leep, 94.9, 2200w, 380' (Benton Harbor) T.C. Broadcasting, Inc., 94.9, 2200w, 380' (Benton Harbor) WSJM, Inc., 94.9, 2200w, 380' (Reed City) Steven Beilfuss, 97.3, 2852w, 479' MISSISSIPPI (Greenville) Mid-America Broadcasting Co., 104.7, 27,500w, 361' MONTANA (Ennis) Frank Spain, 98.7, 50,000w, 203' (Ennis) Lee Axdahl, 98.7, 50,000w, 492' NEBRASKA (McCook) W. Lawrence Patrick, 94.1, 50,000w, 492' OHIO (Piketon) Piketon Communications, 100.1, 3000w, 328' AMENDMENTS TO THE FM TABLE (Proposed): ARIZONA (Willcox) KWCX, to 104.9 C3 from 98.3 A CALIFORNIA (Shingletown) new, 94.3 A INDIANA (Roann) new, 101.9 A OREGON (Eugene) new, 100.9 A TEXAS (Lamesa) KIOL-FM, to 100.3 C1 Tahoka from Lamesa (Llano) new, 96.3 A (Llano) KBAE, to 104.9 C3 Marble Falls from 104.7 C3 Llano AMENDMENTS TO THE FM TABLE (Granted): LOUISIANA (Sulphur) KKGB, to 101.3 C3 from 100.9 A MINNESOTA (Bemidji) new, 95.5 C1 (Red Lake) new, 94.1 C1 TEXAS (Jasper) KMIA, to 100.7 C1 Winnie from Jasper (Palacios) new, 99.7 A (South Fort Polk) new, 95.7 A REPORTED SILENT: VIRGINIA (Lynchburg) WLLL, 930, pending sale (Waynesboro) WAYB, 1490 FORMERLY SILENT MAINE (Bath-Portland) WBCI, 105.9 MISSISSIPPI (Cleveland) WKZB, 1410 (Newton-Meridian) WMYQ-FM, 97.9 - Courtesy <u>M Street Journal</u> REVIEW ACTUAL ARBITRON DIARY COMMENTS without traveling to

Columbia, MD. Radio subscribers can receive the information beginning with the Winter 1995 book. Cost is \$200 to \$500 for the Diary Comments Report by county, available in all 261 markets. For more information, contact your Arbitron representative.

SMALL MARKET RADIO NEWSLETTER

#### MONEY PAGE - \$ALE\$ & PROMOTION IDEAS

Money Machine. Listeners must try to identify a secret computer code number. It's a variation on the "high-low" game using well-done computer voices and sound effects.

Mystery Superstars. Four quick snips of voices of famous people (from music, film, TV, whatever), with a little electronic bleep in between each to dress it up. Callers try to guess the voices; a big cash prize is awarded to the winner.

<u>Sing It And Win</u>. Callers sing verses of current records for prizes.

<u>WXXX Puts You on the Payroll</u>. Listeners send in cards; station calls out a name; if he/she calls within nine minutes (or some amount that ties into your frequency), the station "puts you on the payroll" at \$9.00 an hour (again, relate the number to your frequency). An hour later, station calls out another name; if that listener calls in, he/she replaces the first listener on the payroll. If the second person doesn't call, the first one stays on the payroll for another hour - and so on.

<u>WXXX Cash Clock</u>. Station starts the "Cash Clock" ticking, counting up a dollar a minute. Sometime later, they ask for calls. If the correct caller can tell how many minutes the Cash Clock has been ticking, he/she wins the amount racked up. Copy line: "The more minutes you listen, the more money you win."

<u>Quick Cash</u>. The station asks the correct caller to attempt to say "[Station] Quick Cash" ten times in ten seconds. If successful, he/she is awarded a bill (whatever denomination fits the budget). But that's not all: in "Round Two" of Quick Cash, the caller must say the phrase ten times in <u>five</u> seconds for another bill. Variation: "Name as many of your favorite albums as you can in ten seconds" - and the player wins the LPS.

<u>Player of the Week</u>. Nominations of high-school athletes are taken during the morning show on Monday; that evening, listeners vote; results are announced the following morning. A good recycling device; a good local tie-in.

Pay Phone Phrase That Pays. The station calls up pay phones around the city, asking listeners to answer with the Phrase That Pays.

The Great [Market] Trivia Game. Station puts two callers on the line and pits them against one another to see who has the correct answer to a trivia question about the home city or region.

SMALL MARKET RADIO NEWSLETTER

#### \$ALE\$ - THE "UNIVERSITY"

Last week I had the pleasure of accompanying our salespeople to the one-day RAB "Radio Sales University" in Des Moines, presented by George Hyde and Roger Dodson. The basic premise of the seminar is to help us understand, once and for all, that radio's growth and future depends on us abandoning our old, "close"-oriented ways of selling in favor of the new, consultant/presentation methods.

Here are some of my notes from that day ...

The power of radio. Last year there were 251 billion phone conversations, as opposed to 51 million letters. People are more geared to aural communication (like radio) than written communication.

Confucius said "A picture is worth a thousand words," but in his Chinese culture, the language is pictorial. Our language, on the other hand, is aural.

"Radio is the number one reach medium in America" (Roger Dodson).

<u>What do advertisers want from the media</u>? Ad executive Jack Meyers interviewed 500 brand managers around the world. Here is what they said was important (with Roger Dodson's comments in parentheses):

- 1. Targetability (radio is the number one targeting medium)
- Market identification and awareness a way to tell the story (radio took Motel 6 from Chapter 11 to success)
- 3. Something that will sell the product <u>now</u> (who doesn't know the "Hooked on Phonics" phone number?)
- 4. Positive selling environment (radio advertising is uncluttered - our medium is 20% advertising, whereas the newspaper is 70% advertising; and what could be more positive than the fact that the listener chooses to listen to your station?)
- Promotion opportunities (who does promotions better than radio?)

Belief sells. For us to be successful, we must truly believe that dollar for dollar, radio is the best advertising investment. Our job, as radio marketing consultants, is, in Roger's words, "enthusiastic transfer of our belief."

In future issues we'll cover some of the other points George and Roger made in this excellent seminar. Though perhaps better suited to the experienced seller, there is something here for the rookie as well. For a schedule of when the RAB Radio Sales University is coming to a city near you, call RAB Services at 1-800-232-3131.

#### SALES MANAGEMENT - THE NUMBERS DON'T LIE

Regular readers of this publication know I am a great believer in <u>leading indicators</u> to manage a sales department, as opposed to <u>trailing indicators</u>. The difference? Leading indicators are numbers which help us understand where we're going; trailing indicators can only help us understand where we've been.

Applying this to radio sales, billing numbers (even projected billing) are trailing indicators because they reflect the results of past activity. On the other hand, written sales are nearer to the point of action; in combination with other numbers, they can even predict the future.

Let me use as an example the actual numbers from two salespeople at a client station from the month of April, working off equivalent lists:

Indicator	Salesperson "A"	Salesperson "B"
Appointment Calls	18	27
Service/Collection Calls	27	38
First Calls	10	10
Qualified Calls (QCS)	77	57
Calls Resulting In sales (\$)	39	27
Batting Average (\$/QCS)	51%	47%
Average Dollars Per Sale	\$542	\$164
Average Dollars Per Qualified Call	\$274	\$77
Written Sales	\$21,135	\$4,416

What does this show us? Salesperson "A" - a 12-year veteran - is making things happen:

- She has made an average of just under four Qualified Calls (defined as a specific schedule presented to a decisionmaker) per day (QCS divided by 20 weekdays in the month).
- Her batting average is above-average.
- Her dollars per sale and dollars per call are high, as are her total written sales, but those numbers are somewhat inflated because she wrote a lot of annual contracts during the month.

Meanwhile, Salesperson "B" - a two-month rookie - is experiencing some growing pains:

- He is having trouble getting appointments (relationship of Appointment Calls to Qualified Calls).
- He is not going for enough upsells (ratio of Service Calls to Qualified Calls).
- He averaged under three QCS per day throughout the month.
- His batting average is high, but he is not asking for enough money: the average dollars per call and per sale are low, but this is partially because he is writing "Sales Impact Plan" TFN contracts which we put in as 13-week orders.

I might also mention that both salespeople billed about the same in April but "A" has a strong May while "B" does not. This indicates that "B" is not selling as much long-term base business.

So the GM of this station is working with "B" in these areas:

- <u>Gaining appointments</u>. "B" is not generating enough actual appointments out of the appointment calls he makes. (Prospects are also breaking appointments on him.) He has not made the appointment important to the prospect.
- 2. <u>Planning ahead</u>. "B" is starting each day without a plan for that day, which means that he has no control over how many qualified calls he can make that day.
- 3. <u>Getting out of the station</u>. "B" spends a lot of time on the inside, avoiding the harsh street in favor of the warm "family." This is coupled with Point 2, of course, but it also involves the motivation to make something happen.
- 4. <u>Making written presentations</u>. "B" is shooting from the hip and short-circuiting the sales process. He needs to drop back and take more time to prepare for the sale.
- 5. <u>Asking for more money</u>. This ties in with Points 2 and 4. With more preparation, "B" can work up bigger proposals with aggressive financial sizing and pull down bigger bucks.

Some GMS and SMS are more intuitive and don't need such analyses, perhaps, but for the rest of us this information can help us diagnose problems before they become insurmountable and turn more salespeople into productive winners.

#### FROM OUR READERS

"To answer your ABC Network question, I <u>pay</u> for ABC News in two of my markets; I get it free at another station but I pay for ABC/SMN "Country Coast to Coast."

"Thanks for an excellent publication that fits small market broadcasters to a T."

- Name withheld by request

"Just finished reading the May 4th issue and found some comments rather interesting. The comment from Grenville T. Emmet about profit margins was really eye-opening.

"Yes, I agree when you said 'Most operators shoot for a 30% operating margin.' Oh, how I wish! Small town radic, like Walhalla, SC, is more like trying to just pay this month's bills. We don't have time to think about a profit; we just want to pay the bills each month.

"Another figure I've read about is to keep your employee costs down to 50% of total revenue. Again, how I wish. Ours has been above 60% forever with no hope of it getting any better. In those downsized months, that figure has been 65%.

"I look forward to the survey mentioned and I'll certainly participate. If someone has a better way, I, for one, would be happy to learn of it. Hey, this is small town America out here: reality every day of the week."

- Marvin Hill, WGOG-FM, Walhalla, SC

Editor's Reply: The survey, prompted by Gerry Emmet's letter (SMRN 5/4/95) and referred to by Marvin Hill, is on the following page.

"Does anyone know of any radio tips or messages (or any that could be adapted to :30 spots) concerning lawyers or the legal profession?"

- Phyllis Thorson, Sun Communications, 507-498-5720

"Is anyone commenting on a new 'Insertion Order' and copy I received via fax from Health Maintenance Organization of Irvine, CA (Harold Hyden and Joe Kelly, 714-622-9575)?" - Dick Gleason, Gleason Marketing Services, 207-743-5911

Editor's Reply: We see a great many of these "orders" and they all boil down to the same thing: whether crooked or just naive, they want to use our money to finance their business. I for one don't let them.

SMALL MARKET RADIO NEWSLETTER

#### READER SURVEY: SMALL MARKET PERFORMANCE

These questions were suggested by Grenville T. Emmet, Emmet Broadcasting, Leesburg, VA. You may fax your answers to SMRN at 515-472-6457.

Please fill out the questionnaire for only one market, regardless of the number of stations; if you are in more than one market, please make copies of the questionnaire.

This is a great way to give us all some very useful information. Your answers will be kept strictly confidential (especially since you don't have to give your name). <u>Please help make this survey</u> <u>meaningful</u>!

Market Size: City____ County____ Trading Area

Number of Stations You Own/Operate in This Market

Format(s)_____

Last Year's Non-Trade Revenues: Dunder \$100K D \$100K-199K \$200K-299K \$300K-399K \$400K-499K \$500K-599K \$600K-699K \$700K-799K \$800K-899K \$900K-999K \$10-109M \$1.1M-1.199M \$1.2M-1.299M \$1.3M-1.399M \$1.4M-1.499M \$1.5M or More Last Year's Operating Margin: Under 0% (Loss) 0 0-4% 5-9% 10-14% 15-19% 20-24% 25-29% 30-34% 35-39% 40-44% 45-49% 50% or Over Percent of Revenues: G&A % Programming % Sales % Engineering % Other % Total # of Salespeople Separate Staffs? Yes No No NA Monthly Sales Compensation: Salary \$ Draw \$ Commission \$ Other \$ Fax a copy of this form for each market you own/operate to 515-472-6457. Results will be printed in a future issue. Thanks!

SMALL MARKET RADIO NEWSLETTER

# Small Market Radio Newsletter

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

Publisher & Editor: Jay Mitchell Managing Editor: Lori Morgan Editor Emeritus: Bob Doll

Published by: Jay Mitchell Associates, Inc. P. O. Box 1285 • Route 2 Fairfield, IA 52556

Phone 515-472-4087 Fax 515-472-6457 CompuSene 73627,2120

Subscription Rates:									
One Year									
26 Weeks		. · ·		• • •	\$64				
13 Weeks		Į.,	7.		\$37				

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IN OUR 13TH YEAR



12TH ANNIVERSARY ISSUE Bill Taylor KQSS P. O. Box 292 Miami AZ 85539 FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

ADDRESS CORRECTION REQUESTED

# **VOLUME XIII - MAY 25, 1995**

HOUSE COMMERCE COMMITTEE TO IRON OUT TELCOM BILL. Beginning May 24, the committee will decide what will be included and excluded from the telcom bill. The Telecommunications Subcommittee did not take action on most broadcast issues last week. Representative Clifford Stearns (R-FL) intends to introduce his amendment to life ownership limits.

HUNDT SEEKS MINIMUM OF FIVE RADIO OWNERS PER

NAB'S JOBLINE AVAILABLE 24 HOURS A DAY beginning June 1. Job listings are categorized by the day of the week.

WHAT'S GOING ON? Here's a brief list:

- 1. June 17-21 Radio Management Seminar at Notre Dame. Call B.J. Cohen at 202-775-3510.
- July 25 Radio License Renewal Seminar (for IL and WI), Northbrook, IL. Call 202-775-3511.
- 3. September 6-9 The NAB Radio Show & World Media Expo, New Orleans, LA.
- 4. September 8 Ben and Jerry, founders of Ben & Jerry's Ice Cream, are keynote speakers for the radio luncheon at the NAB Radio Show.
- September 28 Radio License Renewal Seminar (for IA, MO), Kansas City, MO. Call 202-775-3511.
- 6. October 27-29 Radio's 75th Anniversary Celebration in Chicago. For ticket information, call Kay Roan at 800-860-9559.

# AT THE FCC

## **NEW STATIONS (Applied For):**

ILLINOIS (Mt. Sterling) Magnum Broadcasting, Inc., 107.1, 25,000w, 328' MAINE (Van Buren) CanXus Broadcasting Corp., 98.1, 2000w, 351' MISSISSIPPI (Greenville) Carl Como Tutera, 104.7, 50,000w, 492'

(Greenville) Margaret Adele Karr, 104.7, 50,000w, 492' NEW MEXICO (Taos) L&B Broadcasting, L.L.C., 99.9, 10,000w, 2768' TEXAS (Stanton) John H. Wiggins, 105.9, 37,000w, 400'

### **NEW STATIONS (Granted):**

GEORGIA (Sasser) Marshall W. Rowland, Sr., 107.7, 25,000w, 328' MICHIGAN (L'Anse) L'Anse Broadcasting, Inc., 106.1, 50,000w, 492' TENNESSEE (Monterey) Robert Gallaher, 104.7, 3400w, 430'

### AMENDMENTS TO THE FM TABLE (Proposed):

MICHIGAN (Negaunee) new, 106.7 A MONTANA (Billings) new, 96.3 C1 TEXAS (Linden) new, 99.3 C3

### AMENDMENTS TO THE FM TABLE (Granted):

ARKANSAS (Atkins) new, 99.3 A CALIFORNIA (Newberry Springs) new, 103.7 A MISSOURI (Bismark) new, 99.5 C NEVADA (Ely) new, 96.5 A

### **REPORTED SILENT:**

CALIFORNIA (Bakersfield) KAFY, 970 LOUISIANA (De Ridder) KEAZ, 101.7 (De Ridder) KDLA, 1010 UTAH (West Valley City), KRGQ, 1550

FORMERLY SILENT:

TEXAS (Beaumont) KJUS, 1380, KZXT formerly silent

- Courtesy M Street Journal

FCC CLOSES FIELD OFFICE in Baltimore, MD, consolidating its functions with the Laurel, MD office. Services in Baltimore will suffer a marginal decrease. The FCC field offices in Miami, FL and Buffalo, NY are expected to close soon.

### MONEY PAGE - SALES AND PROMOTION IDEAS

July Business Opportunities include the following businesses, whose sales in the month are above average:

Appliance Stores Auto Dealers (New Domestic) Auto Dealers (New Import) Auto Parts Stores Beer Bridal Market Building Supply Dealers Fast Food Hardware Stores

Hotels/Motels Lawn & Garden Stores Mobile Home Dealers Movie Theaters Real Estate (New Houses) Real Estate (Resale Houses) Restaurants Supermarkets

- RAB's Top 40 Business Survey

# July Promotional Opportunities - Events & Holidays

Months National Baked Beans Month National Hot Dog Month National Ice Cream Month National Recreation and Parks Month National Tennis Month

<u>Weeks</u> July 4-10 - Freedom Week July 16-22 - Space Week

### <u>Days</u>

July 3-Aug 15 - Dog Days of Summer July 3 - First bank opens in U.S. (1819) July 4 - Independence Day July 4 - Neil Simon's Birthday (1927) July 5 - Huey Lewis' Birthday (1951) July 9 - O.J. Simpson's Birthday (1947) July 9 - Tom Hanks' Birthday (1946) July 11 - 2000 days before the year 2000 July 12 - Video Games Day July 12 - Video Games Day July 14 - Bastille Day July 16 - National Ice Cream Day July 18 - Nelson Mandella's Birthday (1918) July 22 - Danny Glover's Birthday (1947)

- Chase's 1995 Calendar of Events

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#### \$ALE\$

You have probably never heard of Eddie Allgood, but for many years he was the sales and promotion manager of WBTM, and later general manager of WDVA, both of Danville, VA. When the following list appeared in the first issue of SMRN—ten years after Bob Doll first saw it —Danville was in the promotion and sales consulting business in Danville. The list proves, as Bob said when he printed it, that common sense is one thing that lasts. Enjoy!

### Fifteen Mistakes Radio Salespeople Make

- 1. Not asking for the order. Most radio salespeople do not ask for the order on every call.
- 2. Forgetting that anybody can say "No," but only a few people can say "Yes." Call on the right person.
- 3. Sell *radio* first, then sell your station. If the customer doesn't like radio, he/she won't buy your station or any other.
- 4. Giving up too quickly. Don't give up too soon. Few sales are made on the first call.
- 5. Coming back with the same pitch. Present new ideas. Let the customer say "No" to your ideas, not to your station.
- 6. Not finding the customer's "buy button." He/she has one!
- 7. Talking when you should be listening. Give the customer a chance to say "Yes."
- 8. Forgetting the rest of the team. Don't try to be a star; ask for help from the rest of the station.
- 9. Saying "Just passing by" as an opener. Every busy person hates this statement! Have a reason for every call.
- 10. Forgetting the law of attrition. Even in good times, the average business loses 20% of its customers every year.
- 11. Ignoring the customer's customers. Talk about his/her customers.
- 12. Spurning available facts and figures-sales tools like those provided by the RAB.
- 13. Rationalizing away sales failures—finding alibis why the prospect didn't buy that have nothing to do with the real reasons.
- 14. Saying, "But my market is different," or, "It won't work in my town." Any idea can be adapted to your type station and market.
- 15. Forgetting that most radio advertising is sold between 9 a.m. and 11 a.m. Get out early!

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# TWELVE YEARS AGO IN SMRN

Here are the items that were making small market news in 1983...

How much should your radio station gross? The FCC stopped gathering financial information from licensees last year. The most recent study on the subject was undertaken by the principals of a radio station brokerage firm. The survey indicates that the average radio station billings are equal to 0.29% (that's 29 hundreds of one percent) of home-county retail sales. That's the average. Better or worse showing can be attributed to location, facility, competition and *management*.

The Daytime Broadcasters Association has about \$50,000 in past-due legal and engineering bills, *plus* a need for about three times that much for a successful final push for extended hours for daytime-only stations—at least 6 a.m. to 6 p.m. A contribution to the DBA of \$200 by 40% of all daytimers will do the trick. Drives are underway in two Midwestern states to test the waters.

The plight of many daytimers in competitive markets is illustrated by two random stories that appeared in the past month. A daytimer in Indiana that was purchased two years ago for \$275,000 was re-sold within the past month for \$125,000. And when a 27-year-old daytimer asked the commission to go silent, the town's newspaper contacted the FCC, where a spokesperson said, "It is not now unusual for such stations to go silent."

In another illustration of the daytimers' situation, daytimer WBZT, Waynesboro, PA purchased in 1980 for \$350,000—is going back to its former owners for \$253,000. The town has a population of 9,760. WBZT's local competitor is a 1kw daytimer with a co-owned Class A FM.

Something to watch for in your town is all those 20-year cable TV franchises granted in the mid-Sixties and now coming up for renewal. Watch for your local government to ask for a bigger slice of the pie, more channels and upgraded systems. Watch cable owners to look for revenue outside their subscriber base—e.g., local advertising sales.

Small market radio broadcasters toying with low power TV will want to proceed with caution. The much-heralded first LPTV has suspended operations, "at least for the summer." Channel 26 went on the air in December 1981 in remote Bemiji, MN (population 10,949). It broadcast twelve hours of programming, 7 a.m.-7 p.m. Included were three hours of local news, live and filmed accounts of local sports events, and syndicated programming. The owner is a veteran TV operator of 30-plus years. The station had *twenty full-time and eight part-time employees*.

Sign of the times. The FCC has received an application for involuntary transfer of control of KMYZ and KMYZ-FM, Pryor, OK to Kenneth Greenwood, receiver. KMYZ is a 1kw daytimer; the FM is a Class C operating at 320 feet. The AM went on the air in 1950, the FM in 1969. Pryor's population is 8,483—a single-operator market with home county retail sales of over \$98 million.

Longtime NAB Board member and former Chairman of the Radio Board Walter E. May could not do for himself what he is credited with doing for Eddie Fritts. May was credited in the national trade press for the election of Fritts to the NAB presidency. Mays has contended that his role in the Fritts election was "exaggerated."

# JULY FOURTH MESSAGES

reminds you that each 4th of July weekend, about 10,000 youngsters and adults are injured in fireworks accidents. _________ says, fireworks are not toys. They are dangerous explosives. Put safety first this 4th of July weekend.

______ brings you these fireworks safety tips from the National Fire Protection Association: Don't let children play with fireworks. Use fireworks outdoors in clear areas away from flammable materials. Keep a bucket of water nearby for emergencies. Soak and throw away any fireworks that malfunction. ______ says, have a safe and happy 4th of July.

Shallow water dives cause many serious spinal injuries, including permanent paralysis. _______says, know how deep the water is before you dive. The speed of a dive is only broken after the diver has gone through five or more feet of water. Check before you dive. A safe 4th of July reminder from ______

If yardwork is in your 4th of July plans, ______ reminds you, be sure you remove wires, cans, twigs, and rocks before you use that power mower. Never mow a wet lawn. Never leave an unattended mower running. Don't refuel a running motor. ______ reminds you that 50,000 people are injured in mower accidents every year.

Planning a trip this 4th of July? ______ reminds you you're sharing the highways and roads with record numbers of travelers. Observe posted speed limits and follow safe driving rules. ______ offers best wishes for a safe, happy July 4th holiday.

If your 4th of July holiday plans include swimming, ______ reminds you to check carefully for underwater rocks, stumps, and other obstructions. ______ says, a little caution can save you from a painful accident.

The lakes and streams will be crowded with boaters this 4th of July holiday. ______ urges you to follow the rules of safe boating - including courtesy. Be sure your boat has the proper safety equipment in good working order. Don't miss the boat! ______ says, make sure you take safety aboard.

Buckle up for safety! ______ reminds you that safety belts do save lives. It takes only a second to greatly reduce the chance of serious injury or death. ______ says, enjoy a safe, happy holiday. Buckle up!

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# **FROM OUR READERS**

A couple of recent letters first, and then the first letter ever published in SMRN...

Sue the bums. "Regarding the class action lawsuit against Arbitron that was suggested in the May 4 issue of SMRN [by John David, KMPL & KSTG, Sikeston, MO, 314-471-1520]: that lawsuit should be led by SMRN!"

-Jerome Hughey, WIZK, Bay Springs, MS

*Editor's Reply:* As I noted in reply to John David's letter, Arbitron does not make any claims for the accuracy of its numbers; therefore they are not liable or culpable, as I understand it. As I also noted, we broadcasters, by our indiscriminate use of the numbers, are just as responsible as anyone for the state of affairs we are fighting today.

On the money. "Your story in SMRN about targeting audience with clients and programming is right on the money. This week we not only closed CrimeLine, but one of our salespeople closed the half-hour Arts Show; another salesperson closed Agriculture Week and boatloads of Substance Abuse messages; and, really amazing, the Northern Virginia KMART Auto Centers are considering sponsoring Winston Cup Today on WAGE! This type of programming, however, does not always translate well into 18 commercial minutes per hour.

"The KMart story started when the local KMart Auto manager called to ask if I'd record his scripts promoting his auto department to run in his store. I said sure. When I went to play him the tape, he didn't tell me I'd be presenting it to *all* Northern Virginia KMART Auto Departments. Bottom line and 30 minutes later, they wanted some revisions in the tapes (WAGE earns \$30 per hour for this type stuff) *and* proposals for a buy with us!"

-Chuck Thornton, WAGE, Leesburg, VA, 703-777-1200

Chain Store Advertising (from the 9/22/83 issue). "This topic is not a new one with us. We have found in the majority of cases the decision to use radio is in the hands of the local manager. We have been more fortunate in some respects in cultivating the local manager when he first comes to town.

"We propose him for membership in the service clubs, as well as the fraternal organizations. On opening day we send the remote crew out and interview him without charge. We recommend real estate agents. In short, we do everything we can to appeal to his or her ego.

"Of course, once the manager is successful and is promoted to a larger market, the entire process starts again. We are not always successful in the second or third instance. However, in many cases the original local manager is promoted to district manager; then you have a friend in the right place, as well as a pipeline to the top.

"But at the present time we have lost connection with all the chains. Recently we organized a sales pitch team with top level chain management. They agreed on a date—then canceled the meeting. No further contact. I'm inclined to agree with you—the RAB has the organization, the staff, the research and the prestige to tackle the chain store issue."

-Dave Draper, WAMW & KFML, Washington, IN

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#### THE LAST WORD

As I was leafing through the old issues of SMRN to find material for this anniversary number, I was struck by the fact that the more things change, the more they stay the same. As proof, look at the various promotions, sales tips, news and letters from 1983 that we have published in this issue.

Although program-length commercials have been with us for some time now, they are still being used profitably in small market radio for auctions, classifieds and other more recent innovations.

The "Fifteen Mistakes" on our Sales page are just as valid today as when they were written—at least ten years before the first issue of SMRN. In these days of the consultant sell, we might take exception to Mistake #1 (not asking for the order on every call), at least when applied to the first call. . .but several of Allgood's "mistakes" are wake-up calls for today.

It was interesting to see the push for extended daytimer hours; as we all know, that push resulted in a new dawn (so to speak) for daytime stations.

### Our New Look

We continue to make evolutionary changes in SMRN to make it more readable and appealing. With the improvements in computer technology, it takes no more time—and often less—to produce a better-looking publication. But we always want to reflect, in appearance as well as content, the tastes and interests of our readers. Let us know what you think.

Another major concern in the first SMRN issue was the fate of daytimers; their value was declining sharply. Not much has changed, unfortunately—but today we talk about all small market stations in the same way. On the other hand, the market seems to have stabilized. Small market radio is not going to make many staggering fortunes these days, but it is possible to live a good life and do good radio in our communities. And there are even some reasonable buys for those who want to expand their scope.

Cable television was just beginning to sell local ads, but only in isolated markets. Nowadays this is more and more common, but still not universal. Many of us are selling against this mostly-talk-little-action medium, which delivers minuscule audiences but a whopping ego appeal.

The low-power television thing seems to have dried up and blown away for the most part; in this age of duopolies and LMAs and other entrepreneurial opportunities, LPTV represents very little potential in most markets. But that medium should be recognized as one of the first "line extension" opportunities for small market radio owners.

It was also fun to read about the very beginning of Eddie Fritts's tenure as NAB president; that appointment has turned out rather well. And while, in my opinion, the RAB of 1983 was a far cry from the "new" RAB of today, it was interesting to find that small market broadcasters relied on it for product information and for help in selling radio to the big guys, just as we do today.

So, today it's duopoly instead of LPTV, but mostly it's more of the same—cable TV, rollercoastering station values, rising prices (except for our rates!), and myriad sources trying to eat into our livelihoods. But above it all, small market radio is a lot like it was when Bob Doll started this newsletter twelve years ago—a hotbed of creativity and a love of the medium unlike anywhere else. And regardless of what we face in the next twelve years, I have a feeling those qualities will remain.

# Small Market Radio Newsletter

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Subscription Rates:One Year\$11926 Weeks\$6413 Weeks\$37

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IN OUR 13TH YEAR



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Bill Taylor KQSS P. O. Box 292 Miami AZ 85539 FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

ADDRESS CORRECTION REQUESTED

# VOLUME XIII • NUMBER 2 • JUNE 1, 1995

**OWNERSHIP CAPS ELIMINATED** in a vote by the House Commerce Committee last week. The committee will rely on anti-trust laws to prevent market monopoly. Also included in the bill: spectrum flexibility for TV, a two-step broadcast license renewal, extended TV license terms, and measures to prevent discrimination by telephone companies.

APRIL NATIONAL SPOT UP 15.3%, according to Competitive Media Reporting. April topped at \$136.2 Million compared to \$118.1 Million one year ago.

RADIO STILL THE PRIMARY INFLUENCE ON CD PURCHASES according to a new study by Paragon Research. Surveying 400 radio listeners nationwide, Paragon found that 86% said radio was an influence on their purchases; 70% said "a friend's recommendation" was an influence. Paragon talked with 18-54 adults, split evenly between sexes. Other findings: men buy two more CDs annually, on average, than women; 75% own a CD player; 96% buy at least one CD per year; the average purchaser buys more than 13 CDs per year; younger people are more frequent CD buyers than older ones.

SONNY ON THE BLOCH in the ongoing investigation of the talk radio personality's financial dealings. Federal investigators have subpoenaed logs, contracts, tapes and other documents from WOR, New York, NY as part of their probe. Bloch alleges that the Federal "harassment" led to WOR dropping his show; the station cited other concerns, like audio quality—but they made the decision to drop when they discovered that Bloch had been broadcasting from the Dominican Republic, where he had fled to avoid possible indictment.

**DIAMOND ANNIVERSARY CELEBRATED** by SMRN subscriber KDOG, Mankato, MN. Among the festivities: a special anniversary show April 1 featuring music from 1985 and an "announcers of the past" reunion; a giveaway awarding ten diamond earrings or tie tacks and a \$1400 loose cut diamond; NFL draft party at a local tavern hosted by station personalities; Secretary's Day typewriter toss; a "float-away weekend" in which listeners won bottles of root beer and quarts of ice cream.

# AT THE FCC

# **NEW STATIONS (Applied For):**

INDIANA (Charlestown) Good Shepherd Radio, Inc., 104.3, 3000w, 328' MINNESOTA (Deer River) Lee Axdahl, 105.5, 100,000w, 981' MISSISSIPPI (Bude) Leola Dickey, 104.3, 14,800w, 426' NORTH CAROLINA (Nashville) Eternal Lamp, Inc., 99.7, 4300w, 387' TENNESSEE (Norris) Ronald Meredith, Jr., 106.7, 6000w, 328' WISCONSIN (Crandon) Eclectic Enterprises, Inc., 103.1, 21,500w, 351'

# **NEW STATIONS (Granted):**

OREGON (Cannon Beach) Cannon Beach Broadcasting Co., 96.5, 970w, 784'

# AMENDMENTS TO THE FM TABLE (Proposed):

GEORGIA (Talking Rock) new, 100.1 A ILLINOIS (Rushville) WKXQ, to 92.5 A from 96.7 A MARYLAND (Berlin) new, 94.9 A MICHIGAN (Greenfield) new, delete 107.7 A (Stockton) new, 107.7 A WASHINGTON (Dayton) new, 102.3 A

# AMENDMENTS TO THE FM TABLE (Granted):

IOWA (Sageville) new, 106.1 A OKLAHOMA (Wewoka) new, 104.7 A

#### **REPORTED SILENT:**

GEORGIA (Thomasville) WSTT, 730, pending sale MAINE (Lincoln) WTOX, 1450 TENNESSEE (Brentwood-Nashville) WYOR, 560 TEXAS (Giddings-Austin) KOKE, 101.7, pending upgrade WISCONSIN (Lake Geneva) WMIR, 1550

FORMERLY SILENT:

WISCONSIN (Menasha-Appleton) WNCY-FM, 100.3

- Courtesy M Street Journal

SEATS FILLING FAST for the NAB Executive Management Development Seminar for Radio Broadcasters at Notre Dame, June 17-21. For information, call B. J. Cohen at 202-775-3510.

# **MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$**

The Best Promotion Ideas from Twelve Years Ago. SMRN debuted in June of 1983. In the first issue, the "Money Page" carried three ideas to take advantage of the then-new elimination of FCC commercial limits. These ideas will still work today! (Editor's Note: Because we wanted to get you the July days and events last week, this page was delayed.)

# Auctions. The most successful auctions work like this:

- Programs are scheduled twice a day—early morning (6-7 a.m.) and during the Noon hour.
- Auction announcements of one minute or less are run back to back—opening with the recorded chant of an auctioneer.
- The program is open-ended. If there are seven announcements to be run, the program is seven minutes long, plus open and close. Ten announcements = ten minutes, etc.
- Each announcement should be broadcast three times in the morning and three times at Noon.
- If your high one-minute rate is \$5.00, you should get \$30.00 per auction. If you carry an average of five auctions per week, 30 minutes of your time per week will bring in \$7,800.00 per year—and the stations running it tell us *it is good local programming*.
- Auction advertising is usually billed to the person for whom the auction is being conducted. Advertising bills are usually settled the day of the sale, out of proceeds. Make sure your auctioneer has your bill by the day of the sale.

# Classified Advertising. Most stations schedule this between 8 a.m. and 1 p.m.

- Each ad is limited to 50 words maximum. The ads are run back to back.
- If the station's high one-minute rate is \$5.00, classified ads of 50 words (20 seconds) or less are broadcast three consecutive days for \$5.00.
- The program is open-ended; the length depends on the number of ads you have sold.
- The best way to handle the flow: Classified ads are mailed or brought to the station and paid for in cash, check or credit card. Credit card customers can call in their ads. Have a form printed to simplify taking the ads.
- Some stations have an employee call prospects taken from classified ads in newspapers and shoppers.
- A 15-minute program of paid classified ads can bring in over \$21,000 in cash per year, based on a six-day-a-week strip.

Radio Auction. These are most successfully being broadcast on Saturday mornings for one or two hours.

- Items are traded at the stations highest one-minute rate for the suggested retail. Advertisers must use the advertising within one month.
- Merchandise is offered to listeners over the air. Listeners bid by telephone. High bidders pay cash or by credit card.
- To run the auction, it takes two people on the air and one to take a verify bids.
- On average, items will bring 40-60% of retail.
- Many stations are using auctions to up-sell their regular advertisers, get business from hardto-sell or marginal accounts, and to clean up bad debts.
- Caution: Your radio auction must be carefully thought out. You don't want your station to be a 100% trade operation. Appropriate policies must be set up before you go into the auction business.

### **SALES**

Advertise your ads using the two best media in the world—radio and personal selling. Testimonials from your advertisers are a most effective way to communicate to other businesspeople the benefits of advertising on your station.

Most of us never quite get testimonials together, though. Even if we think to ask our good advertisers to write us a letter, they never seem to get around to it. . .and we're afraid to push them too hard to do it.

Here are some tips for making testimonials work for you:

- The best time to get a testimonial is when the customer is enthusiastic about the job your station has done—after a successful remote, weekend promotion, etc. Follow up right away; don't delay even a week or the moment will be over.
- Audio testimonials are better than written, and they are sometimes easier to get. When you visit your enthusiastic customer (see the previous point), bring a cassette recorder and do a brief, informal interview. The best testimonial is a specific case study—describing in detail the nature of the objective, the campaign and the results.
- Include information we know is important to the customer in the testimonial. While case studies are attention-getting, so are anecdotes about good service, reliability and responsiveness. Research shows that these issues are most important to our customers.
- Ask the customer for a sheet of letterhead so you can transcribe and excerpt the audio testimonial and turn it into a letter. Once you have done so, you can present it to him/her for approval and signature.
- Use a montage of audio testimonials for a station presentation tape instead of, or in addition to, the usual aircheck material.
- Use the audio testimonials for on-air promos that are convincing and motivating. Either weave several powerful comments from different customers into a series of promos, or devote each promo to one customer. (Either way, the customer loves the additional exposure.)
- Collect the written testimonials into a "Success Book" that every marketing consultant can take with him/her on calls. Showmanship sells, and having a thick book of success letters is a fine way to get the prospect's attention.
- Categorize the written testimonials by product and keep them on hand for presentations. When you are proving yourself to the prospect in a written presentation, nothing does a better job than several testimonials from happy customers in related fields.

# **TELEPHONE SALES MESSAGES**

# VACATION SAFETY

______ says, don't take a vacation from common sense. Before you leave, notify the police that you're going to be gone. Use a timer to turn lights on at night. Stop newspaper and mail delivery. ______ says, take the necessary steps before you go, to make your homecoming a happy one.

Do you have good neighbors? ______ believes they'll be glad to keep an eye on your house while you're on vacation. Tell them to watch out for people who have no reason to be there. In the event of something suspicious, ask your neighbors to report it promptly to the police. _______ believes a happy return from vacation depends on thoughtful preparations for your departure.

Here's a vacation safety tip from your friends at ______. Do not disconnect your phone. A disconnected phone is a sure sign there's nobody home. Before you leave on your vacation, turn down the loudness of the ring so it doesn't carry to the outside and let a possible intruder know there's no one answering. ______ wishes you a great vacation—and a happy return.

The following is from your friends at ______. They remind you if you're going on vacation, do not advertise your trip. Don't leave notes. Don't tell anyone except those who need to know. ______ reminds you that advertising the fact that you're going to be away might cause you to return to a burgled home.

______ says, if you arrive home and see evidence of entry from outside, *do not go in*. Call the police from a neighbor's house. If you're already in and think the house has been entered, *leave*—then call the police from a neighbor's house. A reminder from your friends at

Make sure your home doesn't look like you're on vacation. ______ reminds you that thieves like to see darkened houses with newspapers and mail piled up. ______ says, install a timer to turn on lights at night. Stop your newspaper and mail deliveries until you return. Notify the police that you'll be on vacation. A reminder from your friends at _____.

To assure yourself a great vacation, _______ suggests you plan a safe trip. Avoid long hours on the road. Plan regular breaks—every 100 miles or so. Avoid nighttime driving on unfamiliar roads. ______ wishes you a happy, safe vacation.

Before going on vacation, _______ suggests you take steps to ensure a happy return. Don't advertise your absence. If you have a phone answering machine, leave it off or retrieve your messages frequently—and don't refer to your absence on your outgoing message. This vacation safety reminder comes from _____.

**READER SURVEY** 

Many thanks to the large number of readers who responded to our survey in the 5/18/95 SMRN. Due to the diversity of responses we will not attempt to put the responses in statistical form; rather, in the following table we present all the answers from each questionnaire, so you can more easily compare your situation with similar responses.

		T	-1						-,	
Monthly Sales Compensation	Other	1			[Owners]		· I	¹ 25% Outsde 18 Mi.	ł	1
	Comm	1	20%	15%		20%	15%	20%	15- 25%	17%
	Draw		1	1		1	l	1,000	1,000	1,400
Mont	Salary	10,175	l	\$700- 800		1	1	1	t	1
Sep.	Staffs ?	No	oN N	AN	No	Yes	No	oN N	NA	No
No. Of	Sales- people	9	2-3	3	2	8	7	~	1.5	7
	Other	1		4%	6	16% (Corp.)	I	4%	1%	33%
nues	Eng	3%	1%	1%	2	4%	4%	19%	800	2%
Percent of Revenues	Sales	22%	10%	36%	6	24%	19%	25%	%66	25%
Perce	Prog	18%	2%	12.6%	~	22%	21%	20%	I	15%
	G&A	37%	55%	46.4%	6	23%	23%	32%	t	25%
Op'tg	Margin	20- 24%	30- 34%	10- 14%	0-4%	20- 24%	20- 24%	15- 19%	0-4%	0-4%
Reve-	nues	\$800- 899K	\$200- 299K	\$200- 299K	\$200- 299K	\$900- \$999K	\$1.5M +	\$700- 799K	<b>\$</b> 100- 199K	\$700- 799K
For-	mats	Nost, HAC	Trad Cntry, Mod Cntry	HAC	Block/ Variety	Oldies, Cntry	N/T, Cntry	Okdies, Cntry	Info/ Cntry	AC, Cntry
No. Of	Stns	2	2	-	2	2	2	5	-	2
	Trade	430K	40K	66K	23K	60 Mi.	105K	500K	15K	310K
Market Size	Cnty	75K	12K	28.5K	14K	80K	23K	16K	4K	20K
	City	24K	4K	εX	8K	20K	13K	¥9	1.7K	8K

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	Other	Bonus for hitting goal	I	I PT sion]	L	1	1	I	-	I
ation	ਡੇ	B it o		FT & 1						
Compens	Comm	15- 20%	10- 15%	(Owner on salary, 1 FT & 1 PT salespeople on commission)	22.5%	15%	15%	25%	l	
Monthly Sales Compensation	Draw	1	1	[Owner or salespe	1,000- 1,200	8	I	1,000- 1,250	1,400	1,200- 1,800
Mont	Salary	300	850		!	!	800- 1,000	I	I	
Sep.	Starts 7	No	AN	NA	NA	No	No	Yes	No	NA
No. Of	sales- people	4	m	2.5	4	3	6	6	5	3.5 + SM
	Other	%2	I	I	I	1.2%	4%	35%	I	"The rest"
Iues	Eng	%6	1.1%	1%	1.5%	8.6%	3%	5%	15%	Under 1%
Percent of Revenues	Sales	19%	3.8%	23%	21.3%	15.2%	25%	30%	20%	32%
Percer	Prog	22%	1.5%	20%	10.7%	38%	25%	10%	40%	24%
	G&A	43%	112%	12%	47.6%	37%	25%	20%	25%	42%
Op'ta	Margin	5-9%	Under 0%	5-9%	20- 24%	10- 14%	15- 19%	Under 0%	20- 24%	0-4%
Reve-	nues	\$500- 599K	<b>\$</b> 200- 299K	<b>\$</b> 200- 299K	\$900- \$99K	\$500- 599K	\$1.5M	399K	\$600-	<b>\$</b> 400- 499K
For-	mats	N/T, Oldies	Oldies (was Lite AC)	Cntry	N/T/ Sports	NT, CHR, Cntry	MOR, AC	Cntry, EZ	Adult Stand., CR	AC/ Adult Rock
No. Of	Stns	2	-	1	-	3	2	2	2	·
	Trade	I	100K		1M	60K	650K	400K	I	200K
Market Size	Cnty	18.5K	12K	18.5K	370K	40K	130K	120K	100K	1
X	city	5.4K	3.5K	Ж	40K	20K	65K	10K	40K	I

issues to come. Thanks to all who have participated so far; I'm sure you'll agree that this is extremely useful information. If you haven't Editor's Note: The number of responses was too great for us to print them all in one issue, so we'll bring you more responses in the had a chance to complete and fax your questionnaire, there's still time!

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# FROM OUR READERS

**Confidential, eh?** "Fax machines usually print the phone number and name of the sending unit!! How much more confidential can you get!!"

-Truman Hamilton, KHBM, Monticello, AR, 501-367-6854

*Editor's Reply:* Oops. We overlooked this when we made the comment, accompanying the Reader Survey, that responses would be automatically confidential. Truman is right, of course (in fact, I got his call letters, city and phone from the little ID strip across the top of his fax). But you still have our assurance that your responses to our survey will be kept confidential.

While we're on the subject, if you send us a letter with a note to withhold your name from publication, we will always respect your wishes (as we have below).

**DAB support not universal.** "Just thought I'd pass along a copy of a letter I've written to M *Street Journal.* Don't know whether other small market stations would share my thoughts or not.

"I notice that your publication uses information from *M Street*, and I didn't know if you were aware of some of their writings.

"[To *M Street Journal:*] A few issues back you criticized in a snide manner broadcasters (and the NAB) who are wanting to hold back, delay or stop DAB or other potential competitors in an already overcrowded industry.

"Well, I suppose I'm one of those broadcasters you were criticizing with your smug comments and I didn't appreciate it. I also pay dues to the NAB to represent me and I'm certainly glad they're doing what they think they need to do to protect current broadcasters.

"Maybe before you speak critically of radio broadcasters trying to protect themselves and their assets you should be active station owners with all of your assets at risk."

#### -Name withheld by request

*Editor's Note:* The above letter is in reference to the following passage which appeared in the 5/3/95 issue of *M Street Journal*:

"The NAB's Eddie Fritts has again urged the FCC to limit satellite digital radio services to subscription-based services only. Fritts believes subscription-only services will provide satellite service providers with 'the economic framework that will permit them to deliver on their promise of providing niche programming. . .while helping to minimize the drastic harm. . .that will otherwise wreak havoc on the over-the-air free terrestrial service.' Minimally, Fritts has asked the Commission to consider introducing satellite digital radio at the same time as land-based digital radio. *M Street opinion:* We wonder if Mr. Fritts and the NAB would have opposed the introduction of color television to preserve black-and-white broadcasters. Perhaps it's time to embrace new technologies, not to fight them."

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# Small Market Radio Newsletter

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

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#### Published by: Jay Mitchell Associates, Inc. P. O. Box 1285 • Route 2 Fairfield, IA 52556

Phone 515-472-4087 Fax 515-472-6457 CompuServe 73627,2120

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Subscription Rates:One Year\$11926 Weeks\$6413 Weeks\$37

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IN OUR 13TH YEAR



Bill Taylor KQSS P. O. Box 292 Miami AZ 85539 FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

ADDRESS CORRECTION REQUESTED

# VOLUME XIII • NUMBER 3 • JUNE 8, 1995

APRIL COMBINED REVENUE INCREASES 10%, according to RAB's Radio revenue index. Local revenue was up 9%. National revenue was up 14%, but varied between 20% in the East and -2% in the Southwest.

THINK TANK PROPOSES FCC PHASEOUT. The Progress & Freedom Foundation, which has close ties with House Speaker Newt Gingrich, released its proposals to reduce the FCC's duties to something like the "Bureau of Contour Map Information." The proposals would mean a free-market industry with the nation's court system settling disputes. FCC Chairman Reed Hundt refuted the P&FF proposals, saying that the public interest would not be been belowed by televising FCC authority. It has been reported that the P&FF has funded Gingrich's televised college course and has received donations from cable and phone companies.

EBS MODIFICATION DEADLINE NEARING—July 1, 1995. Stations are not required to have the new EAS equipment until July 1, 1996. For information, contact the FCC EAS office at 202-418-1220.

NAB RADIO SHOW TO FEATURE SMALL MARKET SESSIONS September 6-9 in New Orleans. Session topics for small markets will include promotions, cost saving, new revenue sources, station financing, duopolies and license renewal.

SMRN READER NEEDS HELP. One of our readers is looking for information on any type of 15- to 30-minute college football preview program, likely to air Saturday mornings, and any college football scoreboard-type programs for Saturday afternoon post-game programming. Contact Greg Bell, WWIC, at 205-259-1050, or fax 205-574-6397.

TO OUR READERS: I feel as though an apology is in order. We have experienced some technical difficulty—a computer virus to be exact—and although our records appear to be correct, there may be some that are not. We're sorry for any inconvenience this may cause you, but if you feel there's a problem with your subscription (i.e., you receive a renewal notice and you just renewed a couple weeks ago) please let us know so we can make the correction. —Lori Morgan

### AT THE FCC

#### **NEW STATIONS (Applied For):**

MICHIGAN (Apalachicola) John Wiggins, 105.5, 6000w, 328' (Reed City) Chickering Associates, Inc., 97.3, 6000w, 328' MISSISSIPPI (Bude) Ole Brook Broadcasting, Inc., 104.3, 25,000w, 328' (Greenville) Paul Gardner, Jr., 104.7, 50,000w, 492' (Kosciusko) Boswell Broadcasting Company, 103.3, 25,000w, 328' NORTH CAROLINA (Nashville) Big Mountain Broadcasting, 99.7, 5130w, 348' (Nashville) Lisa Jane Joyner, 99.7, 6000w, 328' (Nashville) Mainquad Communications, Inc., 99.7, 6000w, 328' (Nashville) Nash Broadcasting Company, 99.7, 6000w, 298' OHIO (North Kingsville) Antionette Palmer, 107.5, 6000w, 328' (North Kingsville) John Bulmer, 107.5, 6000w, 328' (North Kingsville) North Kingsville Broadcasting, 107.5, 3200w, 443' PENNSYLVANIA (Cambridge Springs) Thomas Sauber, 104.5, 6000w, 200' (Fairview) Antpometta, Inc., 93.9, 6000w, 328' (Fairview) Fairview Radio, Inc., 93.9, 6000w, 253' (Fairview) West Erie Broadcasting Corp., 93.9, 6000w, 328' TENNESSEE (Norris) Carrie Tutera, 106.7, 6000w, 328' (Norris) Freeman Broadcasters, 106.7, 4800w, 361' (Norris) JP Broadcasting, 106.7, 3600w, 328' (Norris) Powell-Clinton Broadcasting, 106.7, 6000w, 328'

VIRGINIA (Ettrick) Allan McKelvie, 93.1, 6000w, 328' (Ettrick) Ettrick Community Broadcasting, 93.1, 6000w, 328' (Ettrick) Larry Jones, Sr., 93.1, 6000w, 289' (Ettrick) MBS Communications, 93.1, 6000w, 328' (Ettrick) Thomas Benns, 93.1, 6000w, 328'

#### **NEW STATIONS (Granted):**

NEBRASKA (Chadron) Mount Rushmore Broadcasting, 94.7, 50,000w, 495' NEVADA (Fallon) Sierra Nevada Christian Music, 101.3, 6000w, 248'

AMENDMENTS TO THE FM TABLE (Granted):

LOUISIANA (Mamou) KAHK (CP), to 101.1 C3 TEXAS (Bells) new, 92.9 A

#### **REPORTED SILENT:**

FLORIDA (Key West) WKIZ, 1500 NEW MEXICO (Las Cruces) KASK, 103.1 SOUTH CAROLINA (Ridgeland) WSHG, 104.9, pending sale

---Courtesy M Street Journal

# **MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$**

What's Technically Hot? Here are what researchers at The Battelle Technology Group in Columbus, OH are predicting will be the big technological advances in the next ten years:

- 1. Mapping of the human genome for genetic-based personal identification and diagnostics. Researchers will look for ways to treat diseases before they occur. For example, if a person carries a gene that gives them a 90% probability of contracting Lou Gehrig's disease, treatment could start early in hopes of staving off that illness.
- 2. Super materials. Computer-based design and manufacturing of new materials will be possible at the molecular level. Researchers can rearrange molecules to create new, high-performance materials for use in transportation, computers, energy and communications.
- 3. Compact, long-lasting and highly-portable energy sources, including fuel cells and batteries. A Battelle source says, "We develop great electronics, but we must make the fuel mobile."
- 4. Digital high-definition television. This will be a major source of revenue for North American manufacturers. Already in the prototype stage, digital TV could eventually lead to better images for advanced computer modeling and imaging.
- 5. *Miniaturization of electronics for personal use*. An interactive, wireless data center in a unit the size of a pocket calculator will be capable of storing all the volumes in your local library.
- 6. Cost-effective mechanical systems that integrate power, sensors and controls. These "smart systems" will eventually control an array of manufacturing processes from beginning to end. This has extensive consumer-product and industrial applications.
- 7. Anti-aging products and services. Again, the Battelle source: "Aging can't be prevented, but we can develop products and services to make it a more pleasant experience."
- 8. Advanced medical treatments. Highly accurate sensors and problem locators and drug delivery systems will be highly specific to precisely targeted parts of the body. For example, chemotherapy would be targeted for just the cancer cells, thus reducing side effects.
- 9. *Hybrid-fuel vehicles*. Smart vehicles will be equipped to handle several types of fuels and to select the appropriate fuel for various conditions. A car may run on reformulated gasoline and use natural gas or electric panels as a backup.
- 10. "Edu-tainment"—educational games and computerized simulations. "A kid growing up playing video games just doesn't find old-fashioned learning challenging," says the Battelle source. "Children are becoming more sophisticated and they expect more from education. We need to put more education into entertainment and more entertainment into education."

-The Rotarian, June 1995

This is a continuation of the collection of responses to our survey in the 5/18/95 SMRN. In the following table we present the answers

**READER SURVEV** 

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from each questionnaire.

								,		
tion	Other	ł	[Yearly range \$22- 48K]	1	1	I		I	Mnthly bonus for hitting goal	Gas trade
Compens	Comm	20%	18%	17.5- 20%	15- 20%	<b>\$</b> 26K	I	\$6,171	15- 20%	15%
Monthly Sales Compensation	Draw	\$100		\$750	\$750	1	I	1	\$500	1
Mont	Salary	I	I	\$333	\$333	<b>\$</b> 39K	<b>\$</b> 12K	1	\$425	\$7,800
Sep.	51ans 7	No	No	NA	No	No	Yes	No	N	NA
No. Of	beople	e	S	4	3	2.5	7	4	4	3
	Other	6% (News/ Sports)	20%	1	1	I	l	1	16%	1
nues	Eng	4.8%	3%	3%	6%	5%	5%	3%	6%	1%
Percent of Revenues	Sales	12%	23%	19%	11%	24%	32%	25%	28%	27%
Perce	Prog	17.7%	32%	18%	19%	5%	41%	2%	26%	26%
	G&A	44.9%	22%	39%	30%	13%	21%	%02	24%	43%
Op'tg	Margin	5-9%	15- 19%	20- 2 <b>4%</b>	20- 24%	5-9%	Under 0%	5-9%	10- 14%	0-4%
Reve-	nues	\$500- 599K	999К 999К	\$500- 599K	\$500- 599K	\$200- 299K	\$300- 399K	\$300- 399K	\$800- 899K	<b>\$</b> 300- 399K
For-	mats	Okdies, AC	FS, CHR	FS/ Cntry	FS, Cntry	Cntry	AC, AOR	Gospel AC	Chty, CHR	FS
No. Of	Stns	2	2	-	2	2	2	2	3	
	Trade	125K	1	I	1	70K	500K	150K	70 mi.	1
Market Size	Cnty	65K	72K	100K	75K	20K	200K	58K	I	1
2	City	35K	40K	15K	15K	8K	75K	ΣK	I	1

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	<b>—</b> —	<u>г</u>		1	r	1	r		·	
Monthly Sales Compensation	Other		\$1,250 Sal. + Comm.	Bonus based on goals	I		1994 total \$170K	"Var- ies"	1	Bonus for various goals
	Comm	\$1365 (Avg.)	1	1	\$6,300	20%	15%	I	10- 15%	15%
hły Sales (	Draw	1	1	I	1	I	Set by each SP		1	1
Mont	Salary	<b> </b>	1	\$1,80 0- 2,500	\$4,700		1	l	\$850	1
Sep.	Staffs ?	No	NA	No	NA	°N N	No No	No	No No	No
No. Of Sales- people		æ	2	2	<del>с</del>	7	Q	ۍ ا	Q	ۍ
Percent of Revenues	Other	1	l	1	Profit 27%	1	5.9%	4%	Sals./ Wages 40.9%	!
	Eng	9.4%	l	2%	4%	2.24%	4.6%	3%		1
	Sales	20.6%	100%	18%	22%	20.1%	17.3%	28%	6.4%	1
Perce	Prog	23.4%	1	5%	15%	19%	25.1%	12%	4.1%	l
	G&A	34.3%	I	60%	32%	33.9%	22.4%	32%	62.9%	l
Op'ta	Margin	10- 14%	15- 19%	15- 19%	20-	20- 24%	25- 29%	20- 24%	6	30- 34%
Reve-	nues	\$700- 799K	<b>\$</b> 200- 299K	<b>\$</b> 400- <b>4</b> 99K	\$700- 799K	<b>\$</b> 1.4- 1.499 M	<b>\$</b> 1.4- 1.499 M	<b>\$</b> 800- 899K	I	<b>\$</b> 1- 1.099 M
For- mats		FS, Cntry	Cntry	N/T/ Sports, Cntry	"Down Home" chatter + satel- lite	FS, Cntry, AC	FSAC, Cntry	Oldies, Lite AC	Nost., Lite AC	Oldies, Cntry
No. Of Stns		2	-	2	1	3	2	2	2	<b>~</b>
	Trade	250K	150K+	33K	1	75K	92K	1	100K	1
Market Size	Cnty	28K	37K	21K	80K	75K	92K	1	40K	86.4K
~	city	9.8K	7К	9K	1 ,	15K	35K	1	10K	22K

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SMALL MARKET RADIO NEWSLETTER

# STATION OF THE MONTH

# **Doing It Backwards**

Historically, radio people left the cities of their birth for small towns to polish their abilities and make them employable at a big station in a big city. Gary Brown, and scores of other longtime "big city" radio folk are "doing it backwards."

Brown, now 45, never lived or worked any place outside his hometown of St. Louis, MO, the nation's 18th largest market with a metropolitan population of over two million. He had been in radio there for more than twenty years when he decided "that being in radio and living in a small town would provide a more satisfying life and a more stable, if leaner, career."

He broke into St. Louis radio during college years. Out of college, he went to work for a standalone FM station which in the early 1970s was just becoming viable. He spent 13 years there in a variety of posts: morning man, program director, time salesman. In the mid-'80s, the station's owner-operator sold to a group. In Gary's words, "I didn't make the cut."

Another opportunity soon appeared. He was hired as program director of another FM station to take that station 100% Oldies. "It was an instant success and so was I." Then the station changed hands. Soon the new owner, looking to other business opportunities down-sized his station. "It's the well-paid middle-managers whose jobs are most in jeopardy in a situation like that," Gary says. "I was 40 and was faced with, in effect, starting over."

Gary decided his best chance was to go into business for himself. Economic realities dictated that he'd have to buy a small station. It took two years to find one for which he was financially qualified and had enough upside to justify his efforts and limited resources. He found that station in the bankruptcy court.

In the mid-'80s, Sheldon Davis, longtime business manager for the stellar country music act The Oak Ridge Boys, had bought an underdeveloped Class C FM, 50 miles north of St. Louis in Jerseyville, IL. He moved the station well into the St. Louis metro. The move-in was not successful enough to service its debt and it slipped into bankruptcy.

Left behind at Jerseyville (a town of 8,000) was its AM sister station, WJBM, a three-tower, 500watt daytimer on 1480. The bankruptcy court found a buyer for the Class C FM, WKBQ—the Zimmer radio family, headquartered in Cape Girardeau, MO. The AM station had a single qualified prospective buyer—Gary Brown.

"I offered them \$180,000 for the station and its real estate (a 3,250-square-foot building on four and a half acres of land). The real estate is worth \$100,000. There was a lot of down talk about small town radio three years ago—particularly AM. While I had spent most of my career in FM, I had no prejudices against AM. You don't develop an anti-AM bias when you spent your life in a city dominated by KMOX (AM)." When he got to Jerseyville, Gary found a radio station that had largely been neglected, as the owner's attention had been centered on the St. Louis FM move-in. Nevertheless, it was doing a respectable business—which Gary has increased by 50% in three years.

Gary sent a message to the community that was clear and simple, "The AM station was my only business and I intended to serve the area like a laser." The previous owner wanted to discourage the reading of obituaries, setting up a \$50 service charge per funeral announcement. The price kept them off the air. "I wrote to every funeral home in the three-county area, telling them that I felt such announcements were news and a service we would provide free. The announcements came on the air and the funeral homes became good advertisers." (There's no daily newspaper.)

Gary joined the Rotary Club, the area chambers, and set out to make himself and his station invaluable to the communities it served.

On the street, Gary was pleasantly surprised at the reception he got. "Even when a small town business says 'No,' they always thank you for coming in and invite you to come back. That's a lot different than making calls in St. Louis, where a good direct (non-agency) retailer may be called on by as many as 30 radio salespeople every week."

Even though his over 20 years in St. Louis have given him a lot of good "ins" there, he says, "My home county is within the St. Louis metro, although it's 50 miles away. We don't get the McDonald's and Hardees business that a lot of more remote small stations take for granted."

Gary's station has 33 watts at night—a signal he says covers his community and the area immediately around it. He carries a full schedule of high school sports. He also covers, via tape delay, the games of highest interest at schools in Green and Calhoun counties. There's also a Saturday morning coach's show in which six schools take part. (The population of the three counties totals 65,000.)

During non-sports season, Gary has successfully generated income with scaled-down promotions he'd seen bring new billing to St. Louis stations: an annual lawn and garden show, auto show, and a bridal show. Every other year he brings a circus to town. Giveaways are few and small. The most successful contest takes place during April mushroom season: a plastic mushroom is buried and clues to its location are posted at participating sponsors. The finder gets \$50-200 for being the first to find it.

Moving to Jerseyville, Gary has quickly learned to do things inexpensively. For audience competitive reasons he wanted to keep his station on the air 24-hours a day. For less than \$2,500, and help from Automate Systems, Slayton, OR, 503-769-2886, he operates unattended from 4:30 p.m. to 6:00 a.m. The operations shows a profit thanks to a \$60-a-month rotator schedule which attracts a dozen or more accounts every month.

About his three-year-old venture into small town radio, Gary says, "The living is more pleasant, the work more satisfying, and you've got pretty good control of your life and your future."

# IN MEMORIAM

# **Ray Livesay**

If your radio station operates on a formerly daytime-only facility and you're enjoying non-daylight hours, you are doing so largely because of the efforts of a single man's untiring efforts—Ray Livesay, who died in mid-May.

In the mid-1950s, the nation's primary clear-channel stations petitioned the FCC to restrict the hours of daytimers operating on their frequencies to two hours after sunrise and two hours before sunset. Had that happened, those daytimers probably would have gone out of business. A small group of such stations quickly organized themselves into the Daytime Broadcasters Association. Livesay was one of the founders and for almost all of its thirty-plus year history its head, serving without pay or expense reimbursement.

The DBA headed off the clear-channel threat only to find an attack from another quarter—the primary stations on the regional channels. Beginning in the early 1960s, they were filing complaints of objectionable interference from daytimers on their frequencies. One by one the stations were being forced to sign on at sunrise rather than the customary 6:00 a.m. Again, thanks to DBA lobbying, the FCC set into motion a year-around 6:00 a.m. sign on at 500 watts.

The DBA, since its early days, wanted unlimited hours for all daytimers. To get that done, Livesay came up with a scheme that would separate U.S. stations by 9 kH rather than 10 kH (as was done in some other parts of the world). In Livesay's words, "When we came forward with that, all hell broke loose." Both the NAB and the NRBA—on whose boards Livesay had served at various times for a total of eight years each—came out squarely against the idea, but the industry was forced into the compromise which beginning in the late 1980s brought unlimited hours to all but about 10% of daytime-only stations.

Over the years, Livesay traveled thousands of miles, mainly in his small airplane, lobbying the FCC, Congress, and broadcaster associations. When the DBA completed its work and was folded into the NAB and then disbanded, the records showed that no more than 200 of the nation's 2,000-plus daytimers ever made a financial contribution to it. The work and the money largely came from Livesay and his wife, Level.

Ironically, Livesay's own station, WLBH, Mattoon, IL, operating on clear channel 1170 kH, got only one watt during non-daylight hours. "But I don't mind that," Livesay would say afterwards. "We did a lot of good for a lot of people—many young people just starting out."

At his death at age 78, Ray was still running WLBH and its 50,000 watt FM companion; WHOW AM & FM, Clinton, IL; and WBAR, Barstow, FL. He had spent 59 years in small town radio—48 of them in Mattoon.

His family can look with appreciation on the business he built. His community is no doubt grateful for the many contributions he made there during his long residency; but most important, people in communities all across the country will hear a local ball game tonight and the local news early tomorrow morning largely because of a small town radio guy most have never heard of.

# Small Market Radio Newsletter

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

Publisher & Editor: Jay Mitchell Managing Editor: Lori Morgan Editor Emeritus: Bob Doll

Published by: Jay Mitchell Associates, Inc. P. O. Box 1285 • Route 2 Fairfield, IA 52556

Phone 515-472-4087 Fax 515-472-6457 E-Mail 73627.2120@ compuserve.com

Subscription Rates:One Year\$11926 Weeks\$6413 Weeks\$37

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## IN OUR 13TH YEAR

Bill Taylor KQSS P. O. Box 292 Miami AZ 85539 FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

#### ADDRESS CORRECTION REQUESTED

# VOLUME XIII • NUMBER 4 • JUNE 15, 1995

**RADIO DEREG INCLUDED IN TELCOM BILL** by the Senate, 77-8. Ownership caps would be eliminated; so would duopoly restrictions, as long as there is not undue concentration of ownership in a market. The House Commerce Committee recently approved a similar measure. The difference: the House version would eliminate crossownership restrictions.

FCC BEGINS DEFINING DAB RULES this week. They are internally seeking comments on whether the service should be free or have a paid subscription; possible effects on existing radio stations; whether to allow new applicants; and whether to auction DAB spectrum.

# THIS YEAR'S SMALL MARKET MARCONI AWARDS NOMINEES are as follows:

- Personality of the Year: Bob Duchesne, WQCB-FM, Brewer, ME; John Murphy & George House, WAXX-FM, Eau Claire, WI; Bob Spangler, KNPT-AM, Newport, OR; Dave Visscher, KATH-FM, Bozeman, MT; J. Douglas Williams & Becky Myles, KWOX-FM, Woodward, OK.
- Stations of the Year: KOEL-AM, Oelwein, IA; KROC-AM, Rochester, MN; WDLB-AM, Marshfield, WI; WHIZ-AM, Zanesville, OH; WQCB-FM, Brewer, ME.

NAB RADIO BOARD WELCOMES NEW MEMBERS. The new members are Ronald Davenport, Sheridan Broadcasting Corp.; David Kantor, ABC Radio Networks; Jeff Lawenda, Westwood One.

CHRIS LYTLE AWARDED the title of Certified Speaking Professional, the highest designation given by the National Speakers Association. There are only 250 CPSs in the world, and only 16 awarded this year.

ARBITRON RELEASES 1995 COUNTY REPORTS. The new edition of "Radio County Coverage" is now available, providing 12+ audience estimates for two dayparts for every county in the continental United States, plus metro counties in Alaska and Hawaii.

# AT THE FCC

**NEW STATIONS (Applied For):** 

MISSISSIPPI (Bude) San-Dow Broadcasting, Inc., 104.3, 25,000w, 328'

NORTH CAROLINA (Nashville) Tom Campbell, 106.9, 3000w, 469'

OHIO (North Kingsville) Phillip J. Cantagallo, 107.5, 6000w, 328'

OKLAHOMA (Magnum) Altus Educational Bestg. Foundation, 97.7, 1500w, 136' (Snyder) Altus Educational Bestg. Foundation, 100.3, 2100w, 529'

PENNSYLVANIA (Cambridge Springs) Richard Oppenheimer, 104.5, 4000w, 394'

(Fairview) Christopher Wegmann, 93.9, 6000w, 328'

(Fairview) John Charles McWilliams, 93.9, 6000w, 59'

(Fairview) KDC, Inc., 93.9, 3300w, 394'

(Fairview) MBS Communications, 93.9, 6000w, 328'

TENNESSEE (Norris) Michael Benns, 106.7, 6000w, 328' (Norris) Russell Castel, 106.7, 6000w, 328'

VIRGINIA (Ettrick) Paul & Leslie Bulifant, 93.1, 6000w, 328' (Ettrick) Richmond Broadcasting, Inc., 93.1, 6000w, 328' (Farmville) The Farmville Herald, Inc., 92.9, 6000w, 328'

### **NEW STATIONS (Granted):**

NEW YORK (Chenango Bridge) BS Investment Company, 102.9, 3100w, 180'

ţ

#### AMENDMENTS TO THE FM TABLE (Proposed):

MISSOURI (Boonville) KTLH, to 93.9 C2 Fayette from 93.9 Boonville TEXAS (Benavides) new, 98.7 A (Benavides) KXTM (CP), to 107.7 C2 Bruni from Benavides

WASHINGTON (Pasco) new, 93.7 A

### AMENDMENTS TO THE FM TABLE (Granted):

ALASKA (Houston) new, 96.3 A SOUTH DAKOTA (Lead) new, 92.3 C

## **REPORTED SILENT:**

ALASKA (Seward) KSWD, 950 NEW YORK (Cobleskill) WSCM, 1190 TEXAS (Cleveland-Houston) KRTK, 97.1 (Seabrook-Houston) KRTS, 92.1

### FORMERLY SILENT:

NEW YORK (Herkimer-Utica) WNRS, 1420 NORTH CAROLINA (New Bern) WCOO, 1380 PENNSYLVANIA (Patton-Altoona) WBRX, 94.7 SOUTH CAROLINA (Surfside Beach) WCKN, 1270 VIRGINIA (Norfolk) WCKO, 1110

—Courtesy M Street Journal

SMALL MARKET RADIO NEWSLETTER

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# **MONEY PAGE-\$ALE\$ & PROMOTION IDEA\$**

Antique Store Promotion. "A really off the wall idea looks like it's going to come together. A thorn in my foot has been how to get WAGE dollars out of the antique stores taking over space once occupied by our traditional retail advertisers. I tape a spec program, 'The Loudoun [County] Antique Showcase,' where each of the six main antique centers (each with 16-25 dealers) will have three minutes to talk about what came in new that week. It will become a half-hour program that will follow 'The Growise Gardener' at 10 a.m. on Saturdays. The antiques show could add \$600 per month." [Chuck Thornton, WAGE, Leesburg, VA, 703-777-1200]

**Picnic Pack.** July is National Picnic Month, the perfect opportunity to include clients in your "WXXX Picnic Pack." Either have listeners register for a chance to win one big picnic for themselves and their [station frequency] closest friends, or make a winner every week for 13 weeks. Client sponsorship opportunities include the official picnic sandwich, the official picnic soft drink, the official picnic chips, the official picnic cookie, the official picnic salad, and so on. Listeners register at participating locations for a drawing from the picnic basket with the products supplied by a sponsor. [Dean Sorenson, Sorenson Broadcasting, Sioux Falls, SD, 605-334-1117]

Word of the Day. Also done as the "Name of the Day," this promotion entails giving out the word or name during the morning show and telling people to be listening at a specific time later in the day (e.g., "at 11:20 this morning with Laura James") to be the *n*th caller with the word or name. (You could also reverse it, announcing the word or name during the day and inviting people to tune in the next morning for their chance to call in and win.) Tie the words or names into your area—local events, places and personalities—and, of course, pick up a sponsor.

Save It for a Rainy Day. Sell a special schedule that goes into effect only when it rains. Candidates: roofers, basement waterproofers, clothiers.

Lunch Crunch. Work with a local restaurant to feature and advertise a daily "KYYY Special" priced at your station's frequency.

Bowling for Breakfast. Tie in with a bowling alley to offer breakfast and three lines of bowling for your station's frequency (e.g., 96.1 = 96¢). Do a remote. Friday is a good day of the week to do this. This is also a good charity tie-in opportunity.

Rock 'n' Bowl. A variation on the theme: on Thursday night, bowl for the price of your station's frequency. Have a station personality playing records at the alley, and perhaps do a remote.

**Community Program Guide.** It's a tabloid-style newsprint publication featuring listings of community action programs and services; a "Straight Facts" series—articles about substances, substance addiction, recovery, and AIDS; and paid ads. For an investment of \$250 per month for three months (\$750 total); the advertiser receives a half-page ad in all 10,000 copies of the publication; fifteen 30-second ads per month on the stations; and mentions in special awareness announcements. [Ray Reich, WDXY/WIBZ, Sumter, SC, 803-775-2321]

SMALL MARKET RADIO NEWSLETTER

## **\$ALE\$**

# "Can You Guarantee Results?"

Here are some suggestions as to how to respond to that objection, Courtesy of Andy Willoughby's *Selling Radio* [816-454-0907]:

- 1. We always meet or exceed any competitive media guarantees. What types of guarantees are they offering you?
- 2. I can guarantee that the ads will run and your message will be heard. Our listeners listen. So let's put together an offer they can't resist.
- 3. Just what are your goals for this campaign? What will you consider a successful response?
- 4. That is why we have combined frequency with a powerful offer—because what you say, times the number of times you say it, is the only thing that works in advertising.
- 5. Here is what we can do: I guarantee the ads will run. I guarantee I will work hard on the copy and get it to your satisfaction. I guarantee to work with you and check the response every step of the way. If we can put together a good offer, this should work!
- 6. I understand. To ensure the campaign's success there are several things we can do. One is, let me meet with your sales staff. I will play the ad and explain the campaign. Getting them excited about it will go a long way towards insuring results.
- 7. We have enough ads running in a concentrated period of time to ensure that our listeners will hear the ads enough times to respond. Let's put together an offer that they can't pass up!
- 8. I understand how you feel. Some of my other clients felt the same way. When they finally went ahead and ran the ads, here is what they found out. . . [Show testimonial letters, quote success stories, play taped testimonials.]
- 9. I will guarantee you response if you will guarantee me the same budget you give the newspaper within the same amount of time. [Use this on heavy print advertisers only.]
- 10. Just let me run this offer: "The first ten people who come in between 4 p.m. and 5 p.m. this Wednesday and say they heard it on WWWW will receive a \$50 bill, no purchase necessary."
- 11. Here is the guarantee: Run ten ads per day for ten days straight. Give me a good offer. If you get absolutely no response at all, I will run five additional days at no cost.
- 12. Do you think it is feasible for me or any other ad medium to guarantee results?
- 13. Can you guarantee to sell every prospect we bring in?
- 14. If I or any other advertising medium could guarantee results, then national advertisers would buy all the time available. This campaign is designed to work for you. Let's do it!

## **TELEPHONE SALES MESSAGES**

### Fair—Youth

Fair time is always one of the fun times of the year. Get your share of the fun. ______ also suggests you take time to visit the displays that the county's youth have been working on all year. ______ knows you'll be proud of the young people when you view those projects.

Everyone has fun during fair time. ______ reminds you that no one gets more satisfaction out of the fair than the youngsters who have spent hour upon hour getting ready for this week. ______ reminds you to view the exhibits when you visit the fair. Congratulate the young folks on their success.

The county fair is full of things to do for young and old. ______ reminds you that it is also the place where young exhibitors show the results of a year of planning and hard work. ______ urges you to view the exhibits. ______ salutes our youth who have worked so hard to be ready for the fair.

______ believes that some people are winners, but there are never any losers at the fair. _______ congratulates the young people exhibiting at this year's fair. They urge everyone to visit the youth exhibits at the fair.

knows that many young people work the year around to prepare their exhibits for show at the fair. Some will win prizes. Some will not. But, all will make the fair what it really is the great community event of the year. ______ is proud to salute the youth exhibitors at the fair.

urges everyone to visit all the great youth exhibits at the fair. The young people have worked hard—many for a full year—to make the fair better than ever. _____ urges you to visit the youth exhibits and congratulate the youngsters on their fair projects.

Some youngsters raise livestock. Some bake. Some have special projects. ______ believes they all bring something very special to our fair. ______ congratulates all the youngsters participating in the fair and urges everyone to view the youth exhibits.

______ takes this opportunity to salute the people who really make the fair what it is—the young people who show at the fair. ______ urges everyone to stop by the youth exhibits. Extend your congratulations on a job well done.

If you have a youngster showing at the fair this year, you know the excitement and the pride that it can bring. ______ urges everyone in our community to see and appreciate what our young people have worked so long and so hard to accomplish. ______ urges you to join them in saluting our youth at the fair. See you there!

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## ENGINEERING

## Legal IDs

One of the FCC rules I hear violated rather frequently is Section 73.1201, Station Identification Announcements. Everyone in radio knows we have to do a legal ID, but very few know the exact requirements. Simply stated, the Station Identification rule requires you to state your call letters and city of license. "WLS Chicago" is a perfect example. Stations with an -FM or -TV suffix are required to use the suffix. For example, WSB in Atlanta can ID as "WSB Atlanta," but their FM counterpart must ID as "WSB-FM Atlanta" and TV must ID as "WSB-TV Atlanta."

Stations that simulcast must be especially careful, and this is where most of the violations occur. If WLS and WLS-FM were simulcasting, an ID that said "WLS AM and FM Chicago" would be in compliance, as would certain variations like "WLS and WLS-FM Chicago." However, if all they say is "WLS Chicago," they are only ID-ing the AM.

Stations that are licensed to different towns are also prone to improper IDs when simulcasting. I recently heard the Jacor talk station in Atlanta ID as "105.7 FM and 640 AM, WGST Atlanta/Canton." The problem here is that the FM, which is licensed to Canton, was not properly ID'ed. The city of license must, with few exceptions, follow the call letters. Structured properly, the ID should have said, "WGST Atlanta, WGST-FM Canton (or Canton/Atlanta)."

There are a few things that can be inserted between the calls and the city of license. The dial position (or channel) and/or the licensee's name are acceptable, but not promotional slogans. You could properly ID as "KFI 640 AM Los Angeles," or even "KFI, Cox Communications Incorporated, Los Angeles." However, "KFI, your Rush Limbaugh station in Los Angeles." wouldn't cut it. Neither would "WPLJ Hit-Radio New York city."

It has been legal for several years to add other cities to your legal ID, as long as your legal city of license is stated first. If in doubt about your city of license, check your license. And I've heard stations ID as "WJDX, Jackson's Mix 96." Perhaps I'm being picky, but their license doesn't say "Jackson's", it says "Jackson."

How about AM/FM simulcasts where the stations have different call letters? If your AM calls are WXYZ and your FM calls are WQQZ, you are required to use the -FM suffix when ID-ing, even though it is not officially part of your call sign. "WXYZ and WQQZ-FM Birmingham" would be acceptable, but "WXYZ/WQQZ Birmingham" would not.

Finally, there's the requirement to conduct the ID "hourly, as close to the hour as feasible, at a natural break in program offerings." If you are hiding your ID in a spot break at :45 or :50, you'd be hard pressed to explain to an FCC inspector that you can't do it closer to the top of the hour because you are sweeping 10 in a row.

Five seen very few fines for violations of the Station Identification rule, but you never know when the U.S. Treasury may need a few extra dollars and the inspectors will be told to crack down on violators. Check to see what your station ID says, and at what time it airs, and keep it legal. —Larry Fuss, Contemporary Communications, 601-846-1787

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## FROM OUR READERS

Seeing Double. "If your radio salespeople in large and small markets ever wonder why their clients buy newspaper so readily and are often reluctant to buy radio, we may have discovered a big reason.

"A local appliance store explained how his co-op plan with Magic Chef is set up. The newspaper bills him for ads at his earned rate of \$2.50 per column inch, which is about 40% lower than their standard rate of \$4.30. His full-page ad runs him \$250. The newspaper in turn submits co-op to Magic Chef at the full standard rate, so that the appliance store gets a check back for \$430. The appliance store is actually making money on his newspaper co-op. Even if Magic Chef only reimburses him for 50% of the ad cost, he gets a check for \$215 and the full-page ad only cost him \$35.

"We have a grocery store that also explained how he can run a double-truck (two-page) ad in the newspaper. If his earned rate is \$2.20, he pays \$220 for a five-column by 20-inch full page ad, or \$440 for the double-truck. The newspaper in turn bills the vendor for the same ad at the full line rate of \$4.30 per column inch, or \$860 for the double-truck ad. The co-op vendor then sends a check to the grocer for \$860, and he has just pocketed \$440 cash plus received a two-page ad in the newspaper absolutely free! Even if he gets 50% co-op, he still receives a check for \$430, so his newspaper ad cost him only \$10.

"In radio, this practice was once known as 'double billing,' but I'm not sure what the unregulated newspaper industry would call it. Perhaps they call it 'revenue enhancement.' Do other broadcasters have these same things happen?"

-Name withheld

Afternoon Programing. "We are a small radio station in Carrollton, GA looking for a one- to two-hour program to run in the afternoon. The program's content could be anything from women's issues to sports. I am open to any suggestions your readers may have, and any assistance they may be able to provide. Thanks for your help."

-Mary Ann Myers, WLBB, Carrollton, GA, 404-832-7041

Arbitron Costs. "I've been following the letters regarding the possibility of suing Arbitron through a class action. I also read your "Editor's Reply" from the May 25 issue. Your remarks are accurate regarding Arbitron not making any claims for accuracy, therefore they are not liable.

"I would like to add that there may be a flaw in Arbitron's contract where they state their methods follow a standard of practice in the taking of statistics. I would like any input from a statistician regarding the size of a population sampling needed to give an accurate report. The sample size used in our market (for a given demographic) was 0.21%! I refuse to believe that this can be any kind of accurate!

"I would take exception to your statement that 'We are just as responsible as Arbitron,' etc. As Mr. David stated in the May 4 issue, 'Arbitron cost me the Wendy's account. . .' Because of Arbitron's questionable survey results, the roller-coaster ratings ride can take a small market station up tens of thousands of dollars in profits or pull that magic carpet right out from under you! I didn't cause this problem and I can't stop it! I only wish that Arbitron would not rate our market any more. At least this would put us on a level playing field with the other stations in our market!"

-Jim Michaels, WCOW/WKLJ, Sparta, WI, 608-269-3307

*Editor's Reply:* Jim may have something in what he says about statistical significance. A statistician will tell you that the sample size does not relate so much to the size of the market ("universe") but to the variance of responses. For example, a simple "Yes/No" survey in which you have about a 50/50 split of responses requires a smaller sample than a survey in which you have, say, an 80/20 split. With a radio survey, you have a tremendous variance of responses, which should mean a bigger sample. Then, looking at it from another angle, Arbitron's sample size in many markets is fine for the total-week daypart and the 12+ demographic; but once you begin to subdivide the numbers into demographics and dayparts, the accuracy goes straight to you-know-where.

Judging by the number of exclamation points in his letter, Jim is understandably upset about the situation. So am I. I am finding, however, that the broadcasters in larger rated markets---who really have the power, if anyone does, to influence events---are desensitized to this whole issue. They've been through the anger, the denial, etc. and now just live with it. When it comes up, they just shrug and say "We have to live with it, so why waste energy worrying about it?"

Nightmare on Main Street. "It is a nightmare to try to fill out a sales staff in small town radio. The problem is finding people who have an interest in getting out and making things happen.

"We start all prospects out on a salary while we attempt to teach them something about sales. Our ultimate goal is to have them on a draw against a commission. Very few stay with sales long enough to get to the second stage.

"I believe our sales could increase by 50% if we had two or three more qualified sales people."

---Wandell Allegood, KSLO/KOGM, Opelousas, LA, 318-942-2633

*Editor's Reply:* Personally I think the issue of number of salespeople vs. amount of billing is a classic chicken/egg situation. Yes, if you look at a mature, successful small market operation you can usually figure on one salesperson for every \$100-150K of revenue. . .but I'm not sure that means the way to add \$100-150K of revenue is simply to add another salesperson. I believe you should add salespeople according to your ability to manage them and according to the amount of business that is being left on the table because of the time constraints of your present staff (which is determined by monitoring their daily activity)—not the business that you expect someone to *create*.

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Subscription Rates:One Year\$11926 Weeks\$6413 Weeks\$37

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IN OUR 13TH YEAR

Bill Taylor KQSS P. O. Box 292 Miami AZ 85539 FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

ADDRESS CORRECTION REQUESTED

# VOLUME XIII • NUMBER 5 • JUNE 22, 1995

**BROADCAST EMPLOYMENT CONTINUES DOWNWARD** trend in 1994, according to the Broadcast and Cable Employment Report. However, staffing at stations with five or more full-time employees was up slightly from 1993. The number of female employees rose from 39.6% to 39.9%, and the number of minorities rose .2% to 18.4%.

SENATE PASSES TELCOM BILL which included several NABsupported amendments: total radio ownership deregulation; two-step license renewal process; and radio and TV license terms of 10 years. The NAB suggests that broadcasters take a moment to thank their Senators who voted for the bill.

# FCC-MANDATED STATION APPLICATION MINORITY PREFERENCE OVERRULED last week by the Supreme Court. The Court decision may also have a dramatic effect on current EEO rules. The FCC General Counsel is investigating the effects of the court's decision.

FCC ISSUES DARS RULEMAKING. The FCC has issued a Notice of Proposed Rulemaking on digital audio radio service (DARS), the proposed national satellite radio services. The NAB has gone on record with the view that DARS represents a major threat to local radio; they will file comments documenting the severe economic hardship that DARS will cause to local radio broadcasters. (In fact, you may have received a call from the NAB during their efforts to gather evidence for their comments from small market broadcasters.)

INDUSTRY GROUPS URGE APPEALS COURT TO REJECT FAIRNESS DOCTRINE CHALLENGE. Last year a California public interest group, Coalition for a Healthy California, petitioned the FCC to reinstate the Fairness Doctrine in connection with a statewide ballot initiative, saying that the doctrine is required by statute. The FCC refused to do so; the group filed suit with the Ninth Circuit Appeals Court to force the FCC to reinstate the Fairness Doctrine. The NAB and the RTNDA are now urging the Court to reject the suit, saying that federal courts have repeatedly reaffirmed the 1987 FCC position that the doctrine was not codified in the Communications Act. AT THE FCC

## **NEW STATIONS (Applied For):**

ILLINOIS (Farmington) Suellen Johnston, 96.5, 6000w, 328 (Farmington) Throcmorton Broadcasting Inc., 96.5, 4100w, 380' (Farmington) WMSI, Inc., 96.5, 6000w, 328'
INDIANA (Charlestown) Enterprise Broadcasting, L.L.C., 104.3, 3000w, 328' (Charlestown) Goetz & Smith Broadcasting Inc., 104.3, 3000w, 328' (Charlestown) Henson Media, Inc., 104.3, 3000w, 328'
PENNSYLVANIA (McConnellsburg) Benjamin Thomas, 500w, 1099'
VIRGINIA (Ettrick) Kenneth Noble II, 93.1, 6000w, 328' (Ettrick) Virginia Piedmont Broadcasting Co., 93.1, 6000w, 328'

### AMENDMENTS TO THE FM TABLE (Proposed):

ARKANSAS (De Queen) KDQN-FM, to 93.3 A from 92.7 A FLORIDA (Homestead) WXDJ, to 95.7 C2 North Miami Beach from 95.7 C1 Homestead MISSISSIPPI (De Kalb) new, 105.7 C2 TEXAS (Blossom) new, 92.7 C2

#### AMENDMENTS TO THE FM TABLE (Granted):

ALABAMA (Dora) new, 92.5 A ARIZONA (Bagdad) new, 103.1 C3 FLORIDA (Quincy) WTPS (CP), to 100.7 C3 Midway from 100.7 A Quincy

### **REPORTED SILENT:**

CALIFORNIA (Big Bear Lake) KXSB, 101.7 GEORGIA (Fayetteville) WQUL, 97.5 MINNESOTA (Ely) WELY-FM, 92.1 (Ely) WELY, 1450

## FORMERLY SILENT:

COLORADO (Ouray) KURA, 105.7 TEXAS (Giddings) KROX-FM, 101.5, KOKE silent

--Courtesy M Street Journal

QUOTE OF THE WEEK: "Just one substandard guest experience has the potential to shake the foundations of the most appealing advertising and marketing campaigns, and to sabotage the perceptions of quality a hotel has worked to build."—London luxury hotel owner Atef Mankarios, quoted by Mark Ramsey in *Radio Ink*.

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# **MONEY PAGE - SALES & PROMOTION IDEAS**

Lost Lyric. The morning show reads a line from a popular song, then says, "When you hear that lost lyric later on today, be the tenth caller and you'll win (prize)." Clever recycling device.

The People's Choice. Station gives away prizes requested by their listeners. This is so natural and obvious, why didn't we all think of it years ago?

Free Money Song. Station announces a new song each hour; when the song is played, the designated caller wins a prize.

Live Free. Station pays the winner's rent or mortgage payments for a month or a year.

Dumb Memo Of The Day. Morning show solicits company memos from listeners and reads the best ones on the air.

Messed-Up Town of the Day. Station scrambles the name of a local town, and pronounces and spells the scrambled version on the air. Listeners try to unscramble the word, identify the town and win a prize. This is a great promotion for any station serving many communities.

**Dollar Bill Game.** Station announces different number combinations, many relating to the dial position. Example: "If you have a dollar bill that has either 101 or 707 in any order in its serial number, be the tenth caller." The winning listener brings the dollar bill to the station and "trades it in" for a prize.

KXXX Hit Time. On Monday morning, the morning man gives the exact time to listen each day that week and tells the listener to write down the hit that is playing at that time, each day, Monday through Thursday. On Friday morning, when the morning man gives the signal, the designated caller with the correct list of hits wins a prize.

Free Money Account. The standard Cash Call contest—correctly guess the amount of cash in the escalating jackpot and win it—but dressed up with a fresh name.

Little Black Box. The "little" box is an enclosed six-foot-long trailer hitched to the back of a van; a sign on the box reads, "WXXX Little Black Box—Listen to [Frequency] to Win." Clues are given on the air, and listeners call at specified times with guesses. What is great about this promotion is the presence of a highly visible mobile billboard throughout the market, coupled with a tangible inducement to tune in the station.

Say Cheese. The next time a listener comes to the station to pick up a prize—or at the station's next remote or charity event—remember to get some pictures. Use the station call letters as background. Create a special "Wall of Fame" in your lobby where you post the pictures. (Visitors to your station will have fun looking at their friends.) Keep a camera on hand in the station; use it often. [Inspired by a suggestion in *On The Air*, New Hampshire Association of Broadcasters]

# The Secret of Sales Success (Really)

My own recent experiences, reinforced by conversations with several other broadcasters, have led me to believe that the single most important contributor to success in radio sales is not closing skills or snappy presentations or clever objection responses. It is *time management*. After all, what good are closing skills or snappy presentations or clever responses if we are not organized enough to use them?

In most cases, the difference between a super-performer and a mediocre performer is *numbers*: the number of qualified calls, the number of follow-ups, the number of first calls, cold calls, service calls, collection calls, and appointment calls (have I left anything out?).

When a salesperson first starts out, time management is relatively easy: just make some calls. But the more calls he or she makes, the more variety enters into the activity. Now he or she has to keep track of how often to service that regular account, how quickly to follow up on that presentation, when to make a collection call, how many appointment calls to make each day to result in a sufficient number of new sales calls, and so on.

There are several tools that can help. One of our salespeople has a single sheet of yellow paper on which she lists each client in columns according to how often she must see the client—"Every week," "Every Two Weeks," "Every Month." She uses this in conjunction with her daily planner to make sure nobody falls in the cracks.

The Daily Sales Planner (call report) is a very useful tool for the salesperson. It provides a record of activity that can serve as a double-check on whom we've seen and what we've done—and what we have committed to do.

The most important thing we encourage with our salespeople is to plan each day in advance and to use prime selling time for selling. Since most sales are made between 9 and 11 a.m., we need to make our appointments at least the day before—so we're not scrambling for someone to see at 9:30 that morning!

FINANCIAL SURVEY COLLECTION We have collected all the small market financial surveys which ran in two recent issues of SMRN—along with some that didn't make our deadline—and compiled them into a report which is available to our readers. To obtain your copy, send a stamped, selfaddressed envelope to Financial Survey, SMRN, P. O. Box 1285, Fairfield, IA 52556.

Time management helps the salesperson get into a rhythm in which every day is a balance

of qualified sales calls, service and collection calls, and activities which will lead to more qualified sales calls in subsequent days.

We tell our salespeople to *stay in the process*: organize the time, perform the activity, and watch the results take care of themselves.

# PROGRAMMING

# LISTENER TESTIMONIALS

Listener testimonials are great station promotion because they let the listeners themselves express your station's benefits. Nothing can be more credible!

In planning your testimonial project, first spell out your key benefits—what you want your sound bites to say. (Yes, you will be putting words into their mouths.)

Then decide what format you will use to produce the testimonials (what will go on around the sound bites) so you can direct the listeners accordingly. An effective format is to start with an announcer saying something like, "Why do you listen to WXXX?"; play a testimonial or montage of testimonials; then end with, "More and more people are discovering the new sound of WXXX."

With the sell points and the basic structure of the testimonial promos firmly in mind, you take your tape recorder into the field to seek out likely candidates. The last thing you want is a studio read, and the second-to-worst is a telephone pickup (but there is an exception; see below).

To introduce yourself and what you're doing, use something like, "Pardon me, I'm [Name] from [Station], and we're asking some people today to talk about what they like about [Market] radio and especially [Station]." If they don't want to play, that's fine. Otherwise, start the conversation by discussing radio in the market. . .their favorite stations. . .then your station. Keep the conversation casual and relaxed and chatty. Get lots and lots of tape.

Don't be afraid to ask leading questions. After all, this is not a research project. They know why you're there. Examples:

- "Why do you listen to [Station]?"
- "What kind of person do you think listens most to [Station]?"
- "We're trying to convey to our listeners the fact that [Station] is the kind of station that doesn't put you to sleep but doesn't give you a nervous breakdown, either. Could you tell us your feelings about that?"
- "We want to be known as the station with the best chance of winning on [Market]. How do you feel we're doing?"

In addition to person-on-the-street interviews, you *can* solicit phone calls to an answering machine on a "Suggestion Line" and pick up responses. This is inferior in quality and image, but it might be an efficient way of supplementing the in-person stuff.

A final word of advice: make a commitment to maintaining your testimonial campaign and keeping it fresh. When used consistently, testimonials are a powerful way to position your station in the minds of your listeners. . . because they are hearing about your station from *other* listeners.

## **REPORT FROM THE FRONT**

We are well into our second year of operation at our Fairfield stations, and I personally am into my third month of juggling station management with consulting and newslettering. And I'm loving every minute.

Sure, I am busier than I've ever been. But the rewards more than make up for it.

After a sucko first quarter, we have turned billings upward again. May was our highest month ever, an achievement we celebrated with a crisp ten-dollar bill in everyone's pay envelope. We have yet to achieve our stretch goals, but we have stabilized our billing at a level that makes it easier to sleep at night.

We owe the turnaround to the great team we've assembled. We (finally) have two committed, motivated salespeople (one 12-year vet and one five-month fireball) and a new traffic manager to complement our talented and locally-beloved air staff. (Amazingly, although our style of operation is quite different than that of the previous owners, we have had only one shift change among the programmers. This is a tribute to their commitment to learning, growing and becoming total pros.)

And every day I learn. Boy do I learn. One big lesson, to which I've alluded above, is a cliché but totally, absolutely, inviolably true: *People are our only asset. Period.* I spend a lot of my time doing what I can to keep our people satisfied and fulfilled in their jobs.

Toward that end the most important thing I can do, I have found, is to give my full and undivided attention when I am having a conversation with one of our people. I am famous for doing three or four things at the same time—talking on the phone, making notes, writing a memo and organizing my desk—but I am training myself to stop everything when somebody comes into my office.

By the way, in my first staff meeting I laid out my version of an "open door policy": if the door is actually open, anyone is free to come in without knocking, even if someone is already in there; if the door is closed, anyone is free to buzz me on the intercom or knock if they need to see me-unless the "Do Not Disturb" sign is out (which it isn't very often).

As far as our relationships with the outside world are concerned, I am amazed at how easy it is to differentiate ourselves from our competitors (including all media and most other vendors). All we have to do is work hard for our customers and give them the benefit of the doubt and treat them fairly at all times. (What a concept.) That means, for example, empowering our salespeople and traffic manager to admit our fault and to issue make-goods on the spot when we screw up. (Since we believe our inventory is a vehicle to serve our customers in the first place, doesn't it make sense to use that inventory to satisfy our customers when we have failed them?)

Of all the things I've learned from this gig, and from eighteen years of consulting, I think the most important is this: *Common sense will always save the day*. It's not fancy, but it works.

## FROM OUR READERS

Better Radios. "Maybe other stations could benefit from this question:

"There is a city just outside my 60dbu contour and reception of our signal is sometimes spotty due to distance and a more powerful station several (four) channels away. Are there any clock radios or office table size radios with better tuners or FM antennas which I can recommend to interested but frustrated listeners?"

-Frank Hayer, KHBT, Humboldt, IA, 515-332-4100

Change Is Good. "Just finished your 12th anniversary issue and say it looks good. I think the new typeface was a good change. Seems much easier on the eyes and boy I need all that I can get.

"Just don't compromise the content for looks. Keep the small market info simple, easy to understand and quick to read. I don't have a lot of time to read lots, so your letter keeps me informed quickly. I see no reason for any small market operator not to take your letter, because as I did years ago—you can make enough money from one idea to pay for the subscription for a year.

"Keep up the good work and the good word!"

-Marvin F. Hill, WGOG AM & FM, Walhalla, SC, 803-638-3616

*Editor's Note:* Thanks for the good words. Bob Doll founded this newsletter with the idea that small market operators are very busy, and that each issue could be read in about twenty minutes. Even though our change in typeface means we can get slightly more words on each page, the page should be easier to read. As for compromising the content for looks—if any reader ever finds us doing that, we hope you'll tell us about it and keep us on the right track.

More Untested Waters, Part L "What do you know about a company called Allied Broadcasters of America, a division of Masterplan Corporation? Address: 1000 Roberts Cut Off, Suite 100, Box 10246, River Oaks, TX.

"They are asking small market stations to join their National Account Marketing Alliance. They will make radio buys for stations nationwide, which is fine, however, they do request a \$250 fee up front plus a 10% commission on all revenue generated. I have not heard of a national buyer that required a fee up front. Is this the coming thing? Or should we be cautious about this company?

"I believe SMRN has all the answers, so I'm turning to you for guidance. I would be interested to know if other subscribers have been approached by them. I need the business and welcome the help, but I am careful who I send money to in advance."

--Jim Bishop, WCAB, Rutherfordton, NC, 704-287-3356

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*Editor's Reply:* Yes, I have heard of this company; my station received a similar fax. I believe this company is not trying to be a *buyer* but rather a *station rep*, getting us business and taking a commission. The twist, as Jim points out, is the up-front fee. If the company is legit, this sounds like they are trying to raise the capital to start and run their business from their customers before they've proved themselves.

All I can tell you is that I have opted not to participate. How do other readers feel about it?

More Untested Waters, Part IL. "What do you know about a company called The Credit Guild, 20271 Acacia Street, Suite 200, Newport Beach, CA; phone 714-724-1813; contact Dan Roberts? They faxed an Insertion Order to my station for 21 spots per week for two weeks, paying a rate straight off my card.

"The copy concerns recourse 'if you and your family have been denied credit': 'We can help you turn your financial life around and give you back control of your future!!!'

"I called the company; they returned the call and gave me references. Has any reader received a similar order or had any experience with this company?"

-Bill Taylor, KQSS, Miami, AZ, 520-425-7186

*Editor's Reply:* This one sounds like the company is well-intentioned, anyway. They placed a reasonable schedule and used Bill's rate card as reference, as opposed to the outfits that blanket the country with humongous buys based on generic rates.

But even with the most honest, upstanding people, a direct-response deal like this is *extremely* speculative; if it doesn't succeed, the company simply will not be able to pay their media bills. That means you and I are left holding the bag.

And credit references aren't much protection at all. If the deal falls flat (as 97% of them do), the company is shielded—and it is out of state, so go ahead and try to collect! Personally I do not accept orders from unproved advertisers and agencies without money in advance. Otherwise I know the odds are overwhelming that I will end up with bad billing.

# THE LAST WORD

# Vendor Victimization

Between those dicey "insertion orders" we all get from time to time; the rather steep (some would say "outrageous") charges levied by Arbitron, ABC and the music licensing companies; and the alleged antics of programming suppliers like Sonny Bloch, we small market broadcasters certainly are getting it from all sides. Whom can we trust?

Basically, we can trust ourselves—and the old saying, "God grant us the ability to change what we can, the strength to endure what we cannot, and the wisdom to know the difference."

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# Small Market Radio Newsletter

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

Publisher & Editor: Jay Mitchell Managing Editor: Lori Morgan Editor Emeritus: Bob Doll

Published by: Jay Mitchell Associates, Inc. P. O. Box 1285 • Route 2 Fairfield, IA 52556

Phone 515-472-4087 Fax 515-472-6457 E-Mail 73627.2120@ compuserve.com

 Subscription Rates:

 One Year
 \$119

 26 Weeks
 \$64

 13 Weeks
 \$37

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IN OUR 13TH YEAR

Bill Taylor KQSS P. O. Box 292 Miami AZ 85539 FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

#### ADDRESS CORRECTION REQUESTED

# VOLUME XIII • NUMBER 6 • JUNE 29, 1995

**COALITION FOR BROADCAST DIVERSITY GAINS SUPPORT** as it now focuses on the House version of the telcom bill. Representing 18 different media companies, the CBD believes raising limits is good, but eliminating the ceiling could be disastrous for all but the largest radio group owners. The CBD proposes: setting national ownership limits to 50 AM's and 50 FM's; continuing current limitations on local ownership; and for the FCC to examine "the effects of local ownership restrictions."

CONGRESS TELLS FCC TO FIND MORE MONEY, \$116,400,000.00 to be exact, to cover costs. So beginning September 18, the FCC will collect almost 25% more in fees from radio than it was going to. The new fees:

Fee Category Amount
AM Class A
AM Class B
AM Class C
AM Class D
AM Construction Permit 125
FM Class C, C1, C2, B 1,125
FM Class A, B1, C3
FM Construction Permit 620
FM Construction Permit    620      Broadcast Auxiliary    30
FM Translator & Booster 170

TEXAS SUPREME COURT RULES STATION NOT LIABLE for drunk driving accident. KZZB-FM (now KYKR) in Beaumont co-sponsored a nightclub's "ladies' night out." An attendee was involved in a drunk driving accident. The Court ruled that KZZB is not liable for the accident.

NEW NAB RADIO BOARD MEMBERS ELECTED. Richard Ferguson, President and CEO, NewCity Communications, Bridgeport, CT, is the new chairman. Howard Anderson, President and owner of KHWY, Inc., Los Angeles, is the new vice chairman.

FCC TO CLOSE BALTIMORE FIELD OFFICE. The Laurel, MD office will handle its duties.

## AT THE FCC

## **NEW STATIONS (Applied For):**

ARKANSAS (Danville) Diane Thomas, 105.5, 17,600w, 392' (Danville) Technology Management, Inc., 105.5, 6000w, 328'
FLORIDA (LaCrosse) Benjamin Dickerson, 99.5, 3051w, 456' (LaCrosse) Catherine Welch, 99.5, 6000w, 328' (LaCrosse) Kyle Magrill, 99.5, 6000w, 328' (LaCrosse) LaCrosse Broadcasting Partnership, 99.5, 6000w, 328' (LaCrosse) Soler Broadcasting, 99.5, 4200w, 364'
IDAHO (Coeur D' Alene) Woodcom, Inc., 102.3, 720w, 941'
INDIANA (Charlestown) Midamerica Electronics Service, 104.3, 3000w, 328' (Charlestown) Sunnyside Communications, Inc., 104.3, 3000w, 328'
MINNESOTA (Kirtland) Basin Broadcasting Co., 102.9, 100,000w, 994'
PENNSYLVANIA (McConnellsburg) Benjamin Thomas, 103.7, 500w, 1099' (McConnellsburg) Magnum Broadcasting, Inc., 103.7, 200w, 1233'

#### AMENDMENTS TO THE FM TABLE (Proposed):

CALIFORNIA (Temecula) new, 103.3 A

#### AMENDMENTS TO THE FM TABLE (Granted):

ALABAMA (Tuskegee) WACQ-FM, to 99.9 A Tuskegee to 99.9 A Tallassee ALASKA (Ketchikan) new, 99.9 A ARIZONA (Lake Havasu City) new, 96.7 C2 CALIFORNIA (Cambria) new, 103.5 A FLORIDA (Miami) WQBA, to 107.5 C from C1 MISSISSIPPI (Clarksdale) new, 92.1 A (Crenshaw) new, 106.9 A (Grenada) new, 92.3 A (Yazoo City) new, to 93.1 A from 93.7 A MISSOURI (Buffalo) KBFL, to 99.9 C3 from A (Lamar) KHST, to 101.7 A from 99.9 A NEVADA (Sun Valley) new, 93.7 A TEXAS (Hudson) new, 96.3 A WASHINGTON (Walla Walla) new, 99.1 A WEST VIRGINIA (Williamstown) new, 96.9 A

# FORMERLY SILENT:

COLORADO (Granby) KRKY, 930 TENNESSEE (Brentwood-Nashville) WYOR, 560

-Courtesy M Street Journal

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# MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$

August Business Opportunities include the following businesses, whose sales in the month are above average:

Auto Dealers (New Domestic) Auto Dealers (New Import) Auto Dealers (Used) Auto Parts Stores Auto Repairs Beer Book Stores Bridal Market Building Supply Dealers Camera Stores Carpet Stores Fast Food

Hardware Stores Hotels/Motels Mobile Home Dealers Movie Theaters Office Supply Stores Optical Goods Stores Real Estate (New Houses) Real Estate (Resale Houses) Restaurants Shoe Stores Sporting Goods Stores Supermarkets —RAB's Top 40 Business Survey

# August Promotional Opportunities - Events & Holidays

<u>Months</u>

Back-To-School National Catfish Month National Water Quality Month Romance Awareness Month Storewide Clearances

#### <u>Weeks</u>

August 14-20 - National Aviation Week

## <u>Days</u>

August 4 - Coast Guard Day August 7-13 - PGA Championship August 8 - Mel Tillis's Birthday (1932) August 11 - Presidential Joke Day August 13 - Alfred Hitchcock's Birthday (1899-1980) August 13 - Family Day August 13 - International Lefthanders Day August 16 - Elvis Presley Died (1977) August 17 - Robert DeNiro's Birthday (1943) August 17 - Sean Penn's-Birthday (1943) August 19 - Bill Clinton's Birthday (1946) August 19 - Tipper Gore's Birthday (1948) August 20-26 - Little League Baseball World Series August 26 - Women's Equality Day

August 28 - Commercial Radio Broadcasting Day (1922)

-Chase's Annual Calendar of Events

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# \$ALE\$

## Don't Forget to Ask for the Sale

It's a rare moment when a customer will ask to buy. Consequently, knowing how and when to close is a salesperson's most indispensible sales skill. At a recent American Women's Economic Development Corporation conference, longtime sales and management trainers Marcia Okon and Barbara Labatt-Simon, principals of Okon/Labatt Simon, Inc. in New York, offered their basic guidelines for closing:

- Ask for the order. It's your job and your responsibility.
- *Be persistent.* Most buyers don't say "Yes" until they've been asked for the order four times. Most salespeople stop asking at two.
- Clients want to be asked. They want the power to say "Yes."
- Fearing rejection, many salespeople don't ask for the order. When they don't ask for fear of a "No," they block the opportunity to get a "Yes."
- If you think "Yes," you're more likely to get "Yes." Customers can smell doubt a mile away. If you don't ask for the sale with confidence, the customer will wonder what's wrong with the product or service.
- "No" may only be a test of your determination. The customer may want to see how hard you're willing to fight for her business.
- There are two kinds of questions used for closing: direct ("Do we have a deal?") or choice, which assumes a sale ("Do you want that shipment in May or June?"). Whichever you choose, always use a close-ended question.
- Another closing approach is the pro-and-con method. The salesperson reviews—in writing —at least ten benefits with the customer, then asks the customer to write in the drawbacks. Chances are, he won't be able to list more than two. This demonstrates that the benefits clearly outweigh the negatives, and so opens another opportunity for a direct close.
- Once you ask for the sale, don't say another word. Fight the temptation to fill the dead air by saying one more thing about the product. This will only result in getting your client off the hook of having to answer.
- After the customer says "Yes," he'll most likely feel a moment of buyer's remorse: "Did I do the right thing?" It's your job to reassure him immediately that he has made a great decision. One way to do this is to say "Congratulations" instead of "Thank you."

-Personal Selling Power, June 1995

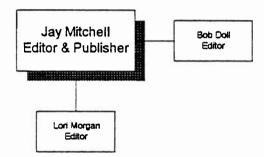
# **COMPUTERS AND RADIO**

From time to time we like to pass along computer software that boosts efficiency and makes it easier to accomplish more and look more professional, both in the station and on the street. Here are a couple of examples:

All-Purpose Drawing Tool. There is a program called *Visio* which no computing businessperson should be without. Of course, I was without it until I got it, but once I got it, it made life easier in a variety of ways. We use it for organization charts, flowcharts, maps and other business graphics. In fact, we are using business graphics a lot more now that we have Visio on our PCs.

Visio works on the principle of *templates* and *shapes*. When you want to compose a certain type of graphic—an organization chart, let's say—you simply select the Organization Chart template, which consists of a number of shapes related to that type of graphic. From the template, located to the side of the screen, you simply drag and drop the desired shape onto your drawing window. You can add text and connecting lines quite simply. If you rearrange the shapes, the connecting lines will follow the shapes, redrawing themselves accordingly.

You can also create your own shapes and modify existing ones. You can move, stretch, rotate, flip and otherwise manipulate shapes to look the way you want them to. Once you have a graphic the way you want it, you can use Windows's "OLE" and "DDL" features (don't ask) to place the graphic into a document in another program—and even link the graphic so that if you make changes to the original



graphic, those changes are simultaneously made to the graphic in the other program.

We made this simple OR chart in Visio and then dropped it into our newsletter page (a WordPerfect document). It took us about a minute; using a spreadsheet, word processor table feature or drawing program would have taken us five or ten times longer.

All in all, we have found Visio easy to use—even fun—and a great productivity boon. For more information, contact the Visio Corporation at 800-446-3335.

Information Management Made Easy. Personal information managers (PIMs) are all-purpose time- and activity-management tools that can help us stay on top of people and projects more easily. If you are a Day-Timer® user—and even if you are not—you may want to check out the Day-Timer Organizer, a computer program that closely mirrors the paper version. In fact, many people use the software to generate their daily pages.

To me, the advantages of the software, in addition to permitting easy searches for contacts and events, are that you don't have to rewrite unfinished tasks day after day, and you don't have to erase entries to correct or move them. Info: Day-Timer Technologies, 415-572-6260.

Medical Material. "Excellent medical material is available from Scott & White, 2401 South 31st, Temple, TX 76508. Written and audio. FREE."

**ABOUT THIS & THAT** 

-Wandell Allegood, KSLO & KOGM, Opelousas, LA, 318-942-2633

Radio Projections Look Better. In December, Robert Coen, McCann-Erickson's revenue guru, predicted a 7.1% increase for this year. Now he's saying it'll be more like 9.2%. This translates to \$11.5 billion—\$8.9 billion in local billings and \$2.6 billion in national revenue.

Mercuries Getting Better. This year's Mercury Awards in New York on June 14 showed that the event has arrived. \$200,000 in award money was bestowed on creatives in six categories:

- Best of Show: "Teacher," Staples Office Supplies, Cliff Freeman & Partners, NYC.
- Narrative: \$20,000 Gold—"Truth-Sackman," Massachusetts Department of Public Health, Houston Effler Herstek Favat, Boston. \$5,000 Silver—"First Chill," Carnation Hot Cocoa, Cohen/Johnson, LA.
- Humor: \$20,000 Gold—"The Simpsons/Robert Goulet," 20th Century Television, Paul & Walt Worldwide, Hollywood. \$5,000 Silver—"Song or Beer," Anheuser-Busch Bud Light, DDB Needham, Chicago.
- Music & Sound Design: \$20,000 Gold—"Back to the Roots," Nickelodeon, Pompesello, Inc., NY. \$5,000 Silver—"Toothpaste," Chevy's Mexican Restaurants, Goodby, Silverstein & Partners, San Francisco.
- Station-Produced: \$20,000 Gold—Galaxy Muffler, WGKX/Barnstable Broadcasting, Memphis. \$5,000 Silver—"Juice Guys," Nantucket Nectar, WBCN/Infinity Broadcasting, Boston.
- Public-Service Award: "Answering Machine II," Partnership for a Drug-Free America, Lord, Dentsu Partners, NYC

A CD of the Mercury Awards Top 40 of 1995 will be in the July RAB member kit. To receive additional copies, call 800-232-3131.

Internet Boot Camp. The NAB is featuring a radio-TV workshop on the uses and potential of the Internet during the Fall World Media Expo in New Orleans. The session is scheduled for Saturday, September 9, and carries a surcharge of \$25 for those registered for the NAB or one of the other shows at the Expo. The fee is \$125 for exhibits-only registrants. For more information, contact the NAB at 800-368-5644.

Updated Radio Fact Book Available. The RAB has just published the latest Radio Marketing Guide and Fact Book for Advertisers, a 44-page booklet with audience info, advertiser profiles, radio facts and formats, and media comparisons. For more information, call 800-232-3131.

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# TELEMARKETING CAMPAIGNS

# GO BACK TO SCHOOL

The following message to the young people of the area is from ______. Are you thinking of not going back to school? Please change your thinking. Go back to school. The truth is, the more you learn, the more you earn. ______ reminds you that the first step to financial success in life is going back to school.

Are you thinking of not returning to school? ______ reminds you that success and happiness in a competitive world requires a good education. ______ says, Check it out: Time is money! Time spent in school is the best investment you can make.

wants the best for their friends and customers in this area. That's why they're sponsoring this message for the young people: Don't even think about not going back to school. To make it in today's competitive world you have to have an education—NO EXCEPTIONS! says, Go back to school—and good luck.

To the young people of this area, ______ says, don't let anybody tell you otherwise—there's plenty of opportunity in this country right now. . .but to get your share, you have to have an education. ______ urges you be smart—return to school.

______ believes even one high school drop-out is one too many! Get set to get back to school. Prepare yourself for your share of the American dream. It's still alive and well for young men and women who are prepared. ______ says, Go back to school—and good luck.

Every year at this time, thousands of young men and women make the mistake of their lives: they decide not to go back to school. ______ reminds you that time is money, and time in school is worth a lot of money to you—thousands and thousands of dollars in a lifetime. ______ says, Do the right thing for yourself. Go back to school.

says, don't give up! Go back to school! Quitting now will cost you thousands and thousands of dollars during your lifetime. ______ says, be smart. Go back to school and finish your education—and good luck!

brings you the following question—a question with just one answer. Should you go back to school? Y-E-S! Time spent in school pays off in thousands and thousands of dollars in extra lifetime earning power. ______ reminds you that there's not much future without an education.

Thinking of not going back to school this year? Think again. ______ reminds you that by not finishing school you are robbing yourself of tens of thousands of dollars of earning power through your lifetime. Winners finish what they start. ______ urges you to finish what you started---- go back to school!

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# THE LAST WORD

# A PC On Every Desk

Now we know where all those new FCC fees are going. Here are some excerpts from an interview with Reed Hundt in the June 28 issue of *Radio World*:

- "When I got here, I was very distressed to find out that the FCC was not on the cutting edge. We did not have computers on people's desks, we never used electronic mail, we were not on the Internet. It was appalling."
- "I think what the FCC is doing is kind of a model for the entire government."
- "We understand what communications can do, and we have not been able to do it. But now that we have PCs, the place [the FCC] is changing itself overnight."

Then there's a *Broadcast Engineering* piece (in the June 1995 issue) quoting Mr. Hundt as saying that the commission "needs to be trimmed down and beefed up," which is already happening, according to the FCC Chairman, with the computerization of the commission. *BE* Editor Brad Dick responds, "Maybe so, but I haven't seen any evidence of it."

I have admittedly taken some of these quotes out of context, but from what I have observed I believe they reflect the true nature of some of the changes at the FCC. What we seem to have is another bureaucratic field day at the toy store. Everybody gets to play with PCs. Everybody gets to surf the 'Net.

Everybody, that is, except you and me. We are trying to run businesses with revenues we don't request from Congress or raise from a captive audience. (Imagine sending out a notice to all the businesses in your trading area saying, "Effective immediately your ad budget with our station is based on a percentage of your gross revenues and will be paid in full at the beginning of each fiscal year. Penalty for non-payment is the closing of your business and the sale of the assets." Actually, I kind of like the idea.)

I don't know of too many stations in our sized markets that have put a PC on every desk, as Mr. Hundt has managed to do. In many cases the one or two PCs in the station are 286-class ATs, a far cry from the Pentiums that probably grace the workspaces of the GS-1s we fund in DC.

I am taking sides here, so I am allowed to ignore the potential benefits of more computerization: easier access, faster turnaround time, improved administrative efficiency. Even if those benefits can exist for the normal business that decides to computerize, why do I doubt that our friends at the Candy Company—spawned by the same folks who brought you the \$600 ashtray—will make intelligent purchasing decisions about, and efficient use of, their new toys?

I can't afford any more PCs. I have to save up to help the FCC buy theirs.

# Small Market Radio Newsletter

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Phone 515-472-4087 Fax 515-472-6457 E-Mail 73627.2120@ compuserve.com

 Subscription Rates:

 One Year
 \$119

 26 Weeks
 \$64

 13 Weeks
 \$37

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IN OUR 13TH YEAR



IN 2 WEEKS: ANNUAL SPORTS ISSUE! Bill Taylor KQSS P. O. Box 292 Miami AZ 85539

FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

ADDRESS CORRECTION REQUESTED

# VOLUME XIII • NUMBER 7 • JULY 6, 1995

NEW FCC REGULATORY FEES DUE DATE set in response to the new fee schedule. September 20 is the due date for all fee payments, no matter what class. Payment installments will not be allowed. The FCC fee hotline number is 202-418-0220.

FREE RADIO LICENSE RENEWAL SEMINAR is set for Illinois and Wisconsin, July 25 in Northbrook, IL. To reserve a seat, call 202-775-3511.

WEATHER SERVICES VICTIM OF BUDGET CUTS. The U. S. Department of Commerce has advised radio stations and others relying on National Weather Service data that "President Clinton's budget proposal for fiscal year 1996 includes reductions in the National Weather Service (NWS) funding that will result in the elimination of agricultural weather services. Congress is also considering legislation that would result in elimination of all specialized weather services by the NEWS."

The news came in a letter from Commerce Assistant Administrator for Weather Services Elbert W. Friday, Jr., which also suggests that "...you should begin making plans for an alternative means to receive agricultural weather information previously provided by NEWS." Accompanying this letter is a *Directory of U. S. Private Weather Services* prepared by NOAA. A similar letter advises that the Clinton budget proposal "will result in a reduction of fire weather services to non-Federal users."

It should be noted that *the budget proposals have not yet been passed by Congress*, and Mr. Friday's letter states that "it may be some time before Congress reaches a resolution on. . . these proposals."

NAB CALL TO ACTION ON SPECTRUM FEES. The NAB is again urging broadcasters to contact their Congresspeople concerning the proposed spectrum charges and other possible taxation. Says the NAB in its *Congressional Contact* publication, "It is time for broadcasters to fight back with the facts. Explain to every Member of Congress and all others who will listen the simple truths of the broadcaster's public service obligation and record; the indisputable necessity of transitional spectrum to convert to digital broadcasting; and the substantial investment (and gamble) that broadcasters must make to transition to digital."

## AT THE FCC

**NEW STATIONS (Applied For):** 

COLORADO (Estes Park) Hambric Associates, 102.1, 6000w -305'
FLORIDA (LaCrosse) Juan Mark Gallardo, 99.5, 6000w, 328' (LaCrosse) Moody Bible Institute, 99.5, 6000w, 328' (LaCrosse) Wilks Florida Broadcasting Inc., 99.5, 6000w, 328'
IDAHO (Coeur D'Alene) EEK Broadcasting, 102.3, 172w, 1843'
INDIANA (Charlestown) Alexander Olympus Zarris, 104.3, 3000w, 328' (Charlestown) Charlestown Radio, 104.3, 3000w, 328' (Charlestown) Dubois County Broadcasting Inc., 104.3, 3000w, 328'
MICHIGAN (Baraga) Keweenaw Bay Broadcasting, 104.3, 100,000w, 887'
MINNESOTA (Pequot Lakes) Minnesota Christian Broadcasters, 100.1, 3900w, 407'
MISSISSIPPI (Kosciusko) Rainey Broadcasting Inc., 103.3, 20,100w, 366'
MISSOURI (Campbell) Duke Broadcasting Corp., 107.5, 18,400w, 380'
NEW MEXICO (Kirtland) Radio Properties, Inc., 102.9, 100,000w, 1007'
PENNSYLVANIA (McConnellsburg) Cary Simpson, 103.7, 133w, 1555'
WISCONSIN (Dickeyville) Ganske & Munson, 101.1, 6000w, 256'

## **NEW STATIONS (Granted):**

CALIFORNIA (El Rio) Clanton, Corp., 103.7, 478w, 807' FLORIDA (Ormond-by-the-Sea) Gloria Bell Byrd, 95.7, 3000w, 328' NEBRASKA (Gering) Tracy Corporation IV, 103.9, 100,000w, 908'

## AMENDMENTS TO THE FM TABLE (Proposed):

CALIFORNIA (Healdsburg) new, 96.7 A
FLORIDA (Monticello) WJPH, to 105.7 C3 from 101.9 C3 (Quincy) WXSR, to 101.5 C2 Woodville from Quincy
KANSAS (Copeland) new, 103.9 C1
MICHIGAN (Frankenmuth) new, 93.7 A
NORTH CAROLINA (Rose Hill) WBSY, to 104.7 C2 Trenton from Rose Hill
TEXAS (Littlefield) KAIQ (CP), to 95.5 C3 Wolfforth from Littlefield (Tahoka) new, to 103.5 A from 95.3 A
(Tahoka) new, delete 95.3 A

## AMENDMENTS TO THE FM TABLE (Granted):

FLORIDA (Perry) WNFK, to 92.1 A from 105.5 A KANSAS (Ingalls) new, 105.9 A TEXAS (Sherman) KWSM, to 104.1 C3 Sanger from 104.1 A Sherman

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### **REPORTED SILENT:**

SOUTH CAROLINA (Orangeburg) WKSO, 103.9 TEXAS (Uvalde) KUVA, 102.3

## FORMERLY SILENT:

MISSOURI (Springfield) KWND, 88.3

-Courtesy M Street Journal

SMALL MARKET RADIO NEWSLETTER

# MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$

# Home Grown Downtown Events

Editor's Note: While some of these events, from Downtown Promotion Reporter, are decidedly "bigger-city," they may spark some ideas for your own late-Summer and Fall events.

August is a wonderful time to bring people downtown to sample local summer produce, dance a reel and get that real country feeling.

The downtown Farm & Art Market held on summer Saturdays in Wichita, KS claims to be the largest open-air event of its kind in the state.

For both farmers and artists, "home grown" is the key as local growers, craftspeople and artists display and sell their fruits, vegetables and artwork. There are also special attractions each Saturday, including square-dancing, cook-offs, live music, cooking demonstrations and more—all geared to the Farm & Art Market theme.

The City Gardeners Harvest Fair in New York City invites dwellers to enter their home grown produce and compete for awards, just like at the country fair.

People can enter everything from beans and tomatoes to flowers and floral arrangements, to other country fair favorites like knitting, crochet, needlepoint and other fine needlework.

To broaden interest, the City Gardeners Harvest Fair also includes live music and entertainment, farm animals, agricultural exhibits, crafts demonstrations, environmental exhibits, square dancing, hayrides, games, races, food and more.

With the change of seasons, thoughts turn to football. But there's always plenty to do downtown before the game, after the game, or instead of the game.

A football widows' club like the one in Los Cerritos, CA can perk up sales in downtown. From 5:00 to 8:00 p.m. on Monday evenings, members can sign in at "Shopper's Stadium" to get a list of special offers and discounts available that evening. They can also register for prize drawings for jewelry or getaway weekends. To keep children occupied, there's a "Kid's Clubhouse" where, for \$4, kids get dinner and a movie while their moms shop.

A three-day Arts 'n' Apples Festival was a Fall art and entertainment extravaganza held in downtown Rochester, MN. The event was sponsored by the Downtown Rochester Promotions and Marketing Partnership and was designed to benefit the downtown Paint Creek Center for the Arts.

Among the Arts 'n' Apples festivities were a sidewalk Chalk Art Contest, gallery and pub crawls, an Art on the Town exhibit, horse-drawn carriage rides, face painting and Young At Art for children.

# \$ALE\$

# Is "Closing" a Dead End?

If you look up the word "close" in the dictionary, you won't find anything about building relationships, engendering trust, cementing long-term goals and plans or anything that remotely describes what happens when you sell something. The *Webster's Collegiate Dictionary* definition of "close" as a verb is "to block against entry; having no openings." "Close" as an adjective is "reluctant to part with money or possessions; cautious and even stingy with expenditure."

In fact, I am sure the word "close" never should have been applied to the sales process. I would prefer the word "commence" to the word "close" for what happens when a salesperson and prospect become supplier and customer. It's not a close. It's a beginning.

It's easy to figure out where the term "closing" began. For the past 50 years or more, hundreds of books and seminars by some of the most successful and influential salespeople have had such titles as *Secrets of Closing the Sale, Ten Successful Closes, Power Closing* and simply *Closing.* These titles promote an antiquated and inappropriate way of beginning a business relationship.

If this is the generation of the customer, why are we still closing people? Shouldn't we be opening new accounts? Buyers are better educated and informed than at any other time in history. They are more demanding. They expect and demand better communication and service from salespeople, and they certainly don't want to be closed any more.

Lasting business relationships require openness between salespeople and clients, so consider whether "close" really fits the definition of a completed sale. A word that evokes images of shutting doors and shutting people out just doesn't describe a successful business relationship.

Sales growth today demands a more customer-friendly term. Since a sale requires mutual agreement and "opens" a new account, the word "commence," meaning "to start or enter upon," more accurately describes a new sale.

Also, "mutual acceptance" means "relating to a plan whereby members of an organization can share in the profits; agreeing to the act or an offer made by another." Aren't these words and phrases more appropriate to the real goal of successful salespeople? It's time the act of getting a prospect to agree to buy became a commencement, as in a beginning, rather than a close, as in an end.

The next time a prospect becomes a customer, consider it a commencement. You're beginning a new phase in your relationship.

-Eric C. Franz, Personal Selling Power, November/December 1994

**READER SURVEY** 

Here is the final installment of the responses we received to our reader survey (SMRN 5/18/95):

	Other	1	I	Over- goal bonus	Bonus	Bonus	I
nedmon	Comm	20% (10% sales, 10% cotlect)	10%	15- 20%	15%	4%	20%
Monthly Sales Compensation	Draw	\$1000	1	\$1000	\$1200	\$1400	1
Mon	Salary	1	\$175/ week	l	Experi- enced:	Start- Ing:	009 <b>\$</b>
Sep.	21180 C	AN	No	N	ON		No
No. Of Sales- people		4	2	S	6 (plus SM & GM)		ى م
	Other	1	I	News & Promo 10%	Promo 6%		1
nues	Eng	l	2%	3%	(Incl. W/ Prog)		11%
Percent of Revenues	Sales	80%	%06	15%	26% (Incl. ASCA P & BMI, reps)		33%
Perce	Prog	20%	6%	21%	6%		26%
	G&A	1	1	34%	40% (Incl. all	sals.)	25%
Op'tg Margn		10- 14%	Under 0%	15- 19%	20- 24%		5-9%
Reve- nues		\$200- 299K	\$200- 299K	\$500- 599K	\$1.5M +		\$500- 599K
For- mats		Cntry/ Gospel	Cntry. Spen	FSAC	Sports, AC		News/ Sports/ Farm, Cntrv
No. Of Stns		-	2	-	7		2
	Trade	SOK	60K	1	447K		20K
Market Size	Cnty	41K	30K	40K	I		11K
W	City	13K	14K	24K	188K		7K

We have compiled all the responses to our survey, which ran in three issues of SMRN, into one document. To obtain a copy, SMRN subscribers should send a self-addressed stamped envelope to Station Performance Survey, SMRN, P. O. Box 1285, Fairfield, IA 52556. Non-subscribers should send \$10 and an SASE.

Our thanks once again to Gerry Emmet, Emmet Broadcasting, Leesburg, VA for suggesting this most valuable project!

SMALL MARKET RADIO NEWSLETTER

# **TELEMARKETING CAMPAIGNS**

# **High School Football Opening**

Fun and football—what a combination! ______ suggests you put them all together. Come out for the opening game. This is the beginning of a great season. ______ knows you'll want to be part of it.

urges you to come out this [game day/date]. Help the [team name] get off to a great season start. The team deserves your support ... and you deserve a night of great high school football. ______ says, we'll see you at the [team name] opening game.

The players. . . the cheerleaders. . . the band. They've all worked hard to make [team name] opening night one to remember. ______ hopes you'll join them in supporting [team name]. ______ believes high school sports are good for young people and the community. Give them your support.

______ believes high school sports is a "two-fer." When you attend the game, you're in for an enjoyable evening—and you're supporting our community's young people. ______ looks forward to seeing you at the [team name] opening game, [game day/date].

reminds you that the *[team name]* at-home season kickoff is *[game day/date]*. urges you to come. Enjoy the game. Support the team. It's good for the young people. It's good for the community.

It's high school football time. _____ reminds you that opening game is [game day/date]. _____ urges you to help fill the stands. Let the team know you're behind them. Good sports are an important part of a good community.

There's nothing like a crisp autumn night cheering on the *[team name]*. ______ believes it's one of the reasons living here in *[city/area]* is such a great experience. ______ invites you to meet your friends, enjoy the game, support the team.

______ believes high school sports are important in molding young people into healthy, successful adults. That's why ______ supports high school sports. That's why they urge you to support the *[team name]*. Be on hand for the season opener *[game day/date]*.

wants to remind you that it's time for [team name] football, and to join them in turning out to support the team. Let's all get behind [team name] and urge them on to victory this year. A message in support of our high school sports program from

# COMMUNITY INVOLVEMENT

We all know that the key to the success of a radio station is community involvement. But how does a smaller station, with its limited resources and overworked staff, get involved with the community? As the authors of *Radio In Search of Excellence* expressed it, a radio station must "become" the community. But how does a smaller station, with its limited resources and overworked staff, "become" the community?

The key to community involvement is twofold: *presence* and *reference*. Presence means we must physically appear in the market as consistently as possible: personal appearances, remotes, news people covering local events, participation in local events, membership in organizations, etc.

Reference means that our personalities must mention, and sound knowledgeable about, as many local people and local events on the air as possible. It is this reference aspect of community involvement that I will address here, since it is the one that seems harder to install and maintain.

At most stations, the jocks and the audience are quite different in terms of lifestyle, attitude and orientation. While our listeners are likely to be settled, our jocks can be pretty unsettled. While our listeners are married, childed, tax-paying homeowners, our jocks are single or newly-married, childless renters. While our listeners go in for family and community-oriented activities, our jocks lean toward youth- and party-oriented activities.

How do we bridge the gap? We *format* community awareness among our jocks, just as we format the music, news, weather, and all our other on-air events.

Working in conjunction with one of our client stations, we developed a special format device we call the "Community Awareness Program," or CAP. The CAP enables a local radio station to build into its programming the kind of ongoing community knowledge we know to be so valuable.

The basic objective of the CAP is to mention as many names of people in the community as possible, but to do so in a natural way, so the jock sounds like he/she is truly aware of what is going on. Rather than the jock reading some canned rap off a card, it should be a smooth, conversational tidbit: "AM 4000, WXXX, and John Jackson congratulating Howie Gratzon on his election as president of Lions last night" (then on to the next format event).

Note the use of the nickname "Howie" and use of the term "Lions" instead of "the Lions Club." Every attempt should be made to make these liners as conversational, as chatty as possible.

The success of the Community Awareness Program relies on continuing attention; this is not a "set it and forget it" format element.

Here are the steps to take to install the CAP at your station:

1. Call a programming staff meeting. Explain the primary objective of the CAP: on-air

mentions of names of people in the market, tied in with positive things. Enumerate all the various *types* of desired community-oriented information. These may include births, marriages, promotions, elections, appointments, kudos for jobs well done, and others which may be suggested by your staff.

- 2. Enumerate all the various *sources* for community-oriented information. These may include press releases, newspapers, clubs and associations, PSAs, and others which may be suggested by your staff.
- 3. At the meeting, divide the responsibility for gathering the information from the above sources among staff members. Each bit of information should be typed on a 3x5 file card. Each card is given a kill date and put in a file tray in the studio.
- 4. The station format should include reference to a card from this file 1-4 times per hour, depending on the result desired. When called for by the format, the jock on the air dips into the CAP File and ad-libs the liners.
- 5. The PD monitors on-air use of the liners to ensure conversationality and brevity (especially the latter!). He/she also makes sure that all staff members are pulling their weight in gathering the information for the file.

If these steps are followed consistently, the entire station will take on a much more involved air —because each jock will sound more involved. It's really quite simple, but not necessarily easy.

As with anything else worth doing, the Community Action Program requires consistent attention from your staff. But the resulting community-oriented air sound will be well worth the effort!

# THE LAST WORD

# The Sky is Falling! The Sky is Falling!

On Page One of this week's issue we relate the fact that the U. S. Department of Commerce has engaged in a mass mailing to who knows how many businesses and other organizations to let us know that *if* President Clinton's big bad budget cuts make it through Congress the National Weather Service *may* have to reduce or eliminate some of their services to the private sector.

Regardless of whether you and I agree with the President's proposed budget and regardless of how the possible changes in NWS offerings may impact us, I am outraged that a Federal agency would use your and my tax money to send out such a premature, incendiary and blatantly political mailing.

I think this action is more evidence that our government consists largely of a bunch of spoiled kids on a perpetual spending spree, unmindful of the consequences of their actions and especially unmindful of their responsibility to treat our tax money with wisdom and care.

# Small Market Radio Newsletter

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

Publisher & Editor: Jay Mitchell Managing Editor: Lori Morgan Editor Emeritus: Bob Doll

Published by: Jay Mitchell Associates, Inc. P. O. Box 1285 • Route 2 Fairfield, IA 52556

Phone 515-472-4087 Fax 515-472-6457 E-Mail 73627.2120@ compuserve.com

Subscription Rates:												
One Year												
26 Weeks												
13 Weeks	•		•	•	•	•	•	•	•	•	•	. \$37

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IN OUR 13TH YEAR



NEXT WEEK: ANNUAL SPORTS ISSUE! Bill Taylor KQSS P. O. Box 292 Miami AZ 85539 FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

ADDRESS CORRECTION REQUESTED

# VOLUME XIII • NUMBER 8 • JULY 13, 1995

FCC ENCOURAGES SOME BROADCASTERS TO KEEP LONGER EBS TONES after they receive hundreds of questions regarding consumer grade EBS decoders that require more than eight seconds of tone (these decoders are primarily used in tornado-prone areas and near nuclear power plants). A new EAS Operating Handbook will be released, listing procedures for operating the old EBS and new EAS equipment.

NATIONAL AND LOCAL RADIO REVENUE INCREASES 10% IN MAY, according to the Radio Advertising Bureau Radio revenue index. Local revenue rose 12% in May, compared to a year ago. Year-to-date figures increased also: 10% local, 14% national, 11% combined.

FCC TO BEGIN SAFE HARBOR ENFORCEMENT in the wake of a recent appeals court decision. Enforcing the 10 p.m.-6 a.m. safe harbor for indecent programming may begin within two weeks, according to FCC sources. A Supreme Court appeal is still possible, since a consortium of broadcast groups has until the end of September to file an appeal.

WOLFMAN JACK MOURNED by radio industry and fans worldwide. Wolfman, a.k.a. Bob Smith, 57, died July 1 of a heart attack. He had just completed a 20-day book tour; he died in his wife's arms after returning home following his weekly radio broadcast.

SMALL MARKET STATION GOES ON-LINE on the World Wide Web. HOME 101, Winona, MN, is part of the new on-line service called WinonaNet. WinonaNet is a joint venture with the Winona Daily News and provides news, information and shopper access through Winona's Luminet community server project. Winonans shop locally through Luminet Marketplace, also managed in part by HOME 101 officials. For information, call Bill Withers at 507-454-4663.

NAB RADIO SHOW FEATURES REGULATORY PANELS on topics like "Duopolies, LMAs & Station Acquisitions," "Satellite DAB Forum," "FCC Regulatory Update," "FCC Chairman's Breakfast," "AM/FM Station Improvements," "FCC Rule Enforcement," "Contest, Lottery and Casino Gambling Ads," and "Radio Renewal Primer."

## AT THE FCC

#### **NEW STATIONS (Applied For):**

COLORADO (Estes Park) Trail Broadcasting Co., Inc., 102.1, 6000w, -834' FLORIDA (LaCrosse) Randall Wahlberg, 99.5, 6000w, 328' MINNESOTA (Pequot Lakes) Carol Delahunt, 100.1, 1250w, 718'

#### **NEW STATIONS (Granted):**

ALASKA (Juneau) Jerome Dobson & Carolyn Goss, 100.7, 6000w, -1058' FLORIDA (Jupiter) Jupiter Radio Partners, 105.5, 3000w, 266' TEXAS (Waco) Kennelwood Broadcasting Co., 94.5, 3000w, 327'

#### AMENDMENTS TO THE FM TABLE (Proposed):

ARKANSAS (Hatfield) new, 104.1 C2 (Lakeview) new, 93.5 C3 (Viola) new, 94.3 C3 NEW MEXICO (Lordsburg) new, 104.9 C3 WISCONSIN (Wyeville) new, 101.3 A

#### AMENDMENTS TO THE FM TABLE (Granted):

ALASKA (Fairbanks) new, 96.9 C3 (Camden) KCXY, to 95.3 C1 East Camden from 95.3 A Camden (Stamps) new, to 104.3 A from 95.5 A
FLORIDA (Perry) WNFK, to 92.1 A from 105.5 A (Sanibel) WRWX (CP), to 98.5 A San Carlos Park from Sanibel
LOUISIANA (Gibsland) new, 95.5 A (Minden) KASO-FM, to 95.7 A from 95.3 A
OKLAHOMA (Nowata) KQSY (CP), to 101.5 C3 Collinsville from 101.5 Nowata SOUTH CAROLINA (Camden) WPUB-FM, to 102.7 A from 94.3 A (Marion) WCMG, to 94.3 C3 Lata from 94.3 A Marion

### FORMERLY SILENT:

TEXAS (Friona-Clovis) KGRW, 94.7

-Courtesy M Street Journal

FCC WILL ACCEPT WIRE TRANSFERS through Mellon Bank in Pittsburgh. For information on transfer guidelines, call 202-418-1995.

SMALL MARKET RADIO NEWSLETTER

JULY 13, 1995 • PAGE 2

## MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$

# Five Ways to Add Zest to Fall Billing

- Minimum Wage Plan. Make it clear to your prospect that you don't want him/her to advertise. He/she is hiring you at "minimum wage" for forty hours a week. You'll go to work by telling more people about their business than any part-timer ever could. Obviously we are talking about advertising, but just putting it in different terms: \$4.65/hour x 40 hours = \$186/week. Try this with several prospects at the same time.
- 2. *Pocket the Savings*. This is one for a clothing store. In the ad copy, talk about the fact that your station GM went into the store and dropped his business card into the pocket of one outfit. The first listener who finds the card gets the outfit in his or her size absolutely free.
- 3. *The Visible Vault.* To spice up remotes, bring along the "Visible Vault"—a two-foot-square plexiglas box with a combination lock. During the remote, any listener who correctly guesses the combination and opens the vault keeps the cash (\$50-200 or whatever).
- 4. Tank God Its Friday. Sponsored by local gas stations, the first 100 listeners get to fill up their tanks for (your frequency) cents per gallon, but only at that day's sponsoring location.
- 5. Spin the Bottle. Do this in conjunction with a local restaurant or lounge. Have groups of twelve sit in a circle while an emcee spins a bottle of champagne. After the bottle stops spinning, the person it points to is eliminated. At the end of the game, the person remaining wins the bottle of champagne.

---Adapted from ideas from Irwin Pollack

#### **Promotions Potpourri**

Midnight Movie Express. Every Saturday at Midnight, listeners visit the local theater and see new or special feature films for (frequency) cents. Your station gives away tickets on the air and your personality gives away prizes and introduces the show at the theater. Everyone who attends the show gets a "Midnight Movie Express Card" with your call letters on it, which is punched at every visit. After nine punches, the moviegoer gets in one time for free. You can also provide the theater with a color slide of your call letters to be displayed before all feature presentations.

*Biking for Dollars.* Michelle Stevens, program director of WPST, Trenton, NJ went on a 500mile bike ride from Canada to Trenton to raise money for Anchor House, the area's only shelter for runaways and abused children. While on her week-long ride she was joined by about 170 cyclists, each of whom solicited pledges for the fund.

*Giant Stick-Up.* Find a big parking lot that will be unused for the time of this promotion. Announce ahead of time that every car that shows up will be stickered with your bumper sticker, and that every car will win something, be it cash, food coupons, tees, etc.

#### \$ALE\$

## Using Business Cards to Promote Radio

"At KJAM Radio, we often insert a business-card-size phrase along with billing or any other correspondence, especially to agencies, that promotes radio in a tangible way.

# WHY ADVERTISE?

Business Goes Where It Is Invited... And Stays Where It Is Appreciated!

KJAM Radio 101 S. Egan Madison, SD 57042

with raised black ink (very sharp!). The print shop will ship them anywhere in the U.S. For ideas and suggested sayings, SMRN readers can call us anytime and we'll send them examples.

"Thanks for using our ideas. We do get many calls after each issue comes out featuring one of them. We appreciate the forum you provide each month."

-Rod Goeman, CRMC, KJAM, Madison, SD, 605-256-4514 "On this page are two examples of cards we've used. The card lists a catchy advertising-related saying, our call letters and phone number. Because we try to keep the cards light, humorous and informative, people keep and post them.

"Currently we're paying about \$27 per 1000, or 2.7 cents each for the cards, printed on bright white vellum card stock

Advertising does for your business what gasoline does for your car... It propels it forward!

KJAM Radio, 605-256-4514, Madison, SD

Glenn Hermann, Sales Manager, Radio Advertising, K-WAVE, KPEN & KGTL, Homer, AK (907-262-6000) sent us one of his business cards, which bears a color photo of him along with his address and phone information on the front, and the following message on the back:

"Why Is It?????

"A man wakes up in the morning after sleeping on an advertised bed, in advertised pajamas. He will brush with advertised toothpaste, wash with advertised soap, shave with an advertised razor, have a breakfast of advertised orange juice, cereal and toast, sip his advertised coffee, put on advertised clothes and glance at his advertised watch. He will ride to work in his advertised car, sit at an advertised desk, and write with an advertised pen. Yet this man hesitates to advertise, saying that advertising does not pay. Finally, when his unadvertised business goes under, he will advertise it for sale!"

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#### RADIO FACTS

Two booklets have recently been published which have invaluable updated facts and figures about our business: *Radio Marketing Guide and Fact Book for Advertisers* from the RAB (800-232-3131) and *Radio Today* from Arbitron (212-887-1300). Here are some tidbits from the RAB book:

- Radio Reaches 77% of All Consumers Every Day. Average daily reach among all persons 12+ is 76.7%. Among Teens 12-17 it is 80.5%, and among adults 18+ it is 76.3%.
- Radio Reaches Almost Everyone Every Week. Average weekly reach among all persons 12+ is 95.5%. Among Teens 12-17 it is 98.8%, and among adults 18+ it is 95.1%.
- Radio Listeners Keep Listening. . And Listening. . And Listening. . . The average daily time spent listening among all persons 12+ is 3:12 (4:42 for the average weekend day). Among Teens 12-17 it is 2:11 (3:55 on the weekend), and among adults 18+ it is 3:20 (4:48 on the weekend).
- Radio Reaches Upscale Audiences. Among all *adults 18+ with household incomes of* \$50,000 or more, the average weekly reach of radio is 96.9%. The average daily time spent listening is 2:53.

Among college graduates who have household incomes of \$50,000 or more, radio's weekly reach is 97.5%. The average daily time spent listening is 2:37.

Among those in the *Professional/Managerial* group, the average weekly reach is 97.8%, with an average daily time spent listening of 2:42.

Among those who are *Professional/Managerial with household incomes of \$50,000 or more*, radio's weekly reach is 97.5% with an average daily time spent listening of 2:37.

Only Radio Reaches Customers Everywhere. This table shows share of radio listening by location:

Demographic	At Home	In Cars	Other Places	
Persons 12+	38.2%	40.3%	21.5%	
Teens 12-17	41.5%	36.0%	22.5%	
Adults 18+	37.8%	40.9%	21.3%	
Men 18+	35.3%	42.0%	22.7%	
Women 18+	40.1%	39.8%	20.1%	

- Four Out of Five Adults Are Reached by Car Radio Each Week. Every week, 80.7% of all adults 18+ are reached by radio in their cars.
- Radio Reaches One Out of Three Americans in the Workplace. 36% listen to radio at work; 64% listen to the same station in their car and at work; 70% listen to their favorite station at work.
- Radio Listeners Buy Cars. Here is the weekly reach of adults 18+ who, in the next 12 months, plan to...

Plan	Percent
Purchase a car, truck or van	95.4%
Pay \$15,000 or more for their vehicle	95.8%
Purchase a domestic vehicle	95.5%
Purchase an imported vehicle	95.9%
Purchase a new vehicle	96.1%
Purchase a used vehicle	95.3%
Purchase a car	95.1%
Purchase a van or truck	96.2%

• Radio Reaches Two Thirds of All Grocery Shoppers Every Day. Here is the weekday reach among adults 18+ who.

Activity	Percent
Did major grocery shopping in the last four weeks	67.6%
Did major grocery shopping five or more times in the last four weeks	67.5%
Spent \$50 or more on groceries in the average week	69.2%
Spent \$100 or more on groceries in the average week	70.9%
Did fill-in grocery shopping in the last four weeks	68.6%
Shopped at a bakery in the last four weeks	69.3%
Shopped at a deli in the last four weeks	67.6%
Shopped at a gourmet food store in the last four weeks	73.7%
Shopped at a health food store in the last four weeks	66.9%

Both of these publications are vital additions to your sales arsenal!

JULY 13, 1995 • PAGE 6

# STATION OF THE MONTH

# The Nation's Newest Small Station Owner

For over a third of a century, his face and his voice have been familiar to millions of Americans. He was a welcome guest at Sunday breakfast in countless homes on "Sunday Morning." He was best known as the tour guide to hundreds of out-of-the-way places where he introduced his viewers to fascinating people they otherwise would never have met. Alongside all the generally bad news, the "On the Road" series gave the CBS Evening News a unique dimension.

When he reached 60, Charles Kuralt shocked his legions of fans and associates by deciding to leave CBS Television. He says, "I'd been there a long time. I wanted to get away from the pressure of meeting deadlines to do some things my schedule didn't allow. I wanted to have more time for writing. I also wanted to try children's books and perhaps some songs."

He spent his first year leisurely revisiting his favorite dozen stops of his "On the Road" series. He will share those travels in a book called *Charles Kuralt's America* which Putnam will release October 17. His recent travels included a month in July last year at Ely, MN, a place he describes as "gorgeous."

In addition to the beauty of the Ely area, Kuralt went there to interview Mike Hillman, a guide at a state park. "I heard him on the Ely radio station during an earlier trip. He was on the air there part-time. When I heard him, he was describing a canoeing trip. He did a remarkable job."

This spring, back in his New York office, getting his book ready for publication, Kuralt heard from any Ely acquaintance that the town's radio station was off the air after going into bankruptcy. "From my visits there, I knew how much that radio station meant to the town. I decided I'd put it back on the air." Kuralt bought the station and hired Mike and his wife, Julie, to run it for him. It went back on the air July 1.

Kuralt has spent most of his broadcasting career in television. His first brush with radio was as a part-timer at a small Charlotte station while in high school. After graduation from the journalism school at the University of North Carolina, he spent a couple of years reporting on the Charlotte News. His career at CBS started in 1957 as a radio news writer. He then moved to CBS-TV first as a writer, then as a correspondent. "On the Road" started in the late '60s, and "Sunday Morning" in the '70s.

Kuralt says he listened to hundreds of small stations while traveling the country in his CBS Television mobile unit. "I must tell you I was often disappointed by the lack of localism on many of those small stations. I know that it's expensive to do good local news and other local programming, but I really can't see any reason for a local station if it sounds like all the other stations on the dial."

He continues, "We're going to try to do a good job on local programming. For instance, we're

going to do a weekly program of local entertainers."

WELY will also continue to use its FCC waiver which allows it to broadcast direct messages of an emergency and personal nature. These messages serve visitors to the area for fishing and hunting and isolated rural residents. Typical messages: "Dr. Jim Jones of Minneapolis, please call your office"; "The godparents of Jimmy Johnson are advised that his baptism has been postponed because of the storm." Kuralt has been told that WELY is one of just two radio stations in the contiguous 48 states with such a waiver.

Under Kuralt's ownership, the Ely station will be a CBS affiliate. "It really couldn't be anything else," Kuralt chuckles, saying, "I had a wonderful career there and am enjoying a handsome retirement thanks to those folks." He continues, "I really believe CBS News is still the premier broadcast news service."

"One of my most memorable early experiences was watching the preparation and broadcast of the 'CBS World News' morning broadcast, and Charles Osgood's morning radio programs are among the very best on the air today." (Osgood succeeded Kuralt as host of "Sunday Morning.")

How active Kuralt will be in the WELY operation is still taking shape, he says. "Finishing up my book will keep me busy for a little while, but, then I'll be spending some time in Ely, deciding what needs to be done and how I can be helpful."

Ely has had one of the worst radio financial histories of any small market in the United States. Its first station, WYEA, went on the air in 1936. It was started by a local electrician, who located it above a downtown drug store. Within a year he gave up and signed it off.

After World War II, Charles Ingersoll, an area advertising man, put WXLT on the air during the post-war station-building boom. Again, radio in Ely did not prove to be a sound financial proposition. Ingersoll said in 1949, "Ely just isn't ready for radio." The station was on and off the air with a couple of different ownerships when it ceased operations in 1951.

In 1954, Charlie Persons left the Arrowhead Network of small Minnesota and Michigan stations to give Ely another chance. Persons built WELY and a companion cable system, which he sold for a handsome profit in 1960. By 1974 both the cable system and the radio station were in trouble; the radio station was purchased by Jeanie Larson, then a middle-aged widow from Michigan.

In the 1980s, Mrs. Larson got into financial trouble. After a time off the air, she went back on with a combination of advertising revenues and listener contributions. This spring, the Class IV AM/Class A FM stations went dark again.

Kuralt believes that WELY's biggest problem in recent years has been its lack of financial resources. "I can give it that and I believe it'll be a nice thing to own." As he starts on his adventure in small town radio and thinks about the history of radio in Ely, he chuckles, saying, "We've nicknamed WELY 'The Radio Station at the End of the Road.""

# Small Market Radio Newsletter

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

Publisher & Editor: Jay Mitchell Managing Editor: Lori Morgan Editor Emeritus: Bob Doll

Published by: Jay Mitchell Associates, Inc. P. O. Box 1285 • Route 2 Fairfield, IA 52556

Phone 515-472-4087
 Fax 515-472-6457
 E-Mail 73627.2120@
 compuserve.com

Subscription Rates:

Une Year				•					\$119
26 Weeks									. \$64
13 Weeks	•	•	•	•		•		•	. \$37

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IN OUR 13TH YEAR



# ANNUAL SPORTS ISSUE!

Bill Taylor KQSS P. O. Box 292 Miami AZ 85539 FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

ADDRESS CORRECTION REQUESTED

# VOLUME XIII • NUMBER 9 • JULY 20, 1995

# PROPOSED DEREGULATION COMPROMISE MAY HAVE

HOUSE SPONSOR. Names are not confirmed, but the Coalition for Broadcast Diversity may have found a House sponsor for its plan. Also, long-distance companies and equipment manufacturers have withdrawn their support for the bill. The bill will likely be voted on next week.

**DEPARTMENT OF LABOR TRYING TO CLOSE SPRINGFIELD, MO STATION.** KTOZ, an Adult Standard 500-watt daytimer, was purchased last year out of bankruptcy by a group of listeners who did not want to lose the station. Many listeners volunteered their time to run the station and seek no compensation as air talent, managers, and office help. Even the GM is unpaid. A DOL investigator learned that the for-profit entity was using volunteer help, a violation of federal labor laws, and decided to act. If the investigator determines the law has been violated, the station may have to pay back wages to the volunteers. And, the government will get to collect all of the payroll taxes.

KTOZ has received thousands of calls, letters, and faxes offering help; more than 100 attorneys have offered to represent them *pro bono*. Springfield's mayor is KTOZ's lead attorney, working *pro bono*. Congressmen are trying to help KTOZ, also. GM Ron Johnson has promised to fight the DOL all the way to the U.S. Supreme Court. If the DOL wins, small businesses will have to re-think using family members and other volunteers who help out in time of need. KTOZ's address is 2607 W Bennett, Springfield, MO 65807.

GOOD NEWS FOR THE ECONOMY. Business inventory rose 0.4% in May, the 14th straight monthly gain. According to the Commerce Department, this suggests that the economy will likely avoid a recession.

SHOPPERS SEEK EXPERIENCES, according to futurist Watts Wacker at NDL/The Polk Co.'s Summit '95 conference. Consumers want service and "situational value," such as stress relievers. Trends for the next 15 years: revival of brand loyalty; collecting as a hobby; movement toward purchasing higher-price goods; rising respect for age; people living in sync with nature; a rise in extremism; and greater U.S. influence in movies, music, and the information superhighway.

## AT THE FCC

#### **NEW STATIONS (Applied For):**

SOUTH DAKOTA (Rapid City) Lee Axdahl, 106.3, 100,000w, 984' TEXAS (Pecos) Ronald Latimer, 97.3, 100,000w, 630'

NEW STATIONS (Granted):

CALIFORNIA (Sebastopol) Sebastopol Radio Corporation, 93.7, 530w, 781'

AMENDMENTS TO THE FM TABLE (Proposed):

LOUISIANA (Gibsland) new, 95.5 A

AMENDMENTS TO THE FM TABLE (Granted):

CALIFORNIA (Essex) new, 103.9 B Essex (Needles) new, 107.1 B Needles
NORTH DAKOTA (Harwood) new, 100.7 C3
TEXAS (Caldwell) KHEN (CP), to 107.3 A from 95.1 A (College Station) KTSR, to 95.1 C2 from 107.3 C3

#### FORMERLY SILENT:

SOUTH CAROLINA (Batesburg-Columbia) WKWQ, 93.1 (Ridgeland) WSHG, 104.9 TEXAS (Creedmore-Austin) KWTR, 1530

-Courtesy M Street Journal

SMRN READER NEEDS HELP: Oscar Reid, WZLA, Abbeville, SC is looking for a weekly syndicated drug awareness/education program similar to DARE. If you know of one, please let SMRN know so we can share this information with other readers.

SMALL MARKET SESSIONS at the NAB Radio Show include promotions, new revenue sources, cost saving, station financing, duopoly sales, and license renewal. These sessions include:

20 Great Promotions to Build Your Bottom Line Every Last Cent, revenue generators Station Cost Saving Tips Pennies From Heaven Small Market Station Financing Making Money in Non-Traditional Ways Small Market Duopoly Sales Recruiting, Training and Retaining Small Market Sales People

# MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$

# **Sports Promotions**

Draw a Crowd to the Game. Promote heavily the "[Team name] Stick-Up" during the week before the big game. At the stadium, put a bumper sticker on every car and award prizes.

Incentives for Participating Advertisers. WLRB/WKAI/WLMD in Macon, IL ran a contest to give away two Chicago Bulls jackets, using sponsor registration points, as part of their Bulls sales program. Those stations also gave away tickets to possible playoff games.

Many stations make game tickets available to participating advertisers. Others put together a bus trip, complete with refreshments, games and prizes, for advertisers and their mates.

Making Your Sports Truly Yours. If you are broadcasting sports events that are also being covered by other stations in the area, you can build in added value for your advertisers and added incentive for your listeners by running a contest during the game. The contest should require your audience to listen to the game to participate and to win. Ideas:

- Be the *nth* caller when the home team scores a point/touchdown/whatever.
- At the end of the game, when prompted, be the *nth* caller to tell the number of sacks during the game. . .
- Or the number of fumbles. . .
- Or the number of field goals.
- During the game, identify that game's "Magic Number"—a certain player's number—and then ask the listeners to call with that information toward the end of the game (or in the post-game show).
- Have listeners vote on an MVP for the game and award prizes to selected callers.
- At the beginning of the game, call and guess what the final or half-time score will be—or the number of points scored by the home team. Entrants then listen for their names during the half-time or post-game show to call and win.

I'm sure you can come up with other ideas. The point is to create ways to make *your* coverage more appealing. Sure, you probably have better play-by-play people. . .but nothing succeeds like bribery!

Don't Forget the tried-and-true. Award MVP certificates to local athletes. . .host a victory dinner . . .have local "stars" voice testimonials for your station.

غس

## \$ALE\$

#### **Better Sports Selling**

When you sell sports, you are selling a lot more than just radio time. Bob Shulberg, in his book, *Radio Advertising: The Authoritative Handbook*, tells us that you are offering your prospect...

- A prestigious association with a community institution
- The appreciation of the fans, which translates into customer loyalty and goodwill
- A very favorable selling climate for the advertiser's message
- Excellent frequency—the message is heard by the fans over and over again
- Abnormally high ad recall (proved by research)

The radio sports audience includes higher-than-average household incomes, education levels and career achievement—about 50% higher than listeners to other forms of radio programming.

High school sports, as an advertising vehicle, associates the sports advertiser with a community institution—school loyalties and local names. In a small market, almost everyone has a personal connection to the local team.

The Sports Glut. In recent years, with increased TV and cable coverage of sports, there has developed a troubling sports overkill. This may well show up when you're presenting radio coverage of a college or pro team. When it does, point out to your prospect:

- Many people watch the game on TV with the volume turned down and listen to the play-byplay on the radio.
- On week nights and weekends, when most sports events are broadcast on radio, around half of the male audience (the heavy sports listeners) listen away from home, in autos and elsewhere—away from television.

The actual figures, from RADAR surveys:

Daypart	Men	Women
Week nights	46.2%	22.3%
Weekends	50.7%	34.5%

[Note: More facts and figures about the radio sports listener can be found on Page 8.]

## SALES MANAGEMENT

# **Making Sports Profitable**

Are your sports broadcasts profitable, or do they eat up cash? Many broadcasters report they are just breaking even, justifying it by saying, "It's good community service." Radio sports *should* generate good income, but it's not automatic. Here are some tips to boost your sports success:

Watch your costs closely. Our "Sports Estimate Sheet" on Page 6 (courtesy of Charlie Wright, WBYS, Canton, IL) should help you get a handle on your expenses. Other tips:

- Set up "home and home" agreements, visitor phones and courtesy lines with other broadcasters to avoid buying conventional phone lines.
- Use a cordless mike or cordless telephone to cut costs. Many broadcasters report that using a cellular phone for games in their "Home" region is less expensive (by half or more) than installing a line for one or two games.
- Use school telephones and a coupler.

The more organized you are, the more money you can save. Anticipating equipment needs and what is available at each school can make a difference.

Treat the schools like your best customers. To avoid privilege fees and build goodwill:

- Sell school officials on the fact that sports broadcasts are important benefits for team morale, as well as school spirit and interest.
- Run on-air promos encouraging listeners to attend games.
- Get permission to broadcast the game from each school, and follow up with Thank-You letters.
- Inform school officials of all the things you are doing to promote their sports programs.
- Make sure your play-by-play crew shows up neat, clean and professional, and behaves courteously at all times.

Sell your sports programs wisely. To get the most return:

- Use the packaging that works best for you. There are two basic ways to sell sports, and which one you use will depend on the advertiser mix in your market:
  - 1. The "Booster's Club" or "Sports Club" approach—rolling lots of games, sportscasts, commercial schedules and promos into a year-long package.
  - 2. The more traditional approach—four or five advertisers per game, with smaller advertisers buying the pre- and post-game shows and adjacencies.
- Make sure that you are not merely converting more-profitable spot sales into less-profitable sports sponsorships. Ideally, sports advertising is plus business—extra billing from regular advertisers, or new billing from nontraditional advertisers (industry, financial institutions, service businesses, etc.).
- Make sure your advertisers get their money's worth. In addition to them supporting the team and your broadcasts, they want to *sell something*. Even in group booster ads, include a tenword sell line for each advertiser. We have found that running :30 ads instead of :15 ads helps in two ways: first, the advertiser gets a real *ad*; second, the advertising can be co-op'ed.

	EXPENSE ITEM	VALUES	SUB-TOTALS	TOTALS
A.	Station operating cost per hour [see Formulas]			
В.	Length of broadcast(s) in hours			
C.	Total operating costs for game(s) (A x B)			
D.	Line charges			
E.	Percentage of maintenance and depreciation costs of remote pickup equipment			
F.	Travel expenses			
G.	Percentage of maintenance and depreciation of station vehicle			
H.	Broadcast rights			
l.	Merchandising			
J.	Advertising			
Κ.	Announcer talent fees			
L.	Network fees			
М.	Profit goal			
N.	Net costs (add C through M)			
0.	Markup [see Formulas]			
Ρ.	Gross costs (N x O)			
Q.	Sales commissions			
тот	AL REVENUE REQUIRED (P + Q)			l

# **SPORTS PROFIT ESTIMATOR**

#### FORMULAS:

- A. Station operating cost per hour = annual operating expenses ÷ 365 days/year ÷ 18 hours/day
  O. Markup = 1 ÷ (1 Commission). Example: If your commission is 15%, the markup is 1 ÷ (1 .15) = 1 ÷ .85 = 1.1765.

#### NOTES:_____

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SMALL MARKET RADIO NEWSLETTER

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#### PROGRAMMING

# **Play-By-Play Checklist**

- Monday or Tuesday morning: Get the probable starting lineup and scouting report from the coach.
- Prepare a spotting board with player name, position, weight, height, etc.
- Day or night of broadcast: Arrive at field early enough to check technical facilities and to correct any problem(s).
- U Visit the locker rooms to check any last-minute player or number changes.
- □ Introduce yourself to officials. Tell them you are broadcasting. Ask if time-outs will be regulation 60 seconds.
- When the teams come onto the field, ask your spotter to call off the numbers. Repeat the names back to him/her.
- Drop lots of names. Keep player history and family ties on index cards—it adds to the local color. Divide the responsibility: announcer concentrates on backfield while spotter tracks line play. In addition to mentioning passers and runners, say things like, "Nice block by _____."
- Rather than filling halftime with boring (to many) statistics and analysis, take a crowd mike and pick up the band. As one broadcaster told us, "There are nine players on the field at any one time during the game, but there are 75-100 youngsters in that band." He gets the list of band members and includes the names of a dozen or so in each broadcast. By season's end, every band member has been mentioned at least once.
- A sportscaster cannot report the time and score too often. The majority of the audience is listening casually, or just tuning in to find out how things are going.
- Get a spotter who is interested in the game and concentrates on the play. Don't get a "cheerleader" who goes to pieces when things go badly or very well for his/her favorite team.
- □ Instead of 30 or 60-second commercials, use :25's or :55's. There is less chance of missing a play during a commercial.
- At the end of the game, clean up the press box and thank the school officials for letting you do the broadcast.
- □ Mention the studio board operator in the credits. If he/she isn't paying attention, the whole effort is tarnished.

-Bob Sherman

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# **RADIO FACTS**

#### The Sports Listener

The radio sports listener is primarily male, aged 25-54, married, better educated, more affluent, a heavy purchaser of products and services—a BIG consumer.

#### Demographic Profile

- Radio sports listeners are 63% male and 37% female
- Over 68% of all male sports listeners are 25-54
- 33% are college graduates or better (only 27% of TV sports viewers are)
- 68% are employed full-time; 73% are employed either full-time or part-time
- 38% have household incomes of \$50,000+ (only 33% of TV viewers do)
- 52% have household incomes of \$40,000+ (only 46% of TV viewers do)
- The sports listener is more likely to be in a professional, technical, manager, or sales position than the national average
- The sports listener is more likely to own his own home than the national average
- The sports listener is more likely to be married, and more likely to have no children, than the national average

Consumer Behavior-the radio sports listener is more likely than the national average to ...

- Have bought a new car in the past 12 months (Index = 161[†])
- Have bought a new domestic car in the past 12 months (137)
- Have bought a new imported car in the past 12 months (229)
- Have bought a major kitchen appliance in the past 12 months (124)
- Have bought household furniture in the past 12 months (133)
- Have bought sporting goods in the past 12 months (154)
- Have shopped at a department, discount, clothing or children's store in the past 12 months (111)
   Have opened a shealing on the store in the past 12 months
- Have opened a checking or savings account in the past 12 months (152)
- Have visited a fast-food restaurant in the past month (110)
- Have visited a family restaurant in the past month (120)
- Spend \$50 or more on groceries in the household per week (108)
- Use cents-off coupons in the household (118)
- Drink diet soft drinks (cola and non-cola) (102)
- Drink wine (123)
- Drink beer (123)

†An Index of 161 means that the radio sports listener is 61% more likely to display this behavior than the national average—in this case, 5.47% of the population have bought a new car in the past 12 months, whereas 8.79% of radio sports listeners have.

-Simmons 1994

SMALL MARKET RADIO NEWSLETTER

JULY 20, 1995 • PAGE 8

# Small Market Radio lewsletter

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

Publisher & Editor: Jay Mitchell Managing Editor: Lori Morgan Editor Emeritus: Bob Doll

Published by: Jay Mitchell Associates, Inc. P. O. Box 1285 • Route 2 Fairfield, IA 52556

Phone 515-472-4087 Fax 515-472-6457 E-Mail 73627.2120@ compuserve.com

Subscription Rates: One Year ..... \$119 26 Weeks ..... \$64 13 Weeks ..... \$37

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IN OUR 13TH YEAR



**Bill Taylor** KQSS P. O. Box 292 Miami AZ 85539 FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

ADDRESS CORRECTION REQUESTED

# VOLUME XIII • NUMBER 10 • JULY 27, 1995

MORE LISTENING DONE AT WORK than in cars or at home, according to a study by The Research Director, Inc. The study examined Arbitron diaries from Winter 1992 through Winter 1995. The results:

- At work listening, 35.5% of all quarter-hours ►
- In home, 32.4% ►
- In car, 30.1% ►

The Research Director also found that 73% of an average station's audience tunes in at least once a week in the car.

THE FCC'S STERN MEASURES. The Commission is assessing nearly \$2 million in fines, mostly against Howard Stern. They will send "forfeiture letters" or "notices of apparent liability" informing that the FCC has rejected a defense against an indecent broadcast allegation. A station receiving such a letter or notice has the option to pay the fine or appeal the decision.

# TALK SHOW HOST MARIO CUOMO TO KEYNOTE RADIO SHOW OPENING September 6. The former New York Governor and

current radio talker is a firm defender of First Amendment rights and is known as one of the most impressive public speakers in the country.

# **RADIO LARGEST DONATOR TO AD COUNCIL CAMPAIGNS IN**

1994. According to the Advertising Council, broadcasters donated a total of \$564.8 million in advertising time-radio donated \$450.9 million and TV donated \$113.9 million. Here are the figures from other media:

- Cable, \$237.7 million ►
- Outdoor/transit, \$44.5 million ►
- Newspaper, \$17.2 million ►
- Magazine, \$16.2 million •
- News media, \$7.8 million ►
- Business press, \$3.4 million ►

COUPONS WANTED. Mel Goldberg, WHJB, Greensburg, PA, 412-834-0600 is looking for a printer specializing in 2-3-color perforated coupons.

# AT THE FCC

<b>NEW STATIONS</b>	(Applied For):
---------------------	----------------

SOUTH DAKOTA (Dell Rapids) Lee Axdahl, 95.7, 10,500w, 508' (Rapid City) Conway Broadcasting, Inc., 106.3, 100,000w, 984' (Rapid City) Gregory Gentling, Jr., 106.3, 100,000w, 984'

#### **NEW STATIONS (Granted):**

20

ALABAMA (Brantley) Alatron Corp., Inc., 100.3, 6000w, 328'

#### AMENDMENTS TO THE FM TABLE (Proposed):

CALIFORNIA (Johannesburg) new, 100.9 A COLORADO (Clark) new, 92.9 C2 IOWA (Ankeny) KJJY-FM, to 94.5 C2 West Des Moines from Ankeny

# AMENDMENTS TO THE FM TABLE (Granted):

ARIZONA (Oracle) KLQB, to 103.7 A from 103.1 A (San Carlos) KCDX (CP), to 103.1 C2 from 103.7 A
CALIFORNIA (Klamath Falls) new, 104.7 C1
VIRGINIA (Saltville) (CP), to 106.1 C3 Jefferson, NC from 106.1 A Saltville, VA

#### **REPORTED SILENT:**

FLORIDA (Gainesville) WGGG, 1230

---Courtesy M Street Journal

 $\diamond$   $\diamond$   $\diamond$ 

#### Products and Programs

- Media Marketing Technologies is releasing RadioPOLL, which will allow stations to conduct call-in surveys automatically. The system has been tested in Los Angeles, Chicago, and New York. For information, call Laurie Peters at 310-306-4125.
- The world's smallest AM radio, a high quality miniature radio that fits in the ear, is being offered by American Technology Corporation. It complements the "FM Sounds" Radio. The Sharper Image chain and catalog distributors have both products, but for larger quantities call ATC at 800-41-RADIO (417-2346).

#### MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$

September Business Opportunities include the following businesses, whose sales in the month are above average:

Auto Parts Stores Auto Repairs Book Stores Bridal Market Building Supply Dealers Mobile Home Dealers

-RAB's Top 40 Business Survey

## September Promotional Opportunities-Events & Holidays

<u>Months</u> Baby Safety Month Back-to-School Month Library Card Sign-up Month National Chicken Month National Piano Month

#### <u>Weeks</u>

September 17-23 - Constitution Week September 17-23 - Farm Safety Week September 17-23 - National Chiropractic Week

<u>Days</u>

- September 1 Rock 'N' Roll Hall of Fame Museum opens in Cleveland
- September 3 NFL season begins
- September 4 Labor Day
- September 4 Paul Harvey's Birthday (1918)
- September 8 Harvest Moon
- September 10 Grandparents Day
- September 10 Arnold Palmer's Birthday (1929)
- September 15 Oliver Stone's Birthday (1946)
- September 23 Autumn begins
- September 23 Mickey Rooney's Birthday (1920)
- September 25 Bruce Springsteen's Birthday (1949)

-Chase's 1995 Annual Calendar of Events

Spotlight Non-Traditional Advertisers. To build relationships with health care and legal professionals, local industry, etc., sell appearances on your local talk show. Use two plans: one for a party paying to appear on the show; the other for a third party underwriting the appearance by a non-profit organization.

#### \$ALE\$

The Power of Empathy. There is a venerable technique that we should all probably use more often. It works wonders!

It's called the "Feel-Felt-Found" technique, and it follows this form when used in response to an objection: "I understand how your feel. Many of our customers felt the same way, but then they found. . ."

Of course, we're assuming a sincere objection, not the "any excuse will do" type. "Feel-Felt-Found" first validates the customer's concern (others have felt that way) and then addresses it not by you but by fellow business people (who are likely to be more credible sources).

This Man Knew What Was Really Important. In 1861, after his first day in business, famed retailer John Wanamaker summed up his situation: "At the close of the first day the cash drawer revealed a total intake of \$24.67. Of this sum, \$24 was spent for advertising and 67 cents saved for making change the next day."

Mr. Wanamaker is also credited with saying, "I know that half of my advertising budget is wasted. I just don't know which half." I use this quote often to bring out the common insecurity most of our prospects and customers have about advertising.

In fact, I will combine the Wanamaker quote with "Feel-Felt-Found," following the quote by saying, "Lots of people feel this way about advertising, but when they understand how it works, they find. . ."

In the long run, we must increase our customers' comfort level with the whole idea of advertising in order to make the relationship between radio and business more secure. When businesspeople don't understand advertising, they still feel the need to do it (out of superstition or fear)—but they will take the path of least resistance, going with a *medium* they think they can understand, or at least one they can see and touch.

The Importance of Goals. A study of Yale University graduates found that only 3% of them had written goals in life. Twenty years later, a follow-up study revealed that the 3% who had written down their goals had a financial net worth that was superior to the combined net worth of the remaining 97% of their class. [Personal Selling Power]

What Does Your Business Card Say About You? If yours is like most business cards, it lists little more than your name, business, job title, address, phone and fax numbers, along with a few words describing your business. Your card could work a lot harder for you if it also showed your photo, a listing of your products/services and electronic mail address(es) as well. The challenge is for people who received your card six months ago to remember who you are, what you do, and how they might become customers, just by reading your card. [Marketing Communications Report]

SMALL MARKET RADIO NEWSLETTER

## **TELEMARKETING CAMPAIGNS**

#### Labor Day Announcements

America's working men and women have worked hard to give this country a standard of living that is the envy of most of the world. _______ salutes the working men and women of this area this Labor Day weekend. ______ says, enjoy a happy holiday. You've earned it!

______believes that the working men and women of any community are its greatest resource. Labor Day is the special holiday for working people. ______ sincerely hopes it will be a happy and safe one. Enjoy it—you've earned it!

It's the last big holiday weekend of the summer. If your Labor Day weekend plans include boating, ______ reminds you to be sure that your boat is equipped with proper life-saving gear. Be sure to follow the rules of boat safety. Don't forget the most important rule of all—be courteous! ______ sends best wishes for a safe, happy Labor Day holiday.

When our country changed from an agricultural economy to an industrial economy, America's working men and women made the change so successfully that the nation became the envy of the world. ______ knows that we are again facing a major change in our U. S. economy. ______ knows our working men and women will again rise to the challenge. Here's a salute to the working men and women of this community from ______.

Holidays are great—full of the kind of happy times memories are made of. ______ reminds you to drive safely. Don't let carelessness turn this Labor Day holiday into a nightmare. ______ reminds you that alcohol and gasoline are a deadly combination. Don't drink and drive! Watch out for the motorist who does.

This Labor Day weekend, ______ says "Thank you" to the working men and women of the community. Your contribution is truly important in keeping this a good place to live. ______ says, enjoy the Labor Day holiday. You've earned it!

During this last holiday weekend of the summer, ______ reminds you that shallow-water dives often cause serious—and sometimes permanent—spine injury. Before you dive, know how deep the water is. The speed of a dive is only broken effectively after the diver has gone through five or more feet of water. _____ says, enjoy a happy, safe holiday. You've earned it!

If you're traveling this Labor Day weekend, ______ reminds you that traffic will be heavy. Start early. Make sure your tank is always at least half full. If you're traveling unfamiliar roads, drive during daylight hours when possible. From _____, have a happy and safe holiday. You've earned it!

#### TELEMARKETING CAMPAIGNS

#### **Back to School Safety**

______ is pleased to be a part of the "Back To School Safety Crusade." They remind you parents of youngsters who ride the school bus that there is a blind spot of ten feet around a school bus where the driver may not be able to see a child. ______ says, instruct your children not to circle close to the bus before boarding.

wants this to be the most successful, safest school year ever. That's why they're bringing you this message in the "Back To School Safety Crusade." Parents, be sure your children get to the bus stop a few minutes early. While children are small, they should be accompanied by an adult, or a volunteer should be posted at the stop. A reminder from

The "Back To School Safety Crusade" is on the air. _____ reminds parents that "Do as I say, not as I do" is not good advice, particularly when it comes to safety and your child. ______ says, teach your child good safety rules by setting a good example. Let's make this the most successful, safest school year ever.

This is the "Back To School Safety Crusade," brought to you by ______. Boys and girls, be on the lookout for careless drivers. There are many motorists who are not as alert and careful as they should be. ______ says, follow safety rules. Watch out for drivers who don't.

knows that your child is taught safety rules at school. But, they believe it's even more important that these rules are taught at home. During the "Back To School Safety Crusade," _________ says, tell your children that safety is important. Show them! Set a good example!

They should, but they don't! ______ reminds you that children don't always watch out for cars. Particularly before and after school, watch for children on foot and on bicycles. Join the "Back To School Safety Crusade." Join ______ and drive with extra care.

______ brings you this "Back To School Safety Crusade" message. Many little children are going to school for the first time. Most of them don't have much experience crossing streets and watching for cars. ______ says, please, watch out for them.

When you see a school bus stopped, there are probably children on foot nearby. Never pass! ______ reminds you it's not only the right and safe thing to do, it's the law. ______ is a sponsor of the "Back To School Safety Crusade," because they want this to be the most successful, safest school year ever.

#### SALES MANAGEMENT

#### The Best Times to Reach Prospects

Advertising: account executives, media personnel, after 3:00 p.m.; production personnel. 10:30 a.m. Amusement park directors, before 2:00 p.m. Apartment Managers, mid-morning Architects, later afternoon Artists, 2:30 to 3:30 p.m. Auditors (CPAs), between the 12th and 20th of the month Auto dealers, mid-day Auto mechanics, after 9:30 a.m. and before 3:00 p.m. Bakery executive, late afternoon Bankers, before 10:00 a.m. Barbers & beauticians, Monday Bowling alley owners, mid-morning Brokers, before the New York stock market opens Camera dealers, before 2:00 p.m. Chefs, 1:00 to 3:00 p.m. Clothing store managers, from 2:00 p.m. to 4:00 p.m. Commission merchants, after 2:30 p.m. Contractors, 7:30 a.m. or late afternoon Convalescent home owners, 1:00 to 3:00 p.m. Dentists, before 10:00 a.m. (check for days off) Department store executives, 8:30 p.m. to 9:30 a.m. Doctors, 11:00 a.m. (check for days off) Druggists, 1:00 p.m. to 3:00 p.m. Executives, between 10:30 a.m. and 3:00 p.m. Florists, early morning Furniture stores, late afternoon Garage owners, early afternoon, early in the week Gas station owners, from 2:00 to 5:00 p.m. Grocery store managers, Tuesday or Wednesday, 1:00 p.m. to 3:00 p.m. Hardware stores, early morning or late afternoon Hospitals, from 11:00 a.m. to 1:30 p.m. Hotels & motels, between 1:00 p.m. and 4:00 p.m. Jewelers, mid-morning Lawyers, before 10:00 a.m. or after 4:00 p.m. Movers, from the 4th to the 8th of month and the 17th to the 22nd of month; avoid Mondays Night club owners, between 11:00 a.m. and 3:00 p.m. Nursery center executives, mid-week Personnel directors, early afternoon Photographers, mid-morning

Publishers & printers, after 3:00 p.m.Real estate agents, mid-morning, mid-weekRecord stores, before 4:00 p.m.Recruitment directors & employment agencies, Monday, Thursday, or FridayRestaurant owners, before 11:30 a.m.Retail store managers: urban, a half hour before opening; suburban, noonShopping mall managers, morningsStereo dealers, before 2:00 p.m.Surgeons, mid-afternoonTheater owners and managers, before 2:00 p.m.Travel agencies, mid-dayVCR rental stores, from 10:00 a.m. to noon and 2:00 p.m. to 4:00 p.m.Wholesalers; before 10:00 a.m. or Saturday morningWomen's specialty shops, before 11:00 p.m.

# THE LAST WORD

Did you receive that letter from the Walt Disney people "inviting" you to play a special "Happy Birthday to Disney" tape at a certain date and time, thus joining all the stations in America in one big happy simultaneous celebration?

How about the follow-up letter from Dennis Holt of Western International Media, in which Mr. Holt (a major radio advertising placer, but not with our stations) applied subtle pressure, noting that "most stations have committed to do this."

I merely pitched the Disney letter. I was amused at their gall, nothing more. But I was miffed that the prominent head of a time-buying service would waste his resources and my time to reiterate this specious request.

Here was my reply to Mr. Holt's letter:

"Dear Dennis,

"The stations I own (as well as those of my consulting clients and newsletter readers, for that matter) have received the encouragement of both the Disney people and you to air the 60-second 'Happy Birthday to Disney' message on Monday, July 17.

"We reserve public service time for non-profit community organizations. Our stations' one-time 60-second rate is \$10.00. Of course, I would discourage such an investment under normal circumstances; no one has to tell you that radio is a frequency medium.

"If we can help you with this project or in any other way, just let me know. I would welcome the opportunity to work with you and the Disney people to do some real, live radio marketing."

# Small Market Radio Newsletter

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

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Published by: Jay Mitchell Associates, Inc. P. O. Box 1285 • Route 2 Fairfield, IA 52556

Phone 515-472-4087 Fax 515-472-6457 E-Mail 73627.2120@ compuserve.com

Subscription Rates:One Year\$11926 Weeks\$6413 Weeks\$37

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IN OUR 13TH YEAR



Bill Taylor KQSS P. O. Box 292 Miami AZ 85539 FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

#### ADDRESS CORRECTION REQUESTED

# VOLUME XIII • NUMBER 11 • AUGUST 3, 1995

COMBINED RADIO REVENUES UP 6% IN JUNE compared to a year ago, according to the RAB Index of Radio Revenue. Local markets were steady with revenue increasing 7% while national rose 1%, suffering a sharp decline in the Southwest. Year-to-date figures show an increase of 10% locally, 12% nationally, with all markets steady.

NBC DIDN'T SELL THIS WEEK but everybody else did. On Monday (7/31), Disney bought CapCities/ABC for approximately \$19 Billion. Then, on Tuesday (8/1), Westinghouse bought CBS for around \$5.4 billion.

CapCities/ABC shareholders will get one share of Disney stock plus \$65 each, or roughly \$122 per share. Disney will issue 155 Million shares of stock to generate \$10 Billion to help finance the purchase.

CBS stockholders will get \$81 per share in cash and an additional payment to be determined upon closing.

In announcing the sales, officials of neither CapCities/ABC nor CBS had much to say about their respective radio-station and -network divisions. At a Monday press conference, there was discussion of synergies between Disney and ABC Television, but no mention of CapCities/ABC Radio. On Tuesday, Westinghouse CEO Michael Jordan made the statement, "We expect to build upon our new, combined strengths and considerable talent to restore CBS television to its historic position as the Number One network."

But ABC Networks President Bob Callahan suggested that Disney's magic "could have as much effect for the ears as it does for the eyes." Callahan has worked with Disney in the past on several programming projects.

Our sources in the network and station divisions tell us, predictably, that it's business as usual: no spin-offs are being contemplated, and management teams will stay in place.

Fox Broadcasting is not to be left out of the news, either: the FCC recently reaffirmed that the foreign ownership of that company by Rupert Murdoch is in the public interest.

#### AT THE FCC

#### **NEW STATIONS (Applied For):** ILLINOIS (Knoxville) John Prichard, 105.3, 5200w, 353' (Knoxville) Michael Walton, Jr., 105.3, 2650w, 502' (Knoxville) Nancy Lee Foster, 105.3, 6000w, 328' MINNESOTA (Buhl) Minnesota Public Radio, 92.5, 50,000w, 561' MONTANA (Billings) Conway Broadcasting, Inc., 105.1, 100,000w, 516' (Billings) Mount Rushmore Broadcasting, 105.1, 6000w, 233' (Billings) North Valley Management, Inc., 105.1, 50,000w, 361' (Hamilton) Montoya Broadcasting Co., 98.1, 25,000w, 328' (Hamilton) Ravalli County Broadcasters, 98.1, 16,000w, 413' (Hamilton) Sunbrook Communications, Inc., 98.1, 15,300w, 361' SOUTH DAKOTA (Dell Rapids) Arch Edward Beal, 95.7, 25,000w, 328' (Dell Rapids) Conway Broadcasting, Inc., 95.7, 25,000w, 328' (Dell Rapids) Harbor Broadcasting, Inc., 95.7, 9100w, 541' (Rapid City) Harbor Broadcasting, Inc., 106.3, 99,200w, 1145' (Rapid City) Steven Duffy, 106.3, 100,000w, 449'

#### **NEW STATIONS (Granted):**

MONTANA (Sidney) Charles Scofield, 95.1, 100,000w, 872'

#### AMENDMENTS TO THE FM TABLE (Proposed):

ARIZONA (Coolidge) KBZR, to 103.9 C2 from A OKLAHOMA (Nowata) KRIG, to 104.9 A from 94.3 A

#### AMENDMENTS TO THE FM TABLE (Granted):

CALIFORNIA (Quincy) KQNC, to 102.1 C2 Susanville from 102.1 A Quincy GEORGIA (Douglas) WKZZ (CP), to 92.5 C3 Tifton from 92.5 A Douglas INDIANA (Roann) new, 101.9 A
KENTUCKY (Tompkinsville) new, 102.7 A
MONTANA (Billings) new, 107.5 C
SOUTH DAKOTA (Lead) new, 94.3 C
(Rapid City) new, 92.3 C
WISCONSIN (Berlin) WISS-FM, to 104.7 A from 102.3 A
(De Forest) new, 93.1 A
(Wautoma) WAEI (CP), to 102.3 A from 93.1 A

#### **REPORTED SILENT:**

FLORIDA (Baldwin-Jacksonville) WXOL, 105.7 GEORGIA (Cordele) WUWU, 1490 HAWAII (Honolulu) KIKI, 990 MISSISSIPPI (Canton-Jackson) WONG, 1150 NORTH CAROLINA (Camp Lejeune) WWOF, 1580, pending sale TEXAS (Longview) KARW, 1280

-Courtesy M Street Journal

SMALL MARKET RADIO NEWSLETTER

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#### MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$

WXXX Listener Comment. A male announcer does the intro, then a female announcer reads a brief letter (or excerpts). After the contents of the letter are read, the male announcer comes back with, "The person who writes us with the best comment of the week wins \$100 worth of services at (client). This past week's winner was (name) of (town)." The whole bit takes maybe 20 seconds.

**Daily Cash Payoff.** Station takes a song in fairly hot rotation and awards money to a caller every time it's played. Listeners must listen at 7:05 a.m. each day to find out what the song of that day is. After each time the station plays the song and gets a winner, they announce the hour in which the song will be played again. On Saturday, they announce the song that will be used all weekend. (With a name change, the cash can be replaced by prizes from participating sponsors.)

Music Money Time. Whenever the station plays a produced sounder, the *n*th caller names the last five records played and wins a cash prize. The station puts the caller on the air; just for being the correct caller, he/she wins a minor prize (like fast food certificates or movie tickets). Then the caller begins naming the titles, receiving some amount of money for every correct title. This sounds great on the radio.

**Triple True Or False.** The correct caller answers a trivia question for a cash prize. The contestant then has the option to triple the cash amount by answering a second true/false trivia question correctly—but loses everything if he/she blows the question.

**\$100 Password.** Air people announce a new password each hour. Random phone calls are placed to households and offices. If the person called can identify that hour's password, he/she wins \$50. If the contestant can also identify the "phrase that pays" as given by the station's morning personality that morning, he/she wins *another* \$50. (Adjust the cash prize up or down according to your budget.)

**Ping-Pong Ball Drop.** The station uses a helicopter to drop thousands of numbered ping-pong balls in the downtown area. Ping-pong picker-uppers redeem the balls for freebies at participating merchants, and specially-marked balls are worth extra goodies from the station.

Largest Peanut-Butter Sandwich. A couple of years ago, during the month of October, WTBF aired the making of the largest peanut-butter-and-jelly sandwich ever made in Alabama. It all happened during the second Annual Peanut Butter Festival in Brundidge, AL. WTBF staffers used more than thirty pounds of peanut butter and a case of grape jelly, spread on twenty feet of freshly baked Subway loaves, as the station morning team did live commentary over the air.

After the sandwich was constructed, the owners of the local Subway helped carve the giant sandwich into bite sized pieces to be given free to festival visitors. WTBF also aired the "Nutter Butter Parade," where one of the most talked about entries was "Lady Godiva," created by a local artist, astride a giant horse owned by a local feed store. [WTBF, Troy, AL, 205-566-0810]

## \$ALE\$

#### Enter Iacocca

Pretend you're a retailer in your market. Big store, top of the day before the store even opens, and you're all along staring out on any empty parking lot. Suddenly a big, black Chrysler New Yorker pulls in and breaks to a stop about a hundred feet from your front door. As soon as the lone occupant gets out, you instantly recognize Lee Iacocca. He's tall, graying, balding a little—and look at those glasses. Why, if you didn't know who this man was, you'd swear you were looking at the world's tallest Mr. Magoo.

But Mr. Magoo Lee Iacocca is not! Pinstriped in a power blue suit, Iacocca now advances toward you. What a visage! That in-command Iacocca presence, that eagle-eyed confidence, that parade gait of his forward-march steps tell you that here is a man who truly must have truth by the tail. Can you see him? He's swinging open your front door, now he sees you, and—bang!—there's that trademark TV smile. Enter Iacocca!

You really did see him, didn't you? As clear as if he were standing at your left elbow right now. How come? Because your brain takes pictures faster than a Polaroid? I submit to you that you saw Lee Iacocca, live as life in that closed-circuit-theater brain of yours, because you have a *perception* of Lee Iacocca. A perception created by advertising—"personal packaging."

To the point... The question asked most often during my seminars is, "How soon do you close on a call?" Our salespeople must be made to understand that just as "On every sales call a sale is made—either you sell them or they sell you," so too is it true that "On every sales call a *mood* is set—either you set the mood or *they* set the mood."

How you are perceived is totally dependent on an understanding of the dynamics at play in setting the mood of every call, and the realization that perception—how you are perceived—is *someone's* reality, the reality of your best customers and prospects. Therefore, the live sales call is also a live ad for radio, a live ad for your station, and a live ad for you. Personal packaging!

So how are you perceived in your market? Like a seller of radio time? Or as a "Lee Iacocca of the radio business"? Big difference! But it's a difference completely within your control.

Mood power, or the power to pragmatically create and shape your own perception, is allpowerful! It was the first lesson I learned on how to close more radio sales. For years, as a topbilling salesperson, the last thing I saw before getting out of my car was a typewritten, time- and sun-weathered message taped to the dashboard of my car. It read, "I HAVE THE *POWER* TO SET THE MOOD OF *EVERY* CALL!"

How soon do you close? As soon as Lee Iacocca closes! You close from the time you get out of your car! You close from the instant they see you! You close from the instant you discover that you, as an individual, have the power to set the mood of every call!

-Dave Gifford, Santa Fe, NM, 505-989-7007, reprinted by permission of Radio Ink

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#### TELEMARKETING

#### Farm Safety Week (September 17-23)

Don't take safety for granted on the farm. During Farm Safety Week, ______ reminds you that no farmer ever made money from a hospital bed. Keep yourself and your equipment in good repair. ______ hopes this will be a safe and successful season.

thinks that Farm Safety Week is a good time to check your farm equipment and your farm buildings to make sure everything is up to safety standards. ______ believes that this week and every week, safety needs to be part of successful farming.

Many jobs on the farm are repetitive. ______ knows that it's easy to take them for granted. Repetitive jobs can be dangerous. Think about what you're doing. Don't take any task or equipment for granted. ______ says, "Think safety."

This is National Farm Safety Week! Do you know why? ______ says it's to remind farm families that farming can be a very dangerous trade. Equipment and farmers last longer if the equipment is properly maintained and used carefully. _____ says safety deserves your very special attention.

Have you made a safety inventory of your farm? ______ thinks this week, Farm Safety Week, is a good time to do it. Check every piece of equipment and every building on your farm. ______ knows that you'll feel better knowing that you've taken every precaution to make your farm safe.

Do children help you on the farm? ______ says, make sure those children know about the need for safety. Explain the use of farm equipment carefully. Be sure to point out dangers. ______ thinks that farming is a great experience for a youngster. Make sure it's not marred by an accident.

We've all heard the chilling news about the farmer losing an arm, his leg, or even his life in a farm accident. ______ says the old saying "Accidents will happen" is true. But, it is also true that most accidents do not have to happen. During Farm Safety Week, ______ reminds you to take a little extra time and a little extra care.

Most farm equipment comes with safety instructions. Don't toss them away. _________says, read them carefully. Review them from time to time. Avoiding a farm accident takes a little effort _______thinks it's worth it.

_____ reminds you that safety is a vital part of successful farming. Take the time to make sure your equipment and buildings are up to all safety standards. Make sure everyone on the farm is practicing good work habits. During National Farm Safety Week, _____ urges you to play it safe around the farm.

SMALL MARKET RADIO NEWSLETTER

#### **OPERATIONS**

#### Copy Pointers from an Expert

Some time ago in *Radio & Production* magazine (P. O. Box 150265, Irving, TX 75015), there appeared an interview with Peter Rossler, a noted producer and copywriter who has worked for countless ad agencies (and who is now producing TV spots for radio stations). Several of Peter's points-good thought-starters all-are easy to put into outline form:

- 1. Creative Strategy Form—"Copy & Production" form used by big ad agencies—includes:
  - a. Key fact (primary sell point)
  - b. Problem the advertising must solve
  - c. Advertising objective
  - d. Creative strategy
    - i. Prospect definition—your target audience
    - ii. Principal competition-who they are, what they're doing
    - iii. Key consumer benefit-price, limited time offer, etc.
    - iv. Reason why—why the target wants the benefit
  - e. Mandatories & policy limitations-sometimes a legal necessity
- 2. Categories of radio commercials
  - a. Straight announcer
  - b. Straight announcer with sound effects
  - c. Dialogue (interaction-not monologue done by two voices)
  - d. Multiple-voice vignettes
  - e. Humor spots
  - f. Spots using music as the key element
  - g. Narratives or story-telling
  - h. On-the-street interviews
  - i. Testimonials
- 3. Ten rules for making better radio spots
  - a. Identify your sound effects (don't assume your listener knows what it is)
  - b. Use music as a sound effect (calliope = circus, "Here Comes The Bride" = wedding)
  - c. Build a commercial around a sound (like the Doritos "Crunch" campaign)
  - d. Write sixties if possible (take the time to set the scene)
  - e. Consider no sound effects at all (sometimes a straight voice is best)
  - f. Beware of comedy (Is it funny? Will it wear well? Is there a connection?)
  - g. If you do comedy, be outrageous (drain Lake Michigan and fill it with whipped cream)
  - h. Keep it simple (don't just list copy points—your listener won't remember them)
  - i. Zero in on your consumer base ("If you're driving home right now. ..")
  - j. Present a demo tape (it sells spots!)
- 4. Other copywriting & production tips
  - a. Describe the voices on the side of the script ("mature, older, serious, believable man")
  - b. As Chuck Blore says, "Produce the hell out of everything you can"
  - c. Repetition in the copy is important-and phone numbers aren't!
  - d. Music can be a simple signature, not always a full theme line
  - e. A deadline is the best motivator
  - f. Think in terms of primal urges (sex, hunger, ego)

SMALL MARKET RADIO NEWSLETTER

#### SOUND BITES

**CO-OP AUDITS.** Your Editor would like some feedback on a letter which our stations received this week from a company called Caritrak, located in Cedar Rapids, IA:

"Would you please send us a copy of your current local rate card(s)? We are a co-op advertising auditing firm handling many manufacturing co-op programs including John Deere, Sea-Doo and Pella Corp. We need your local rate card so we can verify claims submitted by retailers in your area.

"We are NOT interested in commissionable rates or rates from rep firms. Please note: Caritrak does not place any media buys [emphasis theirs]. We are strictly an auditing unit."

Having never heard of this, I called Caritrak. It turns out they are a division of CMF&Z, a regional ad agency, and they contract with vendors to manage their co-op programs. They want rate cards to cross-check the rates and co-op claims submitted by local outlets. I suggested to the Caritrak person that all the information needed by the vendor to check and approve a co-op claim —rates, times, etc.—could be found on the notarized invoices and affidavits we provide to our clients, so I was confused as to why they needed a rate card from us. She told me that actually they just collect the rate cards as a sort of a survey (my term) of average rates in the region.

I am normally not suspicious or stingy with my rate card, but something about this just doesn't add up for me. Have any of our readers had any experience with such a request? How have you handled it?

THE ORIGIN QUESTION. In a recent issue we published two business cards used by Rod Goeman, KJAM, Madison, SD, using pro-advertising catch phrases. We received a fax shortly thereafter from sales consultant Dave Gifford, Gifford International, Santa Fe, NM, telling us that the term, "Business goes where it is invited," was copyrighted by him "over 30 years ago."

Apparently Dave also sent that information to Rod, since Rod replied with a letter and copied us; it reads, in part:

"I am an antique crockery collector, especially advertising pieces, and on one of the crocks from the early 1900s there is a phrase, 'Trade goes where it is asked, and stays where it is taken care of.' From that crock we reworked the phrase to reflect the Nineties and had our cards printed. That's where we got the quote.

"After receiving your fax we did take the time to review our notes from your seminar and sure enough, your phrase is written in our notes. Using a portion of your phrase was not intentional as I have not reviewed those notes since you were here many years ago. I guess with 260 million people in this country, this type of thing can happen. It was not intentional. The other card is my original copyrighted material." Some radio "old-timers" told us that the phrase in question has been in use since the Fifties, so it would certainly not be unusual for someone to pick it up from other sources, not realizing that Dave had copyrighted it.

Given the cutthroat competition among sales trainers, and our industry's widespread propensity to "borrow" things, it is not surprising that trainers use copyrights extensively to attempt to protect their proprietary information. I only hope that those trainers will allow for the innocent use of phrases and ideas they may have taken the time to register but that have been kicking around forever. Having a copyright confers *ownership* but does not imply *originality*.

#### THE LAST WORD

#### Is "Good" Always Appropriate?

This year's Mercury Awards showed that this event has come of age. The ceremonies were wellattended and the competition was enthusiastically embraced by the creative community. Our congratulations to "The Father of the Mercuries," Jim Thompson, and all the industry associations and people who have worked so diligently to make this happen.

A listen to the CD of the award-winning ads demonstrates the high level of creativity and diversity represented by the entries this year. (Compare it to the first year, when every other winner was a Tom Bodet Motel 6 ad, some of them from years before.) It is gratifying to hear that much effort being put into the sound medium again!

I am compelled, however, to offer this constructive criticism, a point of view I suspect is shared by other small market broadcasters: two of the ads are in questionable taste, and for conservative small-town attitudes anyway, are over the line.

The Plochman's Mustard ad centers on the flatulent sound made by a nearly-empty squeeze bottle, tagged with the line, "Don't embarrass yourself." The Sheik Condoms ad presents graphic (well, the audio version of graphic) passionate love-making scenes and uses the slogan, "Get some —or get none."

I am by no means a prude, and wearing my "big-market consultant" hat I would have no problem with either commercial. But at our stations in Fairfield, IA, we have received complaints about the network Sheik ads—to ABC's credit, they have told us we don't have to run them, but *not* running them on our automated FM entails a lot more work for our people—and I'm sure we would get complaints if we ever aired an ad for the mustard people.

I'm not saying these ads are not clever; but no matter how clever they are, they cannot do the job if the radio audience is offended. Perhaps the small market point of view needs to be represented better in deciding what is "radio's best advertising." For that matter, perhaps we need to discuss among ourselves what criteria we will use in deciding what "best" means to our industry.

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# Small Market Radio Newsletter

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

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 Fax 515-472-6457
 E-Mail 73627.2120@
 compuserve.com

Subscription Rates:One Year\$11926 Weeks\$6413 Weeks\$37

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IN OUR 13TH YEAR



Bill Taylor KQSS P. O. Box 292 Miami AZ 85539 FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

ADDRESS CORRECTION REQUESTED

# VOLUME XIII • NUMBER 12 • AUGUST 10, 1995

**TELCOM BILL PASSES HOUSE 305-117.** It includes removal of ownership limits, a two-step license renewal, spectrum flexibility and other broadcaster safeguards. The House and Senate versions of the bill eliminate ownership limits, but the Senate version allows the FCC to deny a station transfer if one party would obtain an "undue concentration of control" in a market. The House version gives the FCC the power to deny crossownership if it would mean a station and more than one other nonbroadcast media would have an "undue concentration" in a market.

A House-Senate conference committee will now meet to iron out differences between the two bills. Observers expect this step to take four to six weeks. Even though both chambers agree on radio dereg, it's possible that the committee members could reverse their decision if they cannot reconcile the two bills. If that should happen, the entire piece of legislation may be dead.

FCC REGULATORY FEES DUE SEPTEMBER 20. The FCC has begun mailing payment packages. If you do not receive your package within two weeks, you can call the FCC's Forms Hotline, 800-418-3676.

ALABAMA AND GEORGIA LICENSEES: you are up next for license renewals. The FCC will be mailing renewal packets soon. Contact your attorney or the Commission to verify that your address is listed correctly at the FCC.

NEWS OPTIONS. SMRN reader Monte Moore, KTIP, Porterville, CA, 209-784-1450 would like to know what news sources other small market broadcasters use, other than Associated Press.

ARE RADIO LISTENERS AWARE OF RATINGS? The Eagle Group wanted to find out, so they surveyed 500 respondents from 50 states.

- > 94% don't know when Arbitron is conducting a radio survey.
- Of the 5% that can tell, did they listen more, less, or the same? 92% said the same. 1% didn't care.

For more info, call Matt Hudson at 303-980-1888.

#### AT THE FCC

#### NEW STATIONS (Applied For):

MONTANA (Billings) Lee Axdahl, 105.1, 6000w, 33' (Hamilton) Benedict Communications, Inc., 98.1, 16,200w, 407' (Hamilton) Biterroot Valley Broadcasting, 98.1, 7000w, 476'

NEW STATIONS (Granted):

MISSOURI (Neosho) KBTN, Inc., 99.7, 4200w, 393'

TEXAS (Plainview) Rolling Plains Broadcasting Corp., 106.9, 30,000w, 561'

#### AMENDMENTS TO THE FM TABLE (Proposed):

ILLINOIS (Athens) new, 96.1 A IOWA (Atlantic) new, 95.7 C3 KANSAS (Dearing) new, 98.1 A NEW MEXICO (Lordsburg) new, 103.7 C3 (Raton) new, 96.5 A TENNESSEE (Lexington) new, 96.5 A TEXAS (Premont) KMFM, to 100.7 C3 from 104.9 A (Winona) new, 102.7 A WEST VIRGINIA (Salem) new, 99.5 A

AMENDMENTS TO THE FM TABLE (Granted): IOWA (Atlantic) KXKT, to 103.7 C Glenwood from Atlantic

#### **REPORTED SILENT:**

ILLINOIS (Rantoul-Champaign) WBAN, 1460 (Tuscola-Champaign) WKTW, 93.5

#### FORMERLY SILENT:

MINNESOTA (Ely) WELY-FM, 92.1 (Ely) WELY, 1450 NEW MEXICO (Clovis) KSMX, 107.5, KPWX silent

---Courtesy M Street Journal

**BERKELEY PIRATE STATION FINED \$10,000.** Stephen P. Dunifer, operator of the California-based FM pirate station, was fined for airing "Radio Free Berkeley" at a higher power than the law allows. Dunifer argues his right to free speech has been violated. He markets low-power transmitters and urges buyers to create neighborhood stations and challenge FCC rules.

TARGETING GRANDPARENTS IS GOOD BUSINESS, according to an Interep Research study. Discoveries: grandparents presently constitute 30% of the population, 35% of grandparents are in the work force, and almost a quarter of them fall into the 25-54 demo. The best formats to reach grandparents: Country and News/Talk.

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### MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$

**Community-Involvement Promotions** 

Prompted by an article in *Radio Ink* some time ago, here are some thought-starters on promotions that tie into local events:

Charity Tie-Ins: "Jail & Bail," Cancer Society; "Trail Ride," MDA; Food Bank Drive, blood drives; fund-raisers for local arts clubs, schools and individual classes (to send the kids overseas, buy band uniforms, etc.)

"We sell sponsors for the Amicus Club Rodeo, which benefits a home for severely retarded children."—Dr. Judy W-S Karst, GM, KKRV, Alexandria, LA

Listener Appreciation Events. "Listener Appreciation Shows" present artists in a local venue. Tickets are free, available from the station or at sponsor locations. On a smaller scale, serve coffee and donuts at the post office on tax deadline day, show up with refreshments at the beach on a hot summer day, take a bag of bagels to a workplace.

Honoring Athletes & Honor Students. "The KMA Sportscasters Club is a scholarship program for outstanding athletes who display good sportsmanship. We award scholarships at area high schools plus name a 'Player of the Game' on weekly broadcasts. Winners are recognized on KMA sportscasts and at school ceremonies. Sponsors vote on scholarship winners, get the weekly event broadcasts, and are involved in the school presentation. One has 'Player of the Game' exclusivity. We've had great feedback from area athletic directors, coaches, parents, and extended families. A high percentage of sponsors renew, and we get a break from registration boxes and remotes.

"Our sister station, KKBZ issues "BeeBright" cards. They are good for discounts and free merchandise and are mailed to area honor roll students. The promotion encourages shopping locally and recognizes lots of proud families in a tangible way."—Susan Friehe Christensen, KMA/KKBZ, Shenandoah, IA

*Relay Race.* "The most effective promotion over the past year has been our Volusia County Easter Seals 24-hour relay. It raised more than \$49,000. Similar to a walk-a-thon, 25 teams of 20 people raised donations to walk, run or even bike a one-mile course for 24 straight hours. Our Giant Boom Box was the centerpiece for the relay at the local stadium. Country star Billy Ray Cyrus gave his support to the 98 FROG "achy-breaker" team by supplying voicers, autographed T-shirts and moral encouragement.

We have also had great success with talent contests such as the True Value Country Showdown. These local showcases for talent have a tremendous draw and image. WGNE-FM holds at least one local talent contest per quarter. Of course, the Giant Boom Box is in high demand for the hundreds of festivals and outdoor events held in east central Florida. Last year our deejays made more than 150 appearances for the station."—Bob Lima, WGNE-FM, Daytona Beach, FL

#### \$ALE\$

### Sales Call Strategies

Some tips and techniques from Ferdinand Fournies, author of Why Customers Don't Do What You Want Them To Do—And What To Do About It (McGraw-Hill, 1994):

Working backwards. "Every sales call you make should help the customer move closer to making the ultimate buying decision. Therefore, you should know the least number of sales calls you need to make before you can close a sale. Unfortunately, few salespeople know what that number is.

"To do that, look at your ideal customer and ask yourself, 'Can I just go out and call on these people right now and ask them to buy my product?' If you can do that, you have a one-call sale. If the answer is; 'No, they wouldn't buy because they don't know enough about my product,' then you have to ask, 'What does that mean?'

"If it means you have to do a demonstration of some kind first, then the question becomes, 'Why can't I go out and do a demonstration right away?' And the answer might be, 'Because I have to schedule a specific time' or 'Because they have to come to my office.' So all of a sudden you've mapped out a three-call sale: (1) To get people to agree to come to your office or make an appointment; (2) To demonstrate your product; (3) To close the sale.

Getting a decision. "Salespeople often have difficulty putting themselves in the place of their customers. They get frustrated because customers say they have to think it over, they have to discuss it with a superior, etc. They never say no, but they never say yes either.

"There are four reasons why customers don't do what you want them to do: (1) They don't understand what you tell them; (2) They don't *believe* what you tell them; (3) They think there might be problems down the road if they buy your product; (4) There really *are* problems with buying your product. And you can't treat them all the same. If they don't believe what you're saying, that's totally different from not understanding what you're saying."

The Objection Apparent. "In some cases salespeople worry about some aspect of their product being the reason not to buy when it really isn't. One example is when a customer says something like, 'Wow, that sure is a lot of money to pay.' You have two possible approaches: (1) Say, 'Yes, it is high-priced, and that's because of the value in it' and then move on to the close; (2) Ask, 'Is that a problem for you?' If they say yes, then okay, you're dealing with a problem. But for most people price isn't really a problem.

Never getting the sale. "I've gone out on sales calls with salespeople who have called on customers every couple of months for two or three years and the customer has never bought anything. I'm saying, 'When are you going to ask the customer what you're doing wrong? What do you have to do to get her to buy your product? If she says she'll never buy, at least you know not to waste your time any more.""

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# TELEMARKETING

# Hunting Safety

Hunters! ______ reminds you that alcohol, gunpowder and bowstrings don't mix. The drinking hunter is no different than the drinking driver. Another danger: alcohol will increase the rate of heat loss from the body and can cause hypothermia. ______ says, have a safe hunt and best of luck.

reminds hunters: Never take for granted that a firearm is unloaded until you check it for yourself. Before you start out on that hunting trip, practice using your hunting weapon until you are sure of it, and of your capabilities. ______ says, have a safe hunt and the best of luck.

reminds hunters to be sure of your target. A weapon should never be pointed at anything or anyone that you don't want to kill. That's how tragedies occur. _________ says, have a safe hunt and good luck.

reminds hunters that a tree stand, whether commercial or homemade, must be safe in every respect. Pay special attention to tree stands that have been in use in previous years—give them an extra inspection for safety's sake. ______ says, have a safe hunt and the best of luck.

reminds hunters to wear appropriate clothing for existing weather conditions. Several layers of lighter clothing are more efficient and comfortable than fewer heavier ones. Overheating must be prevented. Nothing will make a hunter cold quicker than sweat soaked underclothing. ______ says, have a safe hunt and good luck.

reminds hunters that dehydration during a long day of walking or sitting in cold or cool weather can be a serious health problem. Carry water or fruit juice with you. ______ says, have a safe hunt and good luck.

Many heart attacks are suffered on hunting trips. ______ reminds hunters to be sure of your physical condition. Don't over-exert yourself. Walking in the woods is taxing for even the best of us. Stop often to rest. ______ says, have a safe hunt and good luck.

/

#### SOUND BITES

**Co-Op Audits.** "Our stations cooperate fully with legitimate co-op checking companies that verify claims submitted by retailers.

"It sounds like Mr. Mitchell has never heard of a practice used by some dishonest radio stations called *double billing*. This dishonest, questionable business practice—which I believe is actually deemed illegal by the FCC—has been used by sales employees of an unnamed station operated by a chain operator located near our area.

"It basically has to do with trying to develop business from a customer, promising to submit a co-op bill to a manufacturer that is *double* the co-op amount—in effect making the manufacturer pay for *all* the advertising cost and the local business paying *none* of the bill.

"For instance, let's say the total advertising bill is \$100—10 ads at \$10 each. A normal co-op arrangement is 50-50, where the manufacturer pays \$50 and the business pays \$50. But if the station submits fraudulent invoices and affidavits stating that the ad bill was \$200, not \$100—10 ads at \$20 each. The manufacturer pays 50%, or \$100, unknowingly covering the entire bill.

"How do I know this practice is happening? The customer tells me he wants the same deal from me that he is getting from the disreputable station, and then proceeds to tell me what the deal was.

"Why this practice looks strange to Mr. Mitchell is that honest businesspeople don't think of such dishonest business practices; but unfortunately a few do, which has made co-op auditing—verifying claims submitted by retailers—necessary."

-Tony Coloff, KIOW, Forest City, IA, 515-582-3121

*Editor's Reply:* Last week I must have sounded like I just fell off the turnip truck; I have heard of double billing—who of us hasn't?—but for some reason I never realized that someone would do it by doubling the *cost* of the ads (I've heard of it done by doubling the *number* of ads). In the light of what you say, co-op auditing makes a lot of sense and I will cooperate fully with such requests. (If I were dishonest, I wouldn't mess with the rate, which is verifiable; I'd mess with the broadcast schedule.) And congrats to Tony for being named Iowa Broadcaster of the Year!

Notable Quotes. "If forced to rank my big four [aspects of business], management would come first, then capital, next location, and last, product. . . The right people can overcome thin capitalization or a poor location, but without good management, capital is wasted and location is meaningless."—Edward R. Pasini, *Dealer Business*, July 1995

"I don't know much about radio stations, but they don't look like they accept new ideas easily. And it's funny because it's an easy business to get into. Lots of radio stations don't make money, so you don't need lots of money to go take over one. And it's easy to get content. I went to an NAB convention, and what struck me was that there hadn't been a good idea since 1929. Their whole thought process was how do we do well within the constraints of what we've been doing. Nobody ever looked at the forests. These were tree people."—Michael Bloomberg, Bloomberg Business Radio

SMALL MARKET RADIO NEWSLETTER

# STATION OF THE MONTH

# **Big Winners**

Porter Richardson had left his small West Texas hometown for the service in World War II. Upon returning to Colorado City, he capitalized on the electronics experience he had gained in the Army by starting a small radio repair shop on the town's main street.

Shortly after Clint Fornby and a couple of partners put KVMC on the air there in 1950, the station manager offered Richardson a staff announcing job. He remained through three ownerships for a total of nearly 45 years, doing every job in the station, including running the station between managers.

He was still announcing and serving as the station engineer in 1990, when he told the present owner, Jim Baum, "I'm 75 years old, too shaky and too slow to do you much good." Baum suggested he stay on in a more limited basis. But, Baum recalls, "he'd made up his mind and left."

"When Drew Ballard owned the station," Baum says, "he paid Richardson's home phone bill, so . he could be reached in an engineering emergency. After he left, I continued to do that. I felt more comfortable knowing that if I had a problem, I could always call him."

This spring, at age 80, Richardson became a multi-millionaire, thanks to a \$4.3 million lottery ticket. His newfound affluence has changed Richardson little. When he got his first \$216,000 lottery check, he told state lottery officials he was going to find someone to remove the pesky sticker grass out of his lawn and he was going to buy the first new car he had ever owned—a Chevrolet Camaro. "I guess that was a real treat for him," Baum says. "The 14 years I knew him, the cars he drove looked like they were candidates for a junk yard."

Baum calls Richardson "a very good small town announcer," but an introverted, quiet man "like a lot of good engineering types I've known." He refused a free trip to appear on David Letterman's TV program. He also turned down Baum, who wanted to interview him on the station's morning show.

Baum will not receive a second annual lottery check. He died three months after his windfall. The balance of the money will go to his heirs, a son in Abilene and one in Fort Worth.

Baum, who's been in radio for over 25 years, is a story almost as interesting as his now-famous station alumnus. After managing KBYG at Bay Springs (32 miles away), his boss, longtime Texas broadcaster Drew Ballard, offered to sell him the Colorado City station in 1981. "It was a daytimer then. I added the FM in 1985—the year we hit our all-time high billing," Baum recalls.

In 1987, the fortunes of Baum's station were falling with the oil prices and his radio market. "I decided I wanted to do something about the town. I ran for, and was elected, mayor." He is now midway through his third four-year term.

His tenure as mayor has been marked by remarkable city improvement. The mayor has a seat on the county's industrial development board, and Baum used that position to spearhead a \$1.5 million incentive package that landed a state prison facility and netted the community 330 new jobs. That was followed by \$7.3 million worth of water and sewer improvements and a second prison facility with another 330 jobs. "We're looking forward to still more job-creating facilities," he says.

His activities as mayor came during a necessary downsizing at his radio station. "The slide in the oil economy closed a lot of businesses in the area. Wal-Mart came to Big Spring, 32 miles away, and Snyder, 22 miles away. We experienced a big outflow of retail shopping. Our business at this radio station is about 40% less than 10 years ago."

Baum has dealt with his shrinking station revenues by going on the satellite, installing computer logging/bookkeeping and hard-disk automation (Smartcaster), and by doing most of the work himself. He is the 17-hour-a-day operation's only full-time employee. His wife, Linda, handles the office work. Two part-timers broadcast live from Noon to 2 p.m. and 4 to 6 p.m.

That means that Mayor Baum does 6-9 a.m. (which includes local news and a morning talk show); sells, services, and writes copy for all of the station's average 80 advertisers; does all the football games and tournament games in other sports.

"I will tell you one thing. We change every piece of copy weekly or every two weeks—never less than once a month. You won't find any stale, outdated copy on my station. That's always been a pet peeve of mine. A lot of stations sell a business and don't follow up. If the copy isn't up to date, what is the customer getting for his or her money?"

During our conversation, Baum opened a telephone bill for a state play-off game involving his local high school baseball team. "Imagine, that game was 400 miles away at Austin. It cost me \$27.55 to carry it. We sold \$1,000 worth of advertising on it. Isn't this modern technology wonderful?

"During our best years, we had five or six full-timers and a couple of part time people. I don't think we'll ever get back up to that—or that it will ever be necessary," he says.

Of his Herculean work schedule as mayor and operator of the local radio station, he says, "There are not a lot of distractions in a little town like this. If you like what you're doing, hard work isn't really hard work."

Of the station's longtime employee, lottery winner Porter Richardson, he says, "He loved the station and his work here. I don't think he ever made more than \$225 a week. I can tell you this, he was a happy man. Everybody in town loved him. No, I don't think it was sad that he didn't get a chance to enjoy those lottery winnings. He got along very well without them for 80 years." Baum muses, "If I won the lottery like him, I wouldn't do much different than I'm doing either—but I would go on David Letterman's show if he asked me."

# Small Market Radio Newsletter

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

Publisher & Editor: Jay Mitchell Managing Editor: Lori Morgan Editor Emeritus: Bob Doll

Published by: Jay Mitchell Associates, Inc. P. O. Box 1285 • Route 2 Fairfield, IA 52556

Phone 515-472-4087 Fax 515-472-6457 E-Mail 73627.2120@ compuserve.com

Subscription Rates:One Year\$11926 Weeks\$6413 Weeks\$37

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ADDRESS CORRECTION REQUESTED

# VOLUME XIII • NUMBER 13 • AUGUST 17, 1995

FCC REPLACES EBS TEST SCRIPT in anticipation of the Emergency Alerting System. There are two choices; one allows the test to be 30 seconds:

- 1. Stop normal programming.
- 2. Broadcast this announcement: "The following is a test of the Emergency Broadcast System."
- 3. Using section 11.32 of the new EAS rules, transmit the attention signal for 8 seconds.
- Broadcast this announcement: "This station is testing its Emergency Broadcast System equipment. The EBS will provide timely emergency Emergency Alert System. The EAS will provide timely emergency warnings. This station serves the [insert EBS/EAS Local Area name]
- area. This concludes this Emergency Broadcast System test."
- 5. Resume regular programming.

Another possible script for Step 4: "This station is testing its Emergency Broadcast System equipment. The EBS will soon be replaced with the Emergency Alert System. The EAS will provide timely emergency warnings. If this had been an actual emergency, such as [insert the types of emergencies likely to occur in the station's coverage area], the attention signal you just heard would have been followed by an official warning or alert information. This station serves the [insert EBS/EAS Local Area name] area. This concludes this Emergency Broadcast System test."

MARKEY MAY CAP RADIO OWNERSHIP. Rep. Edward Markey (D-MA) may re-introduce radio ownership limits at 50 AMs and 50 FMs at the House-Senate telcom bill conference. The proposal may go nowhere since it would require changes to the already approved language. President Clinton is holding firm to the idea of vetoing the telcom bill.

SENATE PASSES PERFORMERS' ROYALTY BILL last week, protecting radio from paying future DAB performers' royalties. The Senate struck a deal between radio, licensing groups (ASCAP and BMI), music publishers, and the record companies (RIAA). Radio is also excluded from the House version, but it still has to pass a full judiciary committee vote and the final House vote.

## AT THE FCC

# **NEW STATIONS (Applied For):**

MINNESOTA (Bemidji) Harbor Broadcasting, Inc., 95.5, 100,000w, 974'
(Bemidji) Paul Bunyan Broadcasting Co., 95.5, 100,000w, 526'
(Bemidji) Shoreline Communications, Inc., 95.5, 100,000w, 981'
(Red Lake Reservation) Red Lake Band of Chippewa Ind., 94.3, 100,000w, 495'
WISCONSIN (Dickeyville) Leon Metz and Thomas Spaight, 101.1, 6000w, 328'

# AMENDMENTS TO THE FM TABLE (Granted):

ARKANSAS (Eudora) new, 101.5 A COLORADO (Buena Vista) KBVC (CP), to 104.1 C3 from A (Leadville) new, 93.5 A IOWA (Lamoni) new, 97.9 C3 KANSAS (Arkansas City) new, 102.5 A MICHIGAN (Iron Mountain) new, 106.7 A (Negaunee) new, 99.5 A MISSOURI (Otterville) new, 107.7 A MONTANA (Cut Bank) new, 102.7 C1 (Shelby) new, 97.9 C NEW HAMPSHIRE (Lancaster) new, 102.3 A NEW MEXICO (Carlsbad) new, 106.1 C2 (Texico) new, 96.5 A NEW YORK (Ogdensburg) new, 98.7 A NORTH CAROLINA (Fair Bluff) new, 105.3 A PENNSYLVANIA (South Waverly) new, 96.1 A TEXAS (Cotulla) new, 97.7 A (Hallettsville) new, 99.9 A (Hereford) new, 103.5 C2 (Olney) new, 97.5 C2 WEST VIRGINIA (White Sulphur Springs) new, 93.3 A WYOMING (Diamondville) new, 103.5 C2

#### **REPORTED SILENT:**

MISSOURI (Lexington) KLEX, 1570 TENNESSEE (Harrogate) WRWB, 740

#### FORMERLY SILENT:

ILLINOIS (Terre Haute) WMMC, 105.9 OREGON (Eugene) KEED, 1600 TEXAS (San Angelo) KCRN, 1340

---Courtesy M Street Journal

SMALL MARKET RADIO NEWSLETTER

# **MONEY PAGE - SALES & PROMOTION IDEAS**

# The Care and Feeding of Mascots

A station mascot is a great way to promote your station's image—especially if you are automated or on satellite, in which case the mascot may be your only personality. Once you have a mascot, through proper care and use, it will serve you and your audience for a long time. Here are some important guidelines to remember:

- 1. Avoid joint promotions with other mascots when possible. Yours should own the spotlight.
- 2. Never allow your mascot to be put into conditions where weather may cause damage.
- 3. Your mascot is a combination of reality and imagination. Your mascot never speaks. Never reveal the person in the costume while the mascot is in public view.
- 4. The mascot's movements must be very animated. Practice routines in front of a mirror and/or staff. Exaggerated gestures are a must! All movements should convey happiness and pride, and be compatible with the character. Develop routines; the mascot shouldn't roam aimlessly.
- 5. Children usually love big furry creatures. However, don't force the issue when a child is shy or appears frightened. Move back and allow them to get comfortable.
- 6. Never pick up a child. First, the gesture will incite other children to ask for the same. Second, navigation in the costume is tricky at best. Adding the weight of a child could cause the mascot to stumble or fall.
- 7. Never put the mascot at risk. Avoid streets, traffic stairways and close quarters if at all possible. Always allow the mascot to have plenty of room to move.
- 8. Assign someone the task of staying close to the mascot to manage situations and to assist. Be aware of the person in the costume. His or her needs are special and immediate.
- 9. Most costumes are heavy and hot. The heat buildup and fluid loss are incredible, even on the coldest winter days. Appearances should not last more than 20 minutes.
- 10. Have a place for the mascot to rest and cool down. Remove and hang up the costume.
- 11. Have water, ice and towels on hand. Provide plenty of water (not sodas or other drinks).
- 12. The person chosen to wear the costume should be in excellent physical condition---no smokers or overweight people. High school or college athletes are prime candidates.
- 13. Develop signals that the mascot uses when he/she is in trouble. Be alert and respond quickly. It takes precious few seconds to black out.
- 14. Never allow the empty costume or head to be seen by the public. Carry the costume to and from events in a large lawn bag or duffel.
- 15. Store the costume in a cool, dry location. Turn it inside out and allow it to dry fully.
- 16. Brush fur or preen feathers after each appearance. A pet brush works well.
- 17. Order spare gloves. These receive the most wear, so take special care with them.
- 18. Everything should match, including any incidental clothing (socks, tights, etc.) that is visible.

# Twelve Tips For More Effective Radio Political Ads

As we enter the political season, the following points might come in handy if a candidate needs help producing a radio spot—or use them as an info sheet for local candidates. (Most of the points apply to general ads as well!)

- 6. *Read Tony Schwartz's* The Responsive Chord. It is the source, not just for radio, but for communications theory at all levels and all media. Written 20 years ago, the book is still 20 years ahead of its time.
- 7. Radio is electronic human emotion. A radio ad can "move" a person in a way that is nearly impossible in a newspaper ad and actually quite difficult in television.
- 8. *Radio is invisible.* It works best in guerrilla, tactical warfare. Radio is your secret weapon to make critical and effective tactical moves.
- 9. Radio ads are not print. The surest giveaway of a novice copy writer is complete sentences that sound like they belong on the printed page.
- 10. Sound effects are the most abused element used by newcomers. The best sound effects are ones you can evoke inside the listeners' minds, within the ad itself.
- 11. Beware of professional announcers. You know the voices—smooth, perfect enunciation... and totally fake. Radio is like talking with someone—not talking at someone. It is deeply personal and intimate.
- 12. Please—no more "husband and wife over the breakfast table" radio ads! You know, the ones that begin: Wife: "Dear? Did you know that Congressman Smith's Subcommittee on Intergovernmental Smoke and Mirrors reported out two new bills, thus saving Western civilization as we know it?" Husband: "Golly, dear, I did not know that..."
- 13. Right below "husband/wife breakfast table" dialogues come political jingles. Resist the temptation, and the candidate's cousin, the country-western song writer.
- 14. If you can tell it's a political ad in the first 10 seconds, you've lost. Draw the listeners in. They don't like political ads. But they do love stories. . .
- 15. Ask questions. Engage the listener. The best way, literally, is to ask questions—the answers to which are the message you want to convey.
- 16. If you want to drive an opponent absolutely crazy, use an ad to talk to him or her directly on the radio. It works.
- 17. Break the rules. Above all, have fun with radio—if it isn't fun, none of the rules will help at all.

-Joe Slade White, Campaigns & Elections, June/July 1993, reprinted in RBR, 6/27/94

SMALL MARKET RADIO NEWSLETTER

## SOUND BITES

**RAB's New Monthly Kits.** RAB members already know that in response to lots of suggestions the Bureau has revamped its monthly *Success Kit*. Members told the RAB that most of the information in the kits was already available—more conveniently, on demand—through other sources (RAB Hotline, Sales Plus, etc.).

Consequently, the new kits emphasize sales training, giving members complete sales meetings for each week of the month, centering on a theme.

This is serious business: the kits include Instructor Notes for sales managers, a workbook for the salespeople, study materials and a related audiotape. It also contains quizzes on the material.

Once again, I am impressed with the RAB's commitment to its members. Once again, they have done something that is much needed in the field, and have done it with their usual thoroughness and class.

The success of this new monthly program is in our hands as RAB members. The kits won't do it alone; they need our involvement and commitment!

Another *Really* Clever Scam. This was first brought to my attention by Pam Hunt, KGRC, Hannibal, MO, and then I received one myself.

It's a page allegedly from a magazine, printed in two colors on glossy stock, with a torn left edge. The page conveniently does not have a name in its footer, just the date. It comes in a plain white envelope with no return address.

The page contains an article raving about a publication called *The Trend Letter*. (The back of the page even has a portion of another article, complete with "continued from page 17" and "continued on page 37" notations.) At the end of the article about *The Trend Letter* is a footnote describing in detail how to subscribe.

Best of all, there is a Post-It® note attached to the top of the page, handwritten, saying, "Pam, Try this. It's *really* good! J." (The one I received of course said, "Jay," etc.)

Pam, who is a friend and a client, thought the note was from me and promptly subscribed. After a couple of issues, the content of which she describes as "irrelevant and warmed-over," she tried to get out of the subscription. It took her six months, but finally she was successful.

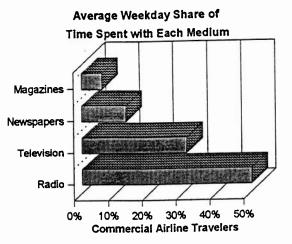
The problem with this type of thing, for anybody who loves marketing as I do, is the ambivalence about it. On the one hand, I think it is sneaky and despicable and fraudulent and misleading.

On the other hand, I wish I'd thought of it.

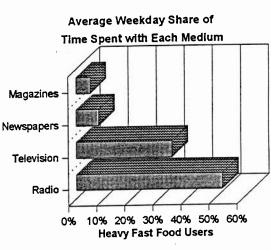
# RADIO FACTS

Key findings from Media Targeting 2000, a joint research venture between Arbitron and RAB:

- Americans spend more time with radio 6 a.m.-6 p.m. than any other medium.
- Radio reaches 52% more men 18-34 per day than newspapers.
- Commercial airline travelers spend 60% more time with radio from 6 a.m.-6 p.m. than with television.



- Commuters who listen to radio when driving to work have their radios on 95% of the time while in the car.
- Radio is likely to be the last media exposure a consumer gets immediately prior to a major purchase.
- Upper-income consumers (\$50,000 or more) are most likely to be exposed to radio prior to making a major purchase; 62% reported hearing a radio within one hour of making their purchase.
- Upper-income consumers (\$50,000 or more) spend more time with radio than the general population; 54% of their time is spent with radio, versus 45% for the total population.
- 30% of Americans do not have cable TV.
- 42% of Americans who do not subscribe to cable TV also do not read newspapers during an average week.
- Radio is the way to reach cable nonsubscribers: 53% of their total media time from 6 a.m.-6 p.m. is spent with radio.
- Consumers who plan to purchase a home in the next twelve months spend 45% of their 6 a.m.-6 p.m. media time with radio, 41% with TV, 9% with newspapers and 5% with magazines.
   Badio is more likely than any other medium to real procession.



Radio is more likely than any other medium to reach the new-home shopper.

The full report of *Media Targeting 2000* will be available by mid-August and will be mailed free to every Arbitron subscriber and RAB member.

# FROM OUR READERS

Newsletter Suggestions. "As a long-time subscriber I continue to enjoy your newsletter, but have a couple of suggestions. First, why don't you date and hole-punch the Ad Pages? I keep them with my issues, so I have to take the extra step to hole-punch them. Second, you should offer back-issues, by volume, going back to when SMRN started."

---Steve Hajash, Mahonoy City, PA, 717-433-3320

*Editor's Reply:* Lori and I discussed your suggestions, Steve. We feel that hole-punching the Ad Pages would cheat advertisers in the first column—or those in all three columns if we widen the margins to accommodate the holes. Do other readers keep the Ad Pages? If enough readers respond in the affirmative, we'll take another look.

As for the back-issues, we can do that—we have every issue back to the beginning of time (assuming you reckon the beginning of time by when SMRN started)—but it will be costly because it is labor-intensive. If anyone is interested in acquiring sets of back-issues, we'll come up with a price.

The Size of the Prize. "The enclosed came in the mail this week; reprinting it might be a good way to remind those in the trenches that even *small* prizes mean a lot!"

"Dear Ms. Lee and Thornton,

"'I would like to sincerely thank you for the tickets to "The Wizard of Oz" [a local high school production]. I realize this may seem like a minor prize, but to my family it lifted our spirits greatly. I am a single parent struggling to keep food on the table; luxuries such as these are not even considered. We thoroughly enjoyed the production and an evening out. My three-year-old is still talking about the witch running down the aisle to get his sister. My eight-year-old son loved the Jitter Bugs and keeps dancing around the house. It's a treat we are continuing to enjoy.

"Please continue to offer such promotions. I know for myself and others like me these gifts are sincerely appreciated. For many of us it's the rare treats that get us through."

-Chuck Thornton, WAGE, Leesburg, VA, 703-777-1200

Lunch-time Diatribe. "I happened to catch a program on C-Span discussing the cable business. The comment was that the 'small companies' who do less than-get this-\$500 million will not be able to upgrade to the 100-plus channel systems because they are too small to obtain financing. No folks, if somebody who does \$500 million a year is too chickens**t to get financing to meet the new technology, it's got to tell us something about our future.

The secret of our survival is not in the government protecting us, but in learning how the little guy on Main Street survives Wal-Mart. The first thing we have to accept is the possibility that we will lose all agency business. Agencies are not local folks. Regardless of what the local dealer wants, it's a lot easier for the agency to deal with one invoice representing 20 cable channels than two radio stations. Agencies tend to take the easy way out. Plus, agencies are buying multiple cable operations from a single rep.

"A \$1.25 ad is too much if nothing happens, and a \$500 ad is a bargain if the sponsor sold out the store. Which leads to the next big headache: *accountability*. Did the ads on our station bring in enough business that the client got a return on the investment? We worry about selling against a competitor with multiple channels, frequencies, whatever.

Eventually we are going to be faced with the hard question: Does what we sell *work?* We've been dodging the issue of accountability for years. Are we ready to deal with the Wal-Marts of the media—namely, if the ads run and the schedule does not produce the desired results, then the client doesn't have to pay for it?

"Wal-Mart built a business on guaranteed satisfaction. We might have to compete against a company that does over \$500 million a year and makes the same guarantee. Unless your station does over \$500 mil a year, it's not a level field.

"Are we prepared to sell tangible results?"

-Bill Taylor, KQSS, Globe/Miami, AZ, 602-425-7186

*Editor's Note:* Bill raises some good points. If you have been following the "posting" issue, you know that large advertisers and agencies are frustrated by the issue of accountability in radio and want to come up with an answer rather than abandon the medium.

On a national level this is a tough one, and it's been aggravated time and time again by our own copy, scheduling and billing mistakes; most national-level advertisers and agencies simply have no confidence in local radio's ability to get it right. (This is why radio lost Wal-Mart in the first place —that and our anachronistic insistence that the client follow *our* rules instead of the other way around.)

On a local level we have much more control over the situation. At our station and in our market we preach the gospel of accountability. For one thing, it gets the advertiser's attention when we verbalize a common and deeply-held fear about *all* advertising—as John Wanamaker said so long ago (and I quote so very often), "Half of my advertising budget is wasted; I just don't know which half." When we address the issue of accountability with our customers it leads to a bunch of other issues, all of which center on *putting the customer's needs first*. It positions us as true consultants, marketers and problem-solvers.

And you know what? It is not a gamble for your station to be held accountable! If you design the offer, the commercial and the schedule properly, it's a no-brainer. *Radio works*. As rep-firm owner (now deceased) Jack Masla once told me, "Radio *must* be the world's most powerful medium. We screw it up so badly, and it *still* works."

FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

#### ADDRESS CORRECTION REQUESTED

# Small Market Radio Newsletter

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

Publisher & Editor: Jay Mitchell Managing Editor: Lori Morgan Editor Emeritus: Bob Doll

Published by: Jay Mitchell Associates, Inc. P. O. Box 1285 • Route 2 Fairfield, IA 52556

Phone 515-472-4087 Fax 515-472-6457 E-Mail 73627.2120@ compuserve.com

 Subscription Rates:

 One Year
 \$119

 26 Weeks
 \$64

 13 Weeks
 \$37

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IN OUR 13TH YEAR



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Bill Taylor KQSS P. O. Box 292 Miami AZ 85539

# VOLUME XIII • NUMBER 14 • AUGUST 24, 1995

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LAW FIRM PETITIONS FOR EEO RULE MAKING, in an attempt to force the FCC into determining whether its EEO program satisfies the "strict scrutiny" standard recently set by the Supreme Court. An attorney from the law firm of Haley, Bader & Potts commented on the widespread doubt and confusion regarding the FCC's EEO policies. According to the attorney, "It's time for the Commission to live or die by its policy."

FCC TELLS STATION TO PAY THE \$2000 EEO FINE. WLCS-FM, North Muskegon, MI, claimed financial hardship and asked that the fine be reduced or revoked. The request was denied because WLCS's financial records were "insufficient to prove inability to pay." They have 30 days to pay.

FCC TO CUT STAFF AND OFFICES, according to last week's announcement by FCC Chairman Reed Hundt. The FCC will reduce its staff by 10%, the Mass Media Bureau by 5%. However, the Common Carrier and Wireless Communications Bureaus will be adding staff. All Monitoring Stations will be closed, and monitoring functions will be done electronically. Nine Field Offices will be closed, however two resident agents will staff each location. Field Offices to be closed: Buffalo; Miami; St. Paul, MN; Norfolk, VA; Portland, OR; Houston; San Juan; Anchorage; and Honolulu.

**NAB RADIO LICENSE RENEWAL SEMINAR SCHEDULES** are as follows (for information call 202-775-3511):

- Sept. 28 for IA, MO, at Kansas City, MO
  - Nov. 6 for ND, SD, MN, MT, CO, at Sioux Falls, SD
- Nov. 8 for ND, SD, MN, MT, CO, at Denver, CO
- Nov. 10 for ND, SD, MN, MT, CO, at Helena, MT

# PIRATE STATION COMPLAINS OF INTERFERENCE. Steve

Dunifer's illegal "Free Radio Berkeley" at 104.1 (SMRN 8/10/95) is getting interference from another pirate running on 104.1. When the FCC fined him, he was informed that there were no interference rules to protect unlicensed low-power FMs. The new pirate: "The all-new K-FAG, 104.1, Blowing San Francisco away."

## AT THE FCC

#### **NEW STATIONS (Granted):**

ARKANSAS (Gosnell) Gosnell Broadcasting Company, 93.9, 3000w, 171' KANSAS (Kingman) Bott Communications, Inc., 94.3, 50,000w, 492' LOUISIANA (Franklinton) GACO Broadcasting Corp., 98.9, 6000w, 108' MAINE (Winter Harbor) Theodore Enfield, 97.7, 6000w, 328'

## **NEW STATIONS (Applied For):**

ARKANSAS (Atkins) KVOM, Inc., 99.3, 6000w, 328'
FLORIDA (LaCrosse) Suwannee River Broadcasting, 99.5, 6000w, 328'
LOUISIANA (South Fort Polk) Alan H. Taylor, 95.7, 6000w, 328'
(South Fort Polk) Harvey L. Nichols, 95.7, 6000w, 328'
(South Fort Polk) WLV-TV, Inc., 95.7, 6000w, 328'
MINNESOTA (Bemidji) Robert J. Ramstorf, 95.5, 100,000w, 492'
MISSOURI (Bismarck) David L. Shepherd, 99.5, 25000w, 328'
(Bismarck) Joseph W. & Donna M. Bollinger, 99.5, 17,500w, 399'
(Bismarck) MKS Broadcasting, Inc., 99.5, 10,000w, 512'
WYOMING (Pinedale) Robert R. Rule, 101.1, 211w, -179'

#### AMENDMENTS TO THE FM TABLE (Proposed):

ALABAMA (Lisman) new, 107.1 A
ILLINOIS (Carthage) new, 93.9 A
(Colchester) new, 104.1 A
(Taylorville) new, 97.3 A
MINNESOTA (St. Joseph) new, 99.9 A
OKLAHOMA (Madill) KMAD-FM, to 102.5 A from 102.3 A
TEXAS (Denison) KDVE-FM, to 107.1 C1 from C3
(Jacksboro) KAIH (CP), to 98.3 A from 101.7 A
(Paris) KBUS, to 104.3 C2 from 101.9 C2

#### AMENDMENTS TO THE FM TABLE (Granted):

CALIFORNIA (San Clemente) new, delete 104.9 A

#### FORMERLY SILENT:

OKLAHOMA (Pawhuska) KRIG, 1500 TEXAS (Plano-Dallas) KAAM, 620, KWFT silent

---Courtesy M Street Journal

SMALL MARKET RADIO NEWSLETTER

# **MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$**

October Business Opportunities include the following businesses, whose sales in the month are above average:

Auto Dealers (New Domestic) Auto Dealers (Used) Auto Parts Stores Auto Repairs Bridal Market Building Supply Dealers Carpet Stores Children's Wear Stores Fabric & Sewing Stores Mobile Home Dealers Restaurants Tire Dealers

-RAB's Top 40 Business Survey

## October Promotional Opportunities - Events & Holidays

Months Energy Awareness Month Hunger Awareness Month National AIDS Awareness Month National Car Care Month National Dental Hygiene Month National Dessert Month National Kitchen and Bath Month National Pasta Month National Pizza Month National Pork Month Weeks October 2-6 - National Customer Service Week October 8-14 - National Fire Prevention Week October 15-21 - Credit Union Week Days October 1 - Jimmy Carter's Birthday (1924) October 2 - Child Health Day October 2 - "The Twilight Zone": first episode aired (1959) October 9 - Columbus Day October 16 - National Boss Day October 22 - Mother-in-law Day October 23 - Solar Eclipse October 26 - Hillary Clinton's Birthday (1947) October 29 - Standard Time Resumes (turn clocks an hour back) October 31 - Halloween

c

-Chase's 1995 Calendar of Events

# \$ALE\$

# How Not to Do It

Three recent experiences I had with outside salespeople made it abundantly clear why the profession of sales has such a terrible reputation.

Bad Experience #1. I was in a staff meeting in a room off the lobby when a fellow stopped in, asking to see the general manager. Our receptionist (who was new and didn't know better) pointed me out. "What can I do for you?" I asked across the room.

"It's not what you can do for me, it's what I can do for you," the fellow replied. "I need a few minutes of your time." When I told him I was busy and would he please call me for an appointment, he advanced into the room, saying, "You really should see this now." Enraged, I repeated that I had no time and that he should call for an appointment. He stormed out.

A few days later he reappeared. I was up against the newsletter deadline, so I asked the receptionist to request, again, that he call for an appointment. Moments later she was back in my office; he did call, he said, never got a callback, and he really needs to see me.

I walked out to the lobby and told the guy, "I have no intention of doing business with you. Please leave." *He then launched into his pitch!* (It was for a phone-book cover.) I told him to get out of my station. As he was leaving, he said, "I'll go to your competition!" I said, "Please do!"

Bad Experience #2. I get to the station early most days at least to try to clean off my desk. About 7:45 one day a guy knocked on our front door with a big smile on his face. "Hi, Jay," he says (I've never seen the guy before in my life). "Got a minute?" I explained to him (in somewhat strained tones, still smarting from Bad Experience #1) that I did not, and please call for an appointment. He made a feeble attempt to start his pitch, but I think the steam coming from my ears dissuaded him. (He did call later; he was selling space in one of those "Drugs Are Bad" books that get distributed in schools. We had a nice, if brief, chat and I blew him off.)

Bad Experience #3. Later that same day I got a call from somebody selling one of those big blimps. As he launched into his presentation, I told him my time was short just now, but I was familiar with the concept and might be interested, so could he please send me info and prices. He continued with his pitch as though he hadn't heard me. I told him I didn't have time to talk, but could he just tell me what the price was. *He kept on with his pitch*. When I became irritable and said, "I know the product. I want to know the price," *he kept on with his pitch*. I hung up on him.

All three experiences were insulting, demeaning, and left me feeling icky. None of these people cared about my priorities or my business. *They all wanted to sell me something, period.* All three as much as said, "You may or may not want what I have, but I sure want your money and that's reason enough for you to buy from me."

I found myself asking, "Are my people guilty of the same thing?" I'm sure going to find out.

# **MARKETING & PROMOTION**

# The Sports Book Promotion—A Personal Experience

John Reardon from KFJB & KXIA in Marshalltown, IA, 515-753-3361, passed along this idea and it is a honey: publish a "Sports Book" containing all the schedules for all the Fall and Winter sports for all the high schools and colleges in the region, along with any other teams that your area follows (and/or that you broadcast). Put together packages of radio ads which include various sizes and locations of ads in the book—a Back Cover package, an Inside Cover package, a Full Page, Half Page, etc.—each associated with a different level of radio adverting.

John told me that he prints up 5500 of the 72-page books, which are distributed via advertisers and schools. The books cost him about \$4300 to produce (which he sometimes trades in whole or in part), and he grosses \$25-30,000 on the program.

It sounded good to us, so my station jumped on it right away—and even though we got a late start, it has been a success for us. But there are a couple of things we'll probably do differently next year:

1. I have been concerned about the trading of dollars. We all confront this every time we do something special: how many of the dollars we generate from some expense-laden promotion would we have generated anyway? We did turn down some customers who wanted to shift their already-committed budgets over to the book, but how many uncommitted dollars got shifted that we didn't know about?

Years ago I was taught that if you don't generate revenues eight to ten times the cost of a promotion, you lose money. It makes sense; how many times have we done a promotion that makes our month (but doesn't exceed projections), but cost us a couple of grand to do it? That wreaks havoc with the P&L, and we end up below our profit goals.

It occurred to me that to minimize this problem we need to present the opportunity differently: instead of selling radio time and bonusing the print ad, we need to sell the print ad and bonus the radio time. Some might argue that it cheapens our product; but the way I look at it, we should go after the customer's *print* budget, hopefully taking dollars away from other print media, rather than cannibalizing the *radio* budget.

2. There are a lot of nontraditional advertisers out there who have no use for radio advertising (or at least they *feel* that way) but want to support community and sports activities. (These are often the same people who buy ads in theatrical programs and so forth.) So next year we're going to offer only book space to a select few—including many of *our* vendors (accountants, attorneys, etc.).

Have you done such a promotion? Do you have any other variations that have worked for you? Let us know and we'll pass them along!

#### SOUND BITES

**DAB Alert.** "As you know, the FCC is on the verge of authorizing a new satellite DAB service which would beam 50 to 100 radio channels into *every* radio market in the country, including yours. We don't have to tell you what the resulting audience fragmentation would do to your station.

"We believe this service, over time, could be the straw that breaks the backs of many local radio operators and results in a loss of valuable and irreplaceable service to local communities.

"We need you to let the FCC know what you, the individual broadcaster, believe about satellite radio and the impact it would have on your station and your community. NAB is filing major comments with the FCC, but *your letters* are needed for the Commissioners to really understand how important this issue is.

"Comments are due to the Commission on September 15, 1995. Please send just a letter, in your own words, to the FCC. One page is fine. Please include the FCC docket number, Gen. Docket No. 90-357, on your comments. Please also send a copy to the NAB and each of the Commissioners.

"Send your letter to Secretary, Federal Communications Commission, 1919 M Street, NW, Washington, DC 20554. Send copies, at the same FCC address, to Chairman Reed Hundt, Commissioner James Quello, Commissioner Andrew Barrett, Commissioner Susan Ness, and Commissioner Rachelle Chong. And don't forget to send a copy to NAB.

"Please help us fight off satellite DAB. We can't do it without you." —Eddie Fritts, Henry Baumann and John David, NAB, 202-429-5300

Nitrogen Pump. "I need some help. . . Does anyone know where I can purchase a new or used piece of equipment to pump nitrogen into the lines at our FM transmitter? It gets tough in the Winter to haul nitrogen bottles to our rural transmitter site, and someone told me there is a machine you just plug in to handle this. If anyone knows of such equipment, I'd appreciate it if they can contact me. Thanks!"

-Robert H. Miller, KDSR, Williston, ND, 701-572-4478, fax 701-572-1419

Sales Incentives that Work. Business & Incentive Strategies magazine conducted a survey on what sorts of incentives are most appreciated by salespeople. The survey found that there is a big difference between what men want and what women want: men prefer electrical gadgets while women prefer clothing. When it comes to travel incentives, women prefer relaxation vacations (53%), sightseeing (20%) and culture (6%); men like relaxation (42%), sports/outdoor activities (23%) and sightseeing (20%).

But the all-time favorite incentive for both men and women is still *money*. When given a choice, 56% of the women and 51% of the men would opt for the cash. [AdWeek]

## **TELEMARKETING CAMPAIGNS**

#### FIRE PREVENTION WEEK (October 8-16)

Does your home have adequate fire extinguishers and smoke detectors? During National Fire Prevention Week, _________ says, read the manufacturer's directions to determine where to install them and how to maintain them. _______ reminds you, if you have questions, you can get answers from your fire department.

reminds you that 800-thousand homes are destroyed each year by fire. 22 Americans die each day in fires. If fire breaks out in your home, get everyone out immediately. Don't stop to pick up valuables. When you get out, summon the fire department from the nearest phone. A reminder during National Fire Prevention Week from _____.

There's nothing like a wood fire on a chilly night. During National Fire Prevention Week, __________says, be sure your chimney is free of harmful creosote deposits. Don't burn green wood. Make sure your fireplace and chimney meet fire safety standards. A reminder from

A smoke detector that isn't working is no better than none at all. ______ reminds you to check the manufacturer's instructions and check the batteries regularly. During National Fire Prevention Week, ______ says, be sure your smoke alarm gives you the protection it was designed to give.

Faulty wiring is a major cause of fire. During National Fire Prevention Week, ________ reminds you, if you have an older home, the wiring should be checked by a reputable and experienced electrician. _______ says, it's a lot cheaper than a fire.

During Fire Prevention Week, ______ wants you to know that fire breaks out every 37 seconds. Check your home now for fire hazards: Do you have enough electrical outlets in each room to avoid multiple attachment plugs and long extension cords? Do you keep lighters and matches out of reach of small children? ______ says, let's make fire safety a priority.

It's too late to get rid of a fire hazard after fire strikes. During National Fire Prevention Week, _________says, clear your attic, basement, and garage of clutter. Make sure your furnace and stoves are clean and in good repair. _______believes the best time to stop a fire is before it starts.

If a cooking-grease fire breaks out in your kitchen, try to cover the burning pan or shut the oven door. ______ says, never throw water on a grease or cooking fire; if you have time, pour baking soda on the flames instead. ______ reminds you, if you don't have a fire extinguisher in your kitchen, install one. If you have one, check it regularly to make sure it works.

SMALL MARKET RADIO NEWSLETTER

## FROM THE FRONT

After months of researching and soul-searching, a couple of weeks ago we changed our FM format from a digital-juke-box Oldies-based AC to a satellite-delivered All Oldies format.

If our sights were limited to our home county, our generic AC would have continued to serve us well. But our signal strength gives us a much bigger opportunity, and in the adjacent markets we serve, our neither-fish-nor-fowl format got eaten alive. Going back to Marketing 101, we needed to take a *unique*, *clearly-definable* and *appealing* position. That position turned out to be Oldies.

We further decided that we needed a live personality sound to complement our AM station, and the most efficient way to achieve it was to go on the bird. Since we inherited our automation equipment and ran a zero-cost operation, such a move would add costs rather than save them.

After auditioning the satellite Oldies choices and talking with other broadcasters, we decided to go with the "Pure Gold" service. What made the difference to us were the personality roster, especially Zippo in the Morning, and the sales support offered by ABC.

There was no way to get around the \$3000 up-front cost of the ABC-supplied receiver if we wanted a no-cost swap when the network goes digital later this year, but we could save some money on the dish. I figured we could trade a portion of the cost of a home-type dish and end up spending about \$500. It turned out that to mount the dish properly, accounting for wind-load factors, the cost would be closer to \$3000. Since Pure Gold is moving to the same satellite as ABC News when it goes digital—at which time we can use one dish for both services—we borrowed a six-foot portable rig, ignoring the specifications supplied by the network. It worked—which is a good thing, since we didn't have a Plan B.

The Wednesday before our Friday debut, we held a Client Appreciation Breakfast at a local restaurant to announce the format change to advertisers and friends of the station. The breakfast was well attended and the news was well received.

With all our tools assembled—clocks, schedules, network-voiced liners—we took our old format off line at Noon on Thursday. For interim programming while we revamped our Digilink system, we played "The Same Old Song" by the Four Tops over and over, interrupted every 15 minutes by a message from the general manager teasing the change, until sign-off twelve hours later. (We calculated that we played the same old song 253 times. We got a lot of calls, at first asking, "Do you know. . .?" and later, getting it, requesting the song.)

The next morning at five, Zippo and Maria took to the KICK/96 airwaves. It was a good, if not technically perfect, launch, with lots of positive listener response. We're still working out the kinks, but the switch has proved to be a good move—and profitable.

We owe a debt of thanks to the people at ABC, Arrakis and Register Data Systems for their patient assistance. . . and to our own people for their enthusiastic embracing of our new "baby."



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Phone 515-472-4087 Fax 515-472-6457 E-Mail 73627.2120@ compuserve.com

Subscription Rates:One Year\$11926 Weeks\$6413 Weeks\$37

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IN OUR 13TH YEAR



General Manager KQSS FM P. O. Box 292 Miami AZ 85539-0292 FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

#### ADDRESS CORRECTION REQUESTED

# VOLUME XIII • NUMBER 15 • AUGUST 31, 1995

**TEENAGERS DON'T USE RADIO** as an information source according to a new study by Chilton Research. Radio ranks fourth behind television (53%), newspapers (20%), on-line (11%), and radio (9%) as a source for current events. The study reveals that teens are avid listeners, but view radio as a juke box only. The study warns of the impact this may have on radio's future: as teens mature and information becomes more important to them, they may not turn to radio. Audience levels and advertising revenues could be affected. According to the study, 39% of teens use either a commercial on-line service, bulletin board, or the Internet.

The study also lists teens format preferences:

	r		
Format	%	Format	%
CHR	19%	Pop Oldies	2%
Urban	14%	Classic Rock	2%
Country	13%	Alternative/AAA/Rock AC	1%
Album Rock	10%	Contemporary Christian	1%
Modern Rock	9%	Soft AC	1%
Hot AC/Adult CHR	5%	Other	1%
AC	3%	Unidentified	7%
Dance CHR	3%	No Preference	8%

**DOES ANYBODY** *SELL* **OLD TIME SHOWS?** SMRN reader Randy Brooks, KLTC, Dickinson, ND, 701-227-1876, is looking to buy a show.

"BOOMERS" TO BE MOST AFFLUENT CONSUMERS BY THE YEAR 2000, according to a recent Interep study. The study projects that the 35-54 years old "boomer" household group will dominate nearly every major spending category by the year 2000. Two-thirds of the nearly \$3 trillion spent by consumers comes from household consumers. The most effective formats to reach married couples with children living at home: classic rock, oldies, CHR, and AC. The most effective formats to reach married couples without children living at home: adult standards, fullservice, easy listening, and news-talk.

# AT THE FCC

# **NEW STATIONS (Applied For):**

ARKANSAS (Atkins) Stephen Womack, 99.3, 6000w, 328' IDAHO (Bonners Ferry) Spokane Public Radio, Inc., 92.1, 74w, 3076' IOWA (Sageville) The Sageville Shopper, 106.1, 4400w, 384' KANSAS (Plainville) Charles Alan Farr, 96.7, 5000w, 348' LOUISIANA (South Fort Polk) S.B. Ellis d.b.a. Toddlo Broadcasting, 95.7, 6000w, 328' SOUTH DAKOTA (Winner) MAS Communications, Inc., 98.1, 100,000w, 981'

# **NEW STATIONS (Granted):**

COLORADO (Glenwood Springs) Beachport Communications, Inc., 92.7, 100w, -649' ILLINOIS (Virginia) Mark J. Langston, 101.3, 6000w, 328' VERMONT (Royalton) Lisbon Communications, Inc., 103.1, 1800w, 417'

## AMENDMENTS TO THE FM TABLE (Granted):

ARIZONA (Duncan) new, 100.7 A
ARKANSAS (Earle) new, 103.9 C3

(Ola) new, 101.3 A
(Pocahontas) KPOC-FM, to 104.1 A from 103.9 A

GEORGIA (Talking Rock) new, 100.1 A
ILLINOIS (Rushville) WKXQ, to 92.5 A from 96.7 A
MISSISSIPPI (New Albany) WWKZ, to 103.5 C Como from New Albany
NEW MEXICO (Reserve) new, 104.5 C3
TEXAS (Linden) new, 99.3 C3

## **REPORTED SILENT:**

FLORIDA (Cantonment-Pensacola) WNVY, 1090

FORMERLY SILENT:

ARIZONA (Casa Grande) KFAS, 1260 PENNSYLVANIA (Saegertown) WMDE, 94.3

-Courtesy M Street Journal

**REGULATORY FEES CLARIFICATION:** By now you should have received forms for the FCC's 1995 regulatory fees. THE FCC MUST RECEIVE ALL FEE PAYMENTS AND FCC FORM 159 BY SEPTEMBER 20, NOT JUST POSTMARKED BY THAT DATE. Questions? Call the regulatory fee hotline at 202-418-0220.

SMALL MARKET RADIO NEWSLETTER

# MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$

# Halloween Ideas

Safety Strips. WCTC/WMGQ, New Brunswick, NJ conducted a promotion involving reflector safety strips imprinted with Halloween designs, the stations' logos and the logos of two sponsors. On the peel-off backside are Halloween safety tips (other advertisers can go on the back).

Using their school closing roster as a mailing list, the stations mail quantities of the reflector strips to the principals of all the elementary schools in their coverage area. All the kids in grades K through 3 receive two strips each to wrap around their arms or to stick on their costumes when they go trick or treating.

The strips are available from Positive Promotions, 222 Ashland Place, Brooklyn, NY 11217; phone 1-800-635-2666, fax 1-800-635-2329. They also have other "Play It Safe on Halloween"-themed merchandise, including a coloring book, safety stickers and a trick-or-treat bag.

Trick or Treat Bags. Work with a participating sponsor—like a fast food restaurant—to give out trick-or-treat bags to kids the afternoon of Halloween. Have a remote at the venue where the bags are being given out.

Halloween Special. Play special Halloween-themed music after the kids get home—"music to go through their goodie bags by." Selections might include "Monster Mash," "Cat Scratch Fever," "Werewolves of London," etc. Sell sponsorships for the program.

War of the Worlds. This is a perennial favorite; listeners never seem to tire of hearing the classic 1939 Mercury Theater broadcast, written and starring Orson Welles. The official license holder of WOTW is Charles Michelson & Sons, 9350 Wilshire Boulevard, Beverly Hills, CA 90212; phone 800-648-4546 or 310-278-4546; fax 310-278-7932. Charles Michelson reminds us all that unauthorized broadcast of this program is, well, unauthorized.

Trick or Treaters to the Nursing Home. Arrange with a day-care center and a nursing home to transport kids to the home to show off their costumes to the senior citizens. Sell the event, including promos and a remote, to the nursing home. (As we hear from SMRN reader Dean Johnson, KWAT/KIXX/KDLO, Watertown, SD, 605-886-8444, nursing homes have money to invest; and this is a natural for them.)

You can double or triple up with this concept, doing remotes from two or three homes on Halloween afternoon. The kids are only good for about a half an hour, so if you do more than one home, line up more than one day-care center to cover it.

Downtown Halloween Parade. Arrange with merchants in your downtown to offer treats to kids who parade through the area in costume. Make a package including ads and promotional announcements to get kids, parents and onlookers downtown for the event.

SMALL MARKET RADIO NEWSLETTER

# \$ALE\$

### Forgotten But Not Gone

One of my favorite sayings—which, if you've been an SMRN reader for more than a couple of issues, you've seen before—comes from Dean Sorenson, Sorenson Broadcasting, Sioux Falls, SD: "It worked so well we quit doing it."

Here are some sales tips and techniques that always work, but sometimes we quit doing them when we get busy. How many of these have you forgotten? How many of them could help you make your week this week?

- 1. Written Proposals. Roger Dodson, who ran several successful stations and groups before joining the RAB, told me that written proposals improved his salespeople's closing ratio from the industry-average 25% up to 75%. Current thinking is to make the proposals lengthy but clean, with a few key points on each page. Tip: Use RAB help to incorporate background on the customer's industry into the presentation.
- 2. Financial Sizing. Lots and lots of studies show that if you offer the customer three choices, he or she will take the middle one about 90% of the time. In radio, we call it "financial sizing" (I believe Jim Williams coined that term) or the "Papa Bear-Mama Bear-Baby Bear" technique. Whatever you call it, it works—just decide what amount you want the customer to invest, bump it up a little and make it the middle package, bracketing it with higher- and lower-cost versions.
- 3. Spec Ads. Many broadcasters contend that presenting spec ads to the customer doubles the closing ratio. At our station, our batting average with spec ads is 1.000! Tips for using spec ads: (1) Build an innocent mistake into the ad; when the customer catches it, you close by asking, "When we get that corrected, would you like to start in time for the weekend?" (2) Dub the ad three times on the tape and play them all. Don't say anything; the next person who talks, buys. (3) Be sure your production people understand how the spec tape process works (including the part about building in a mistake), and how important spec ads are.
- 4. Asking for More Money. Gene Koehn, KNEN, Norfolk, NE learned a valuable lesson when he once, in a devil-may-care mood, put together a proposal asking about twice what he thought the customer would go for. Rather than responding by kicking Gene out, the customer said, "I'm honored that you think I could afford this." He didn't get that amount, but he did get about 50% more than he really thought he'd get! The lesson: you won't insult the customer or spoil your sale by asking for a higher amount.
- 5. Warm Calls. Instead of cold calls, your chances of getting to the next step are greatly improved when you warm things up with an introductory letter. Make the letter brief and to the point, and keep firmly in mind the objective of the letter: not to make the sale, but to make the *appointment*.

# **COMPUTERS IN RADIO**

Windows 95—Help or Hype? As many readers know, we recommend that stations standardize on PCS (there's more relevant software for the PC than for the Macintosh), and standardize on Microsoft Windows as the operating shell (the command set is relatively consistent from program to program, so if you've learned one, you've more or less learned them all).

But now the ante has been raised with the release of the new version of Windows, "Windows 95." It is easy to believe that every man, woman and child in America has been exposed to Microsoft's multimillion-dollar campaign in which Windows 95 is presented as the answer to all computing needs. But is it the answer to *yours*?

The short answer is, probably not yet. Although the program has been the most extensively tested software in history, there are still likely to be some bugs. Beyond that fact, at the very least the installation process is lengthy and the hardware requirements are greater.

Your best bet, unless you are a bit of a computer geek, is to wait. You will know when it's time to upgrade—when most of your software upgrades only come in versions for Windows 95, and when they release Version 1.01 of Windows 95.

One Windows 95 Benefit for Windows 3.x. One of the reasons you will be glad when you eventually do upgrade to Windows 95 is that you won't have to exit Windows so often to recapture "system resources," that pesky section of memory that gets chewed up just by using the program (what were they thinking?). This is a problem every Windows 3.x user faces, no matter how much memory you have on your system. Not only does it require you to restart Windows every so often, but it severely limits how many programs you can have open at the same time.

But there is a solution. It's a program called "RAM Doubler" from Connectix (800-950-5880). It comes on one disk, takes about a minute to install, is compatible with nearly all programs and memory managers, and virtually eliminates the system resources problem. With RAM Doubler we are able to load four or five large applications and switch among them; without the program we were lucky to keep two apps afloat.

You don't get away entirely clean, however. We had trouble with LapLink locking up when RAM Doubler was loaded, and WordPerfect became excruciatingly s-l-o-w. The technical support people, reachable by an 800 number (a real rarity nowadays), are amazingly helpful, knowledgeable and responsive: when we reported a problem with another application, they instantly updated our version of RAM Doubler; and when we reported the LapLink and WordPerfect glitches, they promised to come up with a solution within a week (we'll let you know).

Although new to the PC world, RAM Doubler has been available for the Macintosh for some time and boasts over 250,000 users, so it is extremely stable. Best of all, when you are ready to upgrade to Windows 95, a free RAM Doubler upgrade awaits you.

# PROGRAMMING

# Smash-Hit Remotes

Here are some basic principles about remote broadcasts that will ensure more successful events.

Basic Assumptions. Keep these points in mind:

- 1. These days, a radio remote broadcast is not in itself a draw. To ensure our success and the client's, a radio remote should hitchhike on some other event or activity.
- 2. We should not sacrifice the listener for the remote participant. A successful remote depends on a large body of listeners, from which some percentage can be motivated to "come on down." Badly-done remotes chase listeners, leaving no one around to motivate.

*Checklist.* Put together a checklist for your remotes—a guide to what you need to do and provide for each remote event. Plan by the numbers and fewer things will fall in the cracks.

Structuring and Scheduling. It is good to think of a remote broadcast as a vertical-saturation commercial schedule, in which some number of ads are run each hour for a certain number of hours. Each "ad" is a remote report, of course.

The number of "ads" or remote segments per hour must be considered very carefully. The longer the remote, the fewer the number of remote segments per hour you may want to schedule to avoid burn-out.

- For a remote lasting two to four hours, you can run three to five segments per hour.
- For a longer remote—like an all-day auto-dealer sale-a-thon—it's better to back off to two or three reports per hour on average. You may want to run more segments in the first couple of hours, then back off for a couple of hours, then intensify again.

Each remote segment should last no more than sixty to ninety seconds by the clock. This means *scripting*, and this means *timing*.

Content Planning. Once you know how many remote segments you will do per hour, and how long the remote lasts, you will know exactly how many segments you will do in all, and the total amount of time that needs to be filled. In other words, a four-hour remote consisting of four segments per hour means sixteen 60-second segments.

Once this information is calculated, the station people assigned to the remote should meet with the client and map out *in detail* what will be done with that time. For example:

• Interviews: With whom? About what? When?

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- Special offers: What? How many? When?
- Giveaways: What? When? How many?
- Background information: Sponsor name, event name, location?

Tom Martens, KWTX, Waco, TX (817-776-5989) uses an "inverted pyramid" concept to plan his remote segments. Start each segment broad; begin with generalities, and then as the report—and the remote itself—progresses, get more and more specific about what is going on, giving store specials, interviews, giveaways, etc.

Think of remotes as a series of discrete commercials, and things fall into place:

- The process of determining the number of segments and the number of hours of the remote is comparable to planning a spot schedule.
- It gives the client a quantifiable understanding of what he or she is getting for the investment.
- The process of determining how each remote segment is to be filled is like putting in a commercial-production order.

Adopting this point of view helps you to think more creatively about how the remote can be produced; why not, for example, have some of the remote segments *taped in advance*?

Attitude. Perhaps the most important aspect of a successful remote is how your station personnel approaches the event and the client. Kenn McCloud, KCCQ, Ames, IA (515-232-1430) issued a memo to his staff on this subject, which, with his permission, we excerpt here:

"Live remotes give the station a chance to showcase itself, not only to listeners, but to clients as well. But too many announcers look at remotes as 'just another broadcast' when there are so many scheduled. This attitude needs to change.

"Professionalism and confidence is exhibited in the way the talent handles the on-air chores. Are they there early to set up and check equipment? Do they talk to customers and act as an ambassador for the sponsor as well as the station? Do they prepare each break beforehand, asking the client what needs to be covered? Do they sound like they're having fun being there?

"But the ingredient that most sponsors really get excited about is the show-business aspect of a remote. They want their customers to SEE live radio in their store. So it's your job to make things LOOK like a radio show is happening. Bring your banners. Have a good-looking microphone cube. Have a sound system blaring the broadcast. Have plenty of bumper stickers and freebies to give to the customers. Clients think it's a *big deal* to have a live broadcast in his store. . .give them a SHOW."

# SOUND BITES

What Consumers Think. There is a difference between what customers think and what retailers *think* customers think, according to a study conducted by Deloitte & Touche. The following table shows customer preferences and retailer assumptions in answer to why consumers pick a store:

Reason	Retailers Think	Consumers Say
Customer service	24%	3%
Price promotions/markdowns	22%	17%
Better merchandise	16%	9%
Everyday low prices	10%	23%
Larger selection	10%	17%
More exclusive merchandise	8%	5%
Convenient location	8%	17%

The big factors among consumers are everyday low prices, sales, selection, and location.

*Editor's Note:* Why does customer service rank so low? In my opinion, it's because customers *expect* it; it's a given, not a reason to choose one store over another.

Hands-On Seminars. "Do you or any of your readers know of any hands-on seminars? FYI, Jerrell Shephard of Moberly, MO does a seminar where people can go to his station and get hands-on experience.

"Do you know of anyone in the Kansas City area who does seminars? Do you know of any success stories regarding telemarketing?"

-Hal Haley, KETX, 409-327-8916

**Political Ads.** "I'd like to hear from some other radio managers as to how they handle political ads. You might even do a survey-type thing. Political season will be here soon.

"Regarding whether to hole-punch the Ad Pages, personally I read them and if nothing interests me I trash them. If something interests me I act on it and then trash them." —Marvin Hill, WGOG AM & FM, Walhalla, SC, 803-638-3616

Quote of the Week. "For years, we thought of ourselves as a production-oriented company, meaning we put all our emphasis on designing and manufacturing the product. But now we understand that the most important thing we do is market the product. We've come around to saying that Nike is a marketing-oriented company, and the product is our most important marketing tool."

-Phil Knight, Nike founder, chairman and CEO, quoted in Harvard Business Review

# Small Market Radio Newsletter

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

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Published by: Jay Mitchell Associates, Inc. P. O. Box 1285 • Route 2 Fairfield, IA 52556

Phone 515-472-4087
 Fax 515-472-6457
 E-Mail 73627.2120@
 compuserve.com

Subscription Rates:One Year\$11926 Weeks\$6413 Weeks\$37

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IN OUR 13TH YEAR



Bill Taylor KQSS P. O. Box 292 Miami AZ 85539 FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No, 5

#### ADDRESS CORRECTION REQUESTED

# VOLUME XIII • NUMBER 16 • SEPTEMBER 7, 1995

RADIO ADVERTISING REVENUE RISES 7% IN JULY maintaining steady growth for the year, according to RAB's Radio revenue index. July local revenues for all markets were steady at 7%; local YTD were also constant at 10%. National YTD came in solid at 10%; July national fluctuated from up 5% in the East to declining 2% in the Midwest and West.

IS RADIO NEXT? Political candidates may get free TV time, according to a plan to be introduced this week by Senators Russ Feingold (D-WI), Dianne Feinstein (D-CA) and John McCain (R-AZ). The plan would give candidates complying with campaign spending limits up to 30 free TV minutes for general elections, and a 50% discount off the lowest unit rate for any additional airtime. Radio airtime was not mentioned. (This time.)

NEW EAS PASSES SECOND ROUND OF TESTING by Californiabased TFT Technologies. The new equipment is capatible with radio, TV and cable. Several groups, including TFT, are urging the FCC to act quickly in finalizing EAS rules.

**1995 RADIO AWARD WINNERS** were announced this week by Broadcast Programming in a competition held among their clients. Congratulations to the winners and honorable mentions:

# Winners

Best Production - KIYS-FM, Jonesboro, AR
Best Morning Show - KFIN-FM, Jonesboro, AR
Best Promotion - WBOQ-FM, North Beverly, MA
Best Sounding Station - KLOZ-FM, Eldon, MO
Honorable Mentions
Best Production - WJJY-FM, Brainerd, MN; KMXD-FM, Des Moines, IA; KLOZ-FM, Eldon, MO; KOTC-FM, Kennett, MO; KFIN-FM, Jonesboro, AR
Best Morning Show - KEKB-FM, Grand Junction, CO
Best Promotion Category - KEKB-FM, Grand Junction, CO; KFIN-FM, Jonesboro, AR; KXLO-FM, Lewistown, MT
Best Sounding Station - WKSB-FM, Williamsport, PA; WBOQ-FM, North Beverly, MA

# AT THE FCC

# **NEW STATIONS (Granted):**

MINNESOTA (Grand Marais) Eclectic Enterprises, Inc., 95.3, 100,000w, 538' (Roseau) Jack J. Swanson, 102.1, 50,000w, 285' (St. Charles) Richard D. Radke, 107.7, 1600w, 643'
SOUTH DAKOTA (Winner) Midwest Radio Corporation, 98.5, 100,000w, 426' TENNESSEE (Mount Juliet) Jamal Broadcasting L.P., 106.7, 6000w, 328'

# AMENDMENTS TO THE FM TABLE (Proposed):

NORTH CAROLINA (Sanford) new, 103.1 A OKLAHOMA (Coalgate) new, 92.7 C2

# AMENDMENTS TO THE FM TABLE (Granted):

NEVADA (Pahrump) new, 95.1 A NORTH CAROLINA (Fair Bluff) new, 105.3 A WISCONSIN (Ladysmith) WWIB, to 103.7 C1 Hallie from Ladysmith

# **REPORTED SILENT:**

NEW YORK (Garden City) WBAU, 90.3 OREGON (Eugene) KDBS, 840

## FORMERLY SILENT:

ALABAMA (Prattville) WIQR, 1410 CALIFORNIA (Garberville-Eureka) KHUM, 104.7 PENNSYLVANIA (Port Matilda) WIKN, 107.9 TEXAS (Cleveland-Houston) KRTK, 97.1

---Courtesy M Street Journal

# Products & Programs

- "John Sutton's Big Band Swing" is now available from Webster Audio Products. The show is live, coast-to-coast, featuring requests and dedications. It airs every Saturday night, 8 p.m. to Midnight (ET), on a barter basis beginning September 23. For information, call 800-75-SWING (757-9464).
- Country singer Toby Keith will have his own one-hour Christmas special this year. It will feature music from his new Christmas album, "Christmas to Christmas." It's available on a barter basis; call Ron Huntsman Entertainment for information at 615-255-1100.

# MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$

# **Fall Promotions**

Leaf Patrol. Find a local youth organization willing to rake leaves for donations. Invite listeners to call in and request the group's services. Provide station tee shirts and hats for the workers to wear on the job. Make sure you include a time or lawn-size limit.

*Recycling Contest.* Each school in your area competes to see who can collect the most newspapers, cans and bottles to be recycled. The winning school gets a free dance hosted by one of your jocks, or free lunch for all the students.

National Pet Peeve Week. This is the second week of October. Contact Kelly D. Fleming, 616-235-6926 to discuss some fun things you can do with this "event."

*McGruff Halloween Bags.* The National Crime Prevention Council has trick-or-treat bags featuring McGruff the Crime Dog and his Halloween safety tips. They can be imprinted with your station logo. For more information, call the NCPC in Amsterdam, NY at 518-842-4388 or 518-842-4392.

*Pumpkin Party*. Right before Halloween, have a pumpkin-carving contest where listeners must include your call letters somewhere on the pumpkin. Have the listeners bring the completed jack-o-lanterns to a certain venue (mall, downtown area, etc.) to put on display; shoppers vote for the scariest, funniest, most original, etc. Your personalities can award prizes during a special ceremony.

*Fright Night*. Sponsor an invitation-only Halloween costume party at a local spot. During the month of October, give away pairs of tickets to the 13th caller when they hear a fright sound (cackle, scream, creaking door) or part of a Halloween song. At the event, award prizes for the best, worst, scariest and most creative costumes.

Canine Costume Party. It's one thing to do a Halloween costume party for people, but how about one for dogs? You'll attract lots of pet owners, have a lot of fun, and probably generate some press as well.

Glowing Eyes. If you wear contact lenses, ask your optometrist for "Floraceene"; soak your lenses in it; put them under a black light for an hour or so, and your eyes will glow in the dark.

Tour of Terror. Have listeners decorate their homes with a Halloween theme and award prizes for the best, worst, most creative, most ornate, etc.

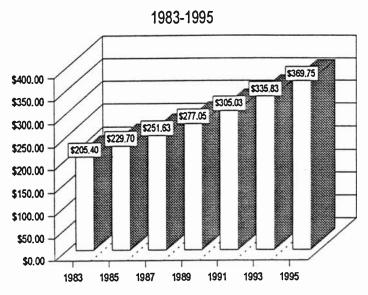
Halloween Candy Facts. Last year, nearly seven million pounds of candy corn were produced—that's about two billion pieces!

-Broadcast Programming, Network Forty, Morning Mouth

# \$ALE\$

# The Cost of the Call

Estimates place the cost of a face-to-face business call today at more than \$350, according to a study performed by McGraw-Hill research. Here's how that cost has grown over the past decade:



# Cost of Face-to-Face Business Calls

In our own experience, we have found that our salespeople can waste a lot of time making unproductive face-to-face calls. With the way business is conducted today, it may be less practical to insist on the traditional viewpoint, "There is no substitute for a face-to-face call."

Here are some thinking-points on the subject; I'd be most interested in your thoughts!

- 1. Use direct mail to support personal sales. Whether it's a station newsletter, a letter from the GM or owner, or regular mailings of one-sheets, this device can help keep your station's image warm in between personal calls (but is no substitute for them!).
- 2. Use the phone and fax for service and collection business. Yes, it is always possible to turn a service or collection call into another sale, but in some cases it simply makes a lot of sense to use these methods. A case in point: we pick up ad copy from a supermarket client every week. We never see the decision-maker on these calls and no business is conducted; it is merely leg-work. We set it up with the client that we call them and they fax us the information.
- 3. Use the phone or the mail to make "warm calls." As we noted in last week's SMRN, it is

both efficient and effective to send a brief letter, or make a phone call, to get that first appointment. In either case, the objective of the call or letter is simply to get the appointment, not to make the sale!

- 4. Make more appointment calls. I have observed that a lot of time is wasted visiting a prospect, unannounced, who doesn't have the time just then. Even with those clients who say, "Just stop by," you can often press the point: "You know, with both of us being so busy, maybe we can set up a day and time that makes the most sense for both of us. ..." This gently communicates professionalism and that your time is valuable.
- 5. Make the appointment calls stick. I have also observed that some salespeople's appointments don't "stick"—the customer constantly breaks the appointments, requiring a lot of rescheduling. Most of the time, the problem can be traced to the fact that the salesperson allows the customer to control the situation rather than becoming slightly more assertive. There is absolutely nothing wrong with calling the customer and saying something like, "Did I misunderstand? I thought we had an appointment. . ."
- 6. Insist on your allotted time. Another way that face-to-face calls can get terribly expensive is when the salesperson shows up for an appointment only to be told, "I'm pretty jammed up today, I can only give you ten minutes." Most salespeople will then try to cram their half-hour presentation or game plan into the allotted time. This is not a good selling environment: you know the prospect is already rushed, and you cannot execute your strategy in that amount of time anyway. There are two ways to combat this. When you make the appointment, specify an amount of time: "I'd like to set up an appointment for about a half an hour. . ." Then, when you show up, if the customer is jammed up, ask to reschedule. It is still a wasted call, but you've wasted less time, conveyed professionalism, and saved yourself from an almost certain "no sale."
- 7. Use telemarketing properly. Many stations have "sales blitzes" every month or so, selling messages, sports broadcasts and the like. It is important to go into those blitzes prepared or you can waste huge amounts of time. Why not do it the way the pros do? Have all your names and phone numbers prepared ahead of time, on a sheet with columns indicating the response. Have a script or at least an outline of the offer and key points. Begin precisely on the top of the hour; call for 13 minutes straight, then stop for two minutes. Begin again at the quarter-hour, call for 13 minutes straight, then stop for two minutes. Repeat this process for two hours, then take a half-hour or an hour off.
- 8. Use telephone salespeople. Some stations hire in-house people or farm this out, making it a full-time, every week endeavor. The telemarketer calls on every business in the area, regardless of account lists (it's a special, separate thing). Some stations have their salespeople telemarket to their own account list and have a telemarketer make all the calls to the smaller and more distant "package-only" accounts.

What are some of the other ways your station gets around the rising costs of face-to-face calls?

## ENGINEERING

#### **FM Windows Closings**

	CITY Fairbanks Earle Ola	CHAN 245C3 280C3 267A	CLOSES 09/14/95 10/19/95 10/26/95		<b>CITY</b> Negaunee Billings Fair Bluff	CHAN 258A 298C 287A	CLOSES 10/16/95 10/06/95 10/19/95
CA CO		280B 296B 228A	09/21/95 09/21/95 09/06/95	• · -	Harwood Lead Rapid City	264C3 232C 295C	09/21/95 10/02/95 10/02/95
IN KY MI	Roann Tompkinsville Iron Mountain	270A 274A 294A	10/06/95 10/02/95 10/16/95	TX WI	Linden De Forest	257C3 226A	10/02/95 10/23/95 10/06/95

Channel and Date information taken from FCC Releases and is subject to accuracy limitations inherent in such distributions.

-E. Harold Munn, Jr. & Associates, Inc.

Where Do All These Channels Come From? Some of them result from "drop-ins" made as a result of gaps for new stations found in the allocations structure by engineering consultants. Others result from deletion of construction permits where stations have not been built within the required time period and the FCC has revoked the permits. Procedural matters, such as license surrenders, open channels from time to time. In addition, the relocation of existing stations can result in power/class improvements for a licensed station, or relocation to a more profit-producing site. [Wayne S. Reese, E. Harold Munn, Jr. & Associates, Inc.]

AMAX AM Radio a Success. Reports from all over the country indicate that whenever local radio adopts and promotes the AMAX/AM stereo system, demand is generated. According to Ted Snider, KARN, Little Rock, AR, "Every time we start promoting AM stereo and AMAX radios, we get swamped with calls from people wanting to know where they can get the radios."

In Elizabeth, NJ, John Quinn, WJDM is helping move new Cadillacs, which feature the AMAX system. "It's helping to sell cars," Quinn says.

Dave Taylor, KFQD, Anchorage, AK says his station has made an impact on AMAX radio sales at a local audio store. "What surprises me most is who's buying them," Taylor says. "Certainly some audiophiles are, but the average listener is also interested in them." Taylor goes on to note that listeners are always "amazed" at the static-free quality of AMAX/AM stereo.

These successful broadcasters suggest that radio station people should work with local retailers to stock the prominent AMAX units, including the Sony SRF-42 Walkman and the GE SuperRadio III. [Radio World]

# FROM OUR READERS

When to Raise Rates? "In rereading your March 2, 1995 issue I remembered that I wanted to respond to the article on the RAB Small Market Roundtable.

"When to raise rates? Here are my thoughts based on more than 30 years on the street, and on listening to managers and sales managers brag about their current rates: 'We're getting \$20, \$30, \$40 for a thirty.'

"My question has always been, What are you doing for your advertisers?

"The point I want to make is this: fifty dollars an ad doesn't make a station successful. Successful advertisers do.

"Consider this: if advertising budgets are determined by gross sales, how is a larger budget created? By increased gross sales, right? So when the economy is bad, increasing rates certainly won't help. The available budget just buys less advertising, and less advertising cannot be as good as more advertising.

"I tried an experiment a few years ago. I lowered my rates. Gutsy, right?

"Well, I would agree with anyone who said it was gutsy-but it worked.

"Our advertisers got more commercials instead of less; and they enjoyed better sales than merchants in neighboring cities who paid more for their ads, as station policy was to increase rates each year.

"Am I saying we should all decrease rates? Hell no. What I am saying is this: we have a lot more influence on the economy than many of us realize. Let's base our rates on what we need to operate and give our advertisers ad much bang for the buck as we possibly can. That's *if* an advertising budget is based on a percentage of gross sales."

-Gene Kirchner, WRDH, Durand, WI, 715-672-8989

*Editor's Reply:* Interesting point, Gene, and one that evokes several types of responses. First, it sounds like you are in business to stay, basing your success on the success of your clients. I find that many high-billing stations tend to oversell their clients, resulting in high client turnover (and in some cases ill will). Sure, they get more dollars in the short run, but often at the expense of that client's success and consequently at the expense of a long-term relationship.

Another thought I had when reading your letter was that often our attitude about rates centers on thinking of our inventory *one ad at a time*. Our station looks at it differently. First, we view our inventory as a customer-service device, which leads to two questions: What will it take to get the job done? How much is that worth to the customer as a reasonable investment? Viewed in this light, ad rates take on a different dimension, and one I think that is in line with your thinking.

# SOUND BITES

# A Picture Is Not Worth a Thousand Words

Have you ever heard the saying, "A picture is worth a thousand words?" Do you believe it?

These words make the point that to get inside a prospect's or customer's mind, you just relate to what's already there. After analyzing hundreds of people to find out what is in their minds, we came to the following conclusion:

"It's all verbal. . .everything in their mind was verbal. . .not a single concept was found in their mind that was *visual*."

Remember the classic radio commercial, "Pepsi Cola Hits the Spot"? Nothing went into the mind through the eye, yet the commercial hit a spot. To this day, people can hear the opening bits of Pepsi music and are able to recite every word of the jingle.

Something seems wrong with the thought that the eye has superiority over the ear. So, which is more powerful, the eye or the ear?

There is some evidence from controlled laboratory studies that show that when you present a list of words to people, and you present it either aurally or visually, people remember more if they hear words than if they see them.

There are two kinds of memory. One stores vidual images but they fade away quickly. The second stores auditory images and they fade away more slowly. Messages heard last four to five times longer than messages seen.

One reason for this is that the human voice can give words the emotional impact that no picture can. The tone and rhythm added by the voice helps the learning process.

A recent survey showed that in a given period of time, there were 4.7 more telephone calls made than letters written. People spend 85% of their time with ear-oriented media and only 15% with eye-oriented media.

Radio is the pure sound medium. It has no built-in distractions.

So it appears that a picture is not worth a thousand words, and that the mind works by ear. Psychologist Thomas Sticht put it best when he said, "I think, in many cases, a word is worth a thousand pictures."

-Advertising Age, reprinted in Station to Station, ABC Radio Networks

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# Small Market Radio Newsletter

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

Publisher & Editor: Jay Mitchell Managing Editor: Lori Morgan Editor Emeritus: Bob Doll

Published by: Jay Mitchell Associates, Inc. P. O. Box 1285 • Route 2 Fairfield, IA 52556

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Subscription Rates:One Year\$11926 Weeks\$6413 Weeks\$37

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IN OUR 13TH YEAR



Bill Taylor KQSS P. O. Box 292 Miami AZ 85539

# VOLUME XIII • NUMBER 17 • SEPTEMBER 14, 1995

# CONGRATULATIONS TO 1995 NAB MARCONI AWARD

WINNERS who were honored at the concluding gala dinner at the NAB Radio Show. Here are the small market winners:

- Small Market Station of the Year: WHIZ-AM, Zanesville, OH
- Small Market Personalities of the Year: J. Douglas Williams & Becky Myles, KWOX-FM, Woodward, OK
- AC/EZ Station of the Year: KOEL-AM, Oelwein, IA
- CHR Station of the Year: WNNK-FM, Harrisburg, PA

MORE FCC BUDGET CUTS? A Senate appropriation subcommittee voted to cut the FCC's 1996 budget to \$148 Million; \$40 Million less than the \$186 Million to which it was slashed by the House. FCC Chairman Reed Hundt called the cuts "crippling," but has assurances that at least some of the funds will be restored before the full Senate committee votes.

**RADIO OWNERSHIP CAPS SHOULD NOT BE LIFTED**, according to FCC Chairman Reed Hundt. But Hundt believes current limits, such as the 20-20 and two AMS/two FMS per market rules, should be changed. Hundt also noted that the Commission has been "insensitive" to small market broadcasters.

RADIO-TV HISTORY BUFFS will want a copy of *Towers over Kentucky*, a 375-page chronicle of broadcast history dating back into the 1800s when some people believe that the first wireless broadcast took place at Murray, Kentucky in 1892, before Marconi's historic broadcasts.



Report Begins on Page 5

The author is longtime SMRN subscriber Francis Nash, WGOH & WUGO, Grayson, KY. He gives the history of every present and former radio and TV station in the state, plus many in the states bordering Kentucky. The stories include over 1200 radio and TV people and 70 photographs.

Towers over Kentucky is available for \$25 from Towers Book Order, c/o F. M. Nash, Box 487, Grayson, KY 41143.

ADDRESS CORRECTION REQUESTED

# AT THE FCC

# **NEW STATIONS (Applied For):**

MICHIGAN (Pentwater) Bay View Broadcasting, Inc., 103.1, 3000w, -26'
MISSISSIPPI (Clarksdale) Bethel Communications, 92.1, 6000w, 299' (Crenshaw) John Pelham Ingram, 106.9, 6000w, 328'
OREGON (Malin) The Jesuit Mission, Inc., 100.3, 750w, 899'
TEXAS (Bells) Lake Broadcasting, Inc., 92.9, 5000w, 328' (Bells) Thomas Desmond, 92.9, 4100w, 387'

# **NEW STATIONS (Granted):**

KENTUCKY (Beaver Dam) Charles M. Anderson, 100.7, 6000w, 328' MINNESOTA (Moose Lake) Agate Broadcasting, Inc., 107.1, 25,000w, 180'

# AMENDMENTS TO THE FM TABLE (Proposed):

KENTUCKY (Flemingsburg) WFLE-FM, to 95.1 A from 106.3 A MICHIGAN (Honor) new, 100.7 A WEST VIRGINIA (Milton) WFXN, to 106.3 B1 from A WYOMING (Casper) new, 102.5 A (Casper) new, 104.7 A

# AMENDMENTS TO THE FM TABLE (Granted):

WASHINGTON (Dayton) new, 102.3 A

-Courtesy M Street Journal

**RADIO IS CENTER STAGE** during our 75th anniversary. Check out the supplement to *AdWeek, BrandWeek* and *MediaWeek* the first week of September, the big play in *Advertising Age* and featured articles in several of the general-interest magazines.

FIVE STYLES OF SHOPPERS are isolated in a recent survey by the National Retail Federation. The five types:

- Price Hounds. Composing 22% of all shoppers, these folks always look for the lowest prices.
- Reluctant Shoppers. 22% of all shoppers don't find shopping to be exciting at all.
- Brand Bargain Hunters. 20% look for the best buys on high-status brand names.
- Quality Service Shoppers. 19% shop at stores that offer high levels of service.
- Disenchanted Shoppers. 17% think of shopping as being a chore.

# **MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$**

# Ideas Good Any Time

Video Rentals are an immediacy sell and radio is the natural way to market them. Your station can do mini-reviews of movie classics just re-released on video. Sell to a group of geographically separated video stores.

Pet Health Insurance brings our furry friends into the fitness boom. At least three companies offer it; they sell stock to veterinarians who then market the policies.

The three most visible companies are

- Veterinary Pet Insurance Co., Garden Grove, Calif.
- The Pet Protection Plan, Dallas, marketed through American Animal Association, Chicago (and already active in 38 states)
- Animal Health Insurance Agency, Mt. Kisco, NY

Use information about this type of health insurance as an opener with vets in your area. They're rarely approached, but they are good prospects.

- Funeral Homes are a good source of revenue for your station. Here are a couple of ways to go about it:
  - 1. Charge for death announcements just as newspapers do. One station does \$700 a month. It takes guts to start, though. Costs are passed on to the family, and funeral home gets free advertising. Take them via the fax.
  - 2. Sell the funeral home on the idea of running a consistent ad schedule emphasizing planning ahead (Use the "target" diagram to dramatize how different groups of people have need of the service at different times—meaning that day-in, day-out consistency is important.)
  - 3. Tie your funeral home advertisers into special events going on in town.

*Professionals* make good advertisers, but they have to be approached differently. Use the proper terminology: Don't call them "ads," "spots" or "commercials"; call them "public relations" or "announcements." Other ideas:

- 1. If you run Dr. Dean Edell, you can sell his show to all kinds of specialists—eyes, ears, allergist, chiropractor, etc.
- 2. Vets should run regular schedules, heart worm announcements, reminders, tips, discounts on spading, etc.
- 3. Sell announcements when a doctor or clinic adds a new associate.
- 4. A Louisville station sells an entire hour, 6-7 p.m., to a chiropractor or attorney; they generate \$90,000 a year.

-Dean Sorenson, Sorenson Broadcasting, 605-334-1117

# \$ALE\$

# Keeping It Simple

A slew of incidents inside and outside our business have reminded me how not to go about selling and promoting:

- Our local Heart Association is sponsoring a day-long golf outing, charging \$25 a head and awarding prizes for this and that—the usual deal. Association reps are running all over the county publicizing this thing, and the radio station is heavily involved. Just today one of the reps told me that they hope to net about \$1500 from the event. I didn't tell her, but I could give her a list of thirty people who would be more than happy to donate \$50 apiece to the Heart Association. Yes, but then what would all those reps do for fun?
- More to the point, that self-same car dealer told me about the ideas he'd gathered from his staff for a grand opening he wants to hold next month—classic cars, balloon races, clowns and the like. As my dealer friend said, "What in heaven's name do any of those things have to do with offering good vehicles and good deals to my customers?"
- One of our station salespeople wanted to put together a promotion for a local implement dealer in which the dealer would give away a \$2,000 tractor, the cost of which was factored into the advertising costs (not in the station's favor, I must tell you). How much extra *advertising* impact would that \$2,000 buy?

This sort of thing always reminds me of the classic scene in *Raiders of the Lost Ark*: running through the bazaar, Indiana Jones is confronted by a bedouin who does about five minutes of fancy sword-twirling, whereupon Indie just whips out a gun and plugs him.

The direct approach always works the best! Whenever you're tempted to get fancy, refocus on the objectives of your project. Make sure that every element, every step, of the project contributes to those objectives rather than sidelining them.

If you are doing a promotion, be sure that the revenues to be realized from the promotion more than justify the costs. (If your costs are more than 15% of the revenues, rethink the thing!)

This business is difficult and time-consuming enough without wasting a lot of energy on things that don't produce clear-cut results. Stay focused. Don't get fancy. *Keep it simple*.

#### AT THE NAB RADIO SHOW

Removal of radio ownership caps in the Telecommunications Bill was the #1 topic on the platform and in the halls at this year's NAB Radio Show. "If this gets derailed," Communications Attorney Brad Carey told SMRN, "a lot of time, effort, and money will have been wasted. There are deals being explored here that include three and even four FMs in the same market."

Sentiments on the convention floor closely followed an article in *Business Week* which predicted that as few as four companies might shortly control 75% of the nation's radio audience. In a joint appearance, the heads of Infinity and Clear Channel—two of *Business Week*'s possible firms that would make the final four—didn't indicate they had any such grandiose plans. Mel Karmizan said Infinity was interested primarily in buying more Top 20 market stations. Lowry Mays said Clear Channel's acquisitions would continue to have to meet his criteria for investment in the best interest of his shareholders (historically, station purchases at prices that could be recovered in seven years or less, while current prices in large markets are running at 12 to 15 times cash flow).

At the Chairman's Breakfast, FCC Chairman Reed Hundt said that President Clinton will certainly veto any bill that removes radio ownership caps. He also said that the Commission should be the arbiter of disputes where a concentration of control is concerned. "Antitrust actions are too costly for any but the biggest, richest companies to pursue." He also believes that as rapid concentration occurs, the public will demand the return of the Fairness Doctrine, forcing people like Rush Limbaugh off the air. He also thinks the public would demand more mandated public interest programming in such a concentrated industry.

The Radio Ink magazine circulated during the convention carried two very different views of radio industry sentiment on the consolidation issue. NAB President Eddie Fritts said, "We received dozens and dozens of congratulations from both large and *particularly* from small broadcasters. At this time and this date, I have not received a single small market complaint. Many of them think it's a terrific idea."

"Not so," says John Rook, owner of stand-alone KKCH-FM, Coeur d'Alene, Idaho. "I called all my elected officials. I found that a couple of them hadn't even read the bill. They were basically voting for it because their leaders told them to. \$37 Million has been contributed to lawmakers by media PACs during the past 10 years. It finally paid off for them."

Some snickers: Bud Walters, owner of the Cromwell Group and a member of the NAB Board, is one of the biggest boosters of no caps. Two weeks ago he was successful in getting the FCC to stop the sale of daytimer WLIL, Shelbyville, TN to the local newspaper. Walters owns a Class C FM and a Class IV AM there. Walters said the sale of the daytimer to the newspaper would cause an "unfair concentration of control in Bedford County, Tennessee media (population 32,600)."

Market Crowding. The consensus is that there needs to be consolidation, mainly in small markets. The most overcrowded market, New York City, has 50 stations—one for each 281,000 people. By contrast, Scottsbluff, NE, where Mike Tracy operates two AMS and one FM, has one

station for each 5,217 people. Tracy, an NAB Radio Show panelist, has been frustrated by the Commission in his quest for a second FM station. "Ted Turner has seven channels on my local cable system," he says.

Financing. The consensus of a panel on small station financing was that there will be funds available for *good* small market operators to expand within their markets and nearby. The place to start is the local bank, which can probably participate with a regional bank or through a guarantee by the Small Business Administration. Success in a present venture, a realistic business plan, and good credit history will be essential. To qualify for an SBA guarantee, a borrower no longer has to be first turned down for conventional financing.

Focus on the Future. Publisher Eric Rhodes had good news and bad news. He said that he was concerned that "radio's farm team" is drying up as more small stations go to satellite programming. "Where are radio's stars of tomorrow going to come from?" He forecast that the industry's workforce would drop by 30% by the year 2000. On the positive side, he said that operating efficiencies, coupled with program improvement, would "increase beyond our dreams" thanks to new technology. He suggested that radio stations would increase their businesses, as magazines have, through ancillary services. His magazine, like others, has branched out into complimentary businesses, like book and tape publishing. Smart radio station operators will do the same. He cautioned, "Be careful to keep your eye on your core business while diversifying."

**Public Broadcasting Bombshell.** During the show, NAB lobbyists learned of a Public Radio/TV congressional proposal that would allow public stations to move more openly into ad sales; giving them 2% of the sale prices of radio/TV station transfers; and giving them a share of proceeds of spectrum auctions for advanced TV. Expected take: \$4 Billion. NAB says the proposal will do great harm to the traditional cooperation between commercial and public broadcasting.

This & That. Art Sutton, WBCU, Union, SC says station people and their customers should read "Up Against the Wal-Mart" by Don Taylor. . . Broadcast Programming clients seem to be universally unhappy with the much ballyhooed barter plan. Typically, a BPI subscriber paying \$500 a month is being offered a \$375 cash plus a \$125 barter arrangement. Catch: they want two minutes per hour. That translates into less than 16¢ per one-minute ad. One subscriber called it "insulting". . . For the first time, this year's radio show had more than a half dozen panels specifically for small market stations. A lot of credit goes to Lou Vito, WBLL & WPKO, Bellefontaine, OH; he represented small station interests aggressively and persuasively. . . Congrats to Allan Land, Robin Smith and the WHIZ staff for being awarded Marconi's Small Station of the Year.

Good Ideas. In the cost-saving session, a suggestion that the local 911 center is a good place to get station monitoring during unattended hours. . . One station told of getting their studios remodeled at no cost for labor (just \$50 for paperwork); the local vo-tech school did it as a project. . . Rod Orr, KOMC & KRZK in tourist market Branson, Missouri, is getting thousands of non-broadcast dollars by issuing a "Local Citizen Discount Card." Locals pay \$10 for the card, which gets them special discounts at participating stores. —Bob Doll

SMALL MARKET RADIO NEWSLETTER

# STATION OF THE MONTH

# The Spotlight Goes Out

Even in a state as small as South Carolina, most people have never been to Union. Many had not even heard of it until Thursday, October 27, 1994. That's the day Susan Smith told local law enforcement officials that a black man had abducted her two small sons, ages 14 months and 3 years. Eight days later, Smith, 23, admitted that her story was false.

Art Sutton, owner-operator of the town's only radio station, WBCU-AM, describes himself as a typical local resident who likes the low-profile, easygoing Southern town of under 10,000 (county 31,000). Now that the Smith trial has ended, he looks back over the nine months that his community, his radio station and he lived in the glare of a "worldwide spotlight."

Phase One started with a phone call from the sheriff's office to the radio station. WBCU's evening announcer was informed of the Smith incident. He broadcast a description of the two missing youngsters and of Smith's car, in which she said they had been taken. At 6:00 the next morning, the sheriff called to ask News Director Bill Christopher if the station would broadcast a news conference that he was arranging for 9:00 a.m. concerning the missing Smith boys.

At the news conference, a composite drawing of the suspect described by Susan Smith was passed out to news people. Sutton copied the drawing on the station's copying machine. Listeners were advised that they could get the drawing of the suspect by stopping in at the station's studios on Union's downtown Main Street. Within hours, hundreds of people came in and the drawings showed up all over the area.

No one knows how it started, but soon after the press conference yellow ribbons showed up on trees lining the length of Union's Main Street. Sutton and Christopher decided that for the duration of the emergency, all of the station's six daily local newscasts would originate from the sheriff's office.

That first day, WBCU's small staff of four full-timers and six part-timers were besieged with requests by out-of-town news media for reports. The requests came from newspapers, networks, television stations—even the BBC. WBCU handled requests from over 100 media during the eight days before Susan Smith confessed. The volume of calls was so heavy that Sutton installed a special phone line on which updated reports were made available to the media.

Making his rounds in Union, Sutton learned early that many locals believed that Smith might not have been telling "the whole truth." He says, "At the station, we made it a policy that we would not broadcast anything of a speculative nature. Early on I called a staff meeting and we decided we'd be ready for any eventuality."

That pre-planning paid off on the evening of November 4. Art was in Columbia for a state meeting of downtown development groups. His right hand man, Phil Hobbs, called in the entire

staff to man the phones. According to Art, "Phil made a split-second decision that earned the station a lot of acclaim. Incoming calls were screened, then broadcast live." Listeners were permitted to express their opinions of the tragedy. The calls came in for two solid days and nights.

Union Mayor Bruce Williamson called the WBCU broadcast "an excellent sounding board, and good therapy for the community." Callers included a parent whose child had committed suicide, and a state senator who told of his anguish about the unsolved murder of his daughter. Black ministers called to assure African-Americans (about 30% of the county) that the false accusation about a black man was the product of an obviously unstable young woman and nothing else.

The Smith family members asked that the Sunday afternoon funeral service not be televised, but they did allow WBCU to originate a radio broadcast and make it available to a national network.

For weeks after Susan Smith's confession, retail business was bad in Union. In Sutton's words, "People just weren't in a shopping mood." But by Christmas business was good enough for the merchants to make up their losses. The Union High School football team made the state play-offs, which also helped take the community's mind off the tragedy.

As the July trial approached, the news media settled into Union like a "heavy swarm of bees." The prosecuting attorney was inclined to seek a death penalty verdict, a view not shared by the local population. Sutton says that not one person in Union County has received the death penalty since South Carolina installed an electric chair early in the century.

Another pre-trial controversy involved trial coverage. The local folks and the judge decided against the "circus of the televised O. J. Simpson trial." "If it was on TV and radio, WBCU would have broadcast it, but, I was glad when the judge turned away a motion for television or radio broadcasts." In Sutton's view, "A courtroom is for dispensing justice, not providing entertainment or free advertising for ambitious lawyers and politicians."

Sutton, like other Unionites, is dismayed and disappointed by some of the news coverage. Some news people erroneously reported that "Union was trying to put on a good face for the trial," reporting that streets and sidewalks were being replaced and old-fashioned street lighting was being installed downtown. Sutton points out that the project was initiated more than a year ago, long before the Smith incident.

Downtown business dropped precipitously this July. Scorching hot weather, the street repairs, and fear of being ambushed by TV crews kept many people away. Many merchants reported 50% drops in business. At WBCU, July billings were down 20% from 1994, and expenses were up.

The trial is over, business is back to normal and so is Union. Sutton says, "We have good people here at WBCU. We couldn't have gotten through this if we hadn't. I guess you could say, we were ready for our 15 minutes of fame. The phone isn't ringing as often as it did—except for an obviously drunk lady who's still calling long distance from England demanding that we arrest Susan Smith's husband."

# Small Market Radio Newsletter

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# Subscription Rates:One Year\$11926 Weeks\$6413 Weeks\$37

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IN OUR 13TH YEAR



Bill Taylor KQSS P. O. Box 292 Miami AZ 85539 FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

ADDRESS CORRECTION REQUESTED

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# VOLUME XIII • NUMBER 18 • SEPTEMBER 21, 1995

FCC IS ASKED TO OPPOSE SATELLITE DARS by NAB and local broadcasters. NAB argues that DARS—Digital Audio Radio Service—would have a negative effect on local radio, especially small communities. If the FCC approves DARS, NAB asks that specific policies be adopted to minimize the impact on local radio. NAB believes these policies should include making DARS a subscription-only service, a "promise vs. performance" on formats, opening the spectrum to new applicants, and denying terrestrial "gap fillers."

# PBS FUNDING B

Committee. Recent FCC spectrum aucti

Healestated contratated and

broadcasting. Also, public stations would be allowed to do more "enhanced underwriting" and create a 2% transfer tax on commercial station sales to help support a \$4 billion public broadcasting trust fund. NAB opposes any plan that requires commercial broadcasters to subsidize public stations.

QUESTIONS ON THE POLITICAL SEASON? Virtually all of the FCC's political broadcasting rules apply to state and local candidates, except for reasonable access. You can decline to accept advertising for some or all state and local offices, and limit the number and type of ads sold to state and local candidates. State and local candidates receive the lowest-unit-charge during the 45- and 60-day windows before primary and general elections. Also, if you're selling time for state and local races, you must disclose rates, political practices, and provide equal opportunity to all candidates. Don't forget: you can't censor political ads. For more info, call the FCC's Political Programming Branch, 202-418-1440, or NAB Legal, 202-429-5430.

BROADCASTERS DONATED HALF A BILLION DOLLARS IN

FREE ADS LAST YEAR. The Advertising Council estimated that broadcasters donated \$564 million worth of PSAs, such as the STAR campaign and public education, last year. This is 61% more than we did in 1993. The NAB reminds us that it's important to keep your members of Congress informed of your public service efforts, showing the valuable contribution broadcasting makes to the community.

# AT THE FCC

### **NEW STATIONS (Applied For):**

ALABAMA (Camden) Harold McCord, 101.1, no data given (Dora) Goodking Broadcasting, Inc., 92.5, 2200w, 548'
ARIZONA (Lake Havasu City) John Henry Vance Finney III, 96.7, 50,000w, 407' (Lake Havasu City) The Park Lane Group, 96.7, 4200w, 1551'
CALIFORNIA (Cambria) Walter D. Howard, 103.5, 6000w, 216'
MISSISSIPPI (Yazoo) Gordon Lousteau, Jr., 93.1, 4100w, 394'
NEVADA (Sun Valley) Sun Valley Broadcasting Corp., 93.7, 3470w, 426'
TEXAS (Madisonville) Leon Hunt dba Hunt Broadcasting, 100.5, 6000w, 328' (Tahoka) Albert Benavides, 95.3, 3000w, 328'

#### **NEW STATIONS (Granted):**

CALIFORNIA (Lompoc) Lompoc Minority Broadcasters Part., 104.9, 338w, 1000' TEXAS (Dublin) David J. Shepherd, 93.1, 7900w, 581' (San Saba) Texas Country Connection, Inc., 97.1, 779w, 43'

# AMENDMENTS TO THE FM TABLE (Proposed):

TEXAS (Zapata) new, 93.5 A VIRGIN ISLANDS (Frederiksted) new, 107.5 B1

#### **REPORTED SILENT:**

CALIFORNIA (Coalinga) KKFO, 1470 FLORIDA (Sebring) WJCM, 960 MISSISSIPPI (Hattiesburg) WHLV, 1310 SOUTH CAROLINA (Seneca-Greenville) WSNW, 1150

#### FORMERLY SILENT:

COLORADO (Buena Vista) KDMN, 1450 (Kremmling) KRKM, 106.3
OREGON (Eugene) KOOK, 840, KDBS silent
SOUTH CAROLINA (Easley-Greenville) WLWZ, 1360 (Elloree) WORG, 100.3
TENNESSEE (Brentwood-Nashville) WYOR, 560

-Courtesy M Street Journal

SENATE COMMITTEE RESTORES PARTIAL BUDGET FUNDING. A Senate Appropriations Committee restored \$18 Million of the proposed budget cut. The new 1996 budget amount: \$166 Million (the FCC originally requested \$223 Million).

SMALL MARKET RADIO NEWSLETTER

# MONEY PAGE - \$ALE\$ & PROMOTION IDEAS

November Business Opportunities include the following businesses, whose sales in the month are above average:

Appliance Stores Carpet Stores Children's Wear Stores Consumer Electronics Stores Department Stores Discount Stores Fabric & Sewing Stores

Factory Outlets Furniture Stores Jewelry Stores Men's Wear Stores Music Stores Women's Wear Stores

-RAB's Top 40 Business Survey

#### November Promotional Opportunities - Events & Holidays

**Months** 

Holiday Canned Food Drives National Diabetes Month National Hospice Month Peanut Butter Lover's Month Pre-Christmas Sales Real Jewelry Month

<u>Weeks</u>

November 12-18 - American Education Week November 17-23 - National Farm-City Week

### <u>Days</u>

November 1 - Day of the Dead November 3 - Sandwich Day (creator of the sandwich, John Montague, birthday, 1718) November 3 - Roseanne's Birthday (1953) November 4 - Sadie Hawkins Day November 5 - Roy Rogers' Birthday (1912) November 7 - General Election Day November 11 - Veterans Days November 14 - Prince Charles of Wales' Birthday (1948) November 16 - Great American Smoke-Out November 17 - Danny Devito's Birthday (1944) November 18 - Mickey Mouse's Birthday (1928) November 22 - National Stop The Violence Day November 22 - John F. Kennedy Assassination (1963) November 23 - Thanksgiving November 26 - Tina Turner's Birthday (1938)

-Chase's 1995 Calendar of Events

# \$ALE\$

**PHRASES THAT SELL.** From Mike Hayes, KQMG, Independence, IA, 319-334-2549, here are some advertising aphorisms that make good one-sheets for your presentation kit:

Running a business without marketing is like winking at someone in the dark. You know what you're doing, but no one else does!

The marketing challenge: Consumers are bombarded by over 2500 exposures a day. Effective marketing campaigns join the buyer and seller by punching through the clutter! Let the KXXX Marketing Team help you get it done by...

Positioning—creating a franchise in our listeners' minds

Conditioning—reinforcing your sales messages over a short interval

KXXX helps you hit your 25+ target with enough frequency and impact to motivate them to act on your offer.

Why should KXXX market your products & services?

20% of your customers will. . .

# Move

# Die

Stop using your product or service Start using your *competitor*'s product or service

... by this time next year!

Consumers have less loyalty to stores and brands.

There are only so many consumers ready to buy today.

Consumers shop around for quality, selection and price.

Traffic converts to sales and profits; increase traffic and you'll produce more sales and higher profits.

Overhead is all around you; invest in that overhead and create your return on investment.

Let's put KXXX marketing to work for you today!

SMALL MARKET RADIO NEWSLETTER

### SALES MANAGEMENT

### Off to a Good Start

Once upon a time, I hired an experienced sales guy at our station in Minnesota. He needed a \$1200 monthly guarantee, which we agreed to give him for six months. Gary turned out to be a real "radio guy," but not terribly motivated as a "radio sales guy."

Gary "played radio" for four months, living on his \$1200 guarantee. Then he realized he was a couple of months away from going on straight commission, earning \$500-600 a month because that's all his account list was generating. He went into paralysis, spent most of each day looking for a new job, and left us just about the time his six-month guarantee ended.

Within two years he returned, missing the radio life. To avoid history repeating itself, we developed the Income Equalizer concept: simply stated, we "guaranteed" a salary (in this case) of up to \$1400 monthly.

The list we were going to give the salesperson was worth \$3500 in sales, or \$700 in commission at 20%; we made up the difference, guaranteeing him \$700 to bring him up to \$1400. Then, after three months, we began to remove \$50 from his guarantee each month over a long period of time.

With the salesperson we put emphasis on the fact that he needed to add only \$250 per month in additional base business (times 20% equals \$50 in commission) to maintain his \$1400 level of income.

The station participates longer—18 months in this example—and the new salesperson has a slower "burn-in period" to get up to speed.

Bottom line: in our example, it's costing the station \$1,050 in Months 12-18, which is really less than one month's guarantee if you have to start over with a new salesperson.

The station participates in this plan *only* (in this example) up to \$1400 per month. If in Month 10 the salesperson earns \$1200 in commissions, the station pays only a \$200 Equalizer to keep the level of compensation at \$1400.

At any point when the salesperson is generating more than \$1400 in commissions, he or she can "resign" from the plan and go on straight commission. Sales management should make this a big deal and provide plenty of positive strokes!

Now that you have the basic concept, use the chart on the next page and fill in the numbers that make sense for your station and market.

Good selling!

-Dean Sorenson, Sorenson Broadcasting, Sioux Falls, SD, 605-334-1117

SMALL MARKET RADIO NEWSLETTER

# DEAN SORENSON'S EQUALIZER PLAN

MONTH	SALES NEEDED	EARNED COMMISSION	EQUALIZER	TOTAL PAY
July	\$800.00	\$160.00	\$1,340.00	\$1,500.00
August	\$1,200.00	\$240.00	\$1,260.00	\$1,500.00
September	\$1,600.00	\$320.00	\$1,180.00	\$1,500.00
October	\$2,000.00	\$400.00	\$1,100.00	\$1,500.00
November	\$2,400.00	\$480.00	\$1,020.00	\$1,500.00
December	\$2,800.00	\$560.00	\$940.00	\$1,500.00
January	\$3,200.00	\$640.00	\$860.00	\$1,500.00
February	\$3,600.00	\$720.00	\$780.00	\$1,500.00
March	\$4,000.00	\$800.00	\$700.00	\$1,500.00
April	\$4,400.00	\$880.00	\$620.00	\$1,500.00
Мау	\$4,800.00	\$960.00	\$540.00	\$1,500.00
June	\$5,200.00	\$1,040.00	\$460.00	\$1,500.00
July	\$5,600.00	\$1,120.00	\$380.00	\$1,500.00
August	\$6,000.00	\$1,200.00	\$300.00	\$1,500.00
September	\$6,400.00	\$1,280.00	\$220.00	\$1,500.00
October	\$6,800.00	\$1,360.00	\$140.00	\$1,500.00
November	\$7,200.00	\$1,440.00	\$60.00	\$1,500.00
December	\$7,600.00	\$1,520.00	\$0.00	\$1,520.00

# Based on an agreed \$1500/month total pay and 20% commission

HOW TO SPOT SALES STARS. Just because a salesperson brings in business doesn't mean he or she is a star performer. Here are some things to look for in finding the stars: Speed of Accomplishment: the top salesperson plunges out of the starting gate and gives everything he or she's got. Knowing the boss: top salespeople like it when the owner, president or CEO challenges him or her. Chaos: thoroughbreds always have several deals going at the same time. They also try to ease the company's way through the chaos they create.

-The Marketing Report, September 6, 1994

SMALL MARKET RADIO NEWSLETTER

# TELEMARKETING

# Halloween Safety

Parents! Before your youngsters start out on their trick or treat adventure, ______ reminds you to make sure their hats don't cover their eyes, and use makeup instead of masks so your trick-or-treater can see. Don't let them dress in costumes with big, baggy, sleeves or long, flowing skirts that could brush against a fire. With wishes for a safe, happy Halloween, this safety reminder is from _____.

______ sends best wishes for a happy, safe Halloween—and reminds boys and girls to be sure to stay in neighborhoods they know well. Do not enter a house unless you are with an adult. Always carry identification—your name, address, and phone number. A Halloween safety tip from your friends at _____.

Parents of Halloween trick-or-treaters, ______ reminds you to be sure your youngsters' costumes are made of flame-resistant materials. Affix reflective tape trim to their costumes so that they can be spotted easily. Have them wear shoes that are comfortable and easy to walk in—no high heels that could cause them to stumble into traffic. A Halloween safety reminder from

reminds youngsters who will be trick-or-treating this Halloween to visit only welllighted houses. If there's no sidewalk, walk on the left-hand side of the road or street, facing traffic. Don't cut across lawns or go between parked cars. _______ wishes you a safe, happy Halloween.

Make your home safe as well as welcome this Halloween. ______ reminds you to remove toys and other items from your steps and sidewalk. Keep jack-o'-lanterns and other Halloween decorations away from curtains that could catch on fire. Don't leave jack-o'-lanterns burning while unattended. A Halloween safety reminder from your friends at _____.

_____ reminds boys and girls who will be trick-or-treating this Halloween to be sure you don't eat any treats until an adult checks them out. Happy Halloween from ______, hoping this will be a safe, enjoyable Halloween for everyone.

Most of us don't expect to see children on the street on a dark night. But _____ reminds you that on Halloween the "little goblins and ghosts" can appear unexpectedly, so watch for them. In the Halloween excitement, they may forget to watch for you. Join _____ in driving with extra care this Halloween.

Make this Halloween extra fun and safe, says ______. Kids, stay together and watch traffic. Walk on the left side of the road where there's no sidewalk. Adults, watch out for the little ones while driving this Halloween. With best wishes for a Halloween, this safety reminder is from

# SOUND BITES

AM AND FM BRANCHES MERGE at the FCC. The branches will become "work groups":

The Legal Processing Group and the Petitions and Appeal Group will handle all AM, FM, and FM translator applications for assignment and transfer applications, renewals, extensions of time, main studio waivers, authority to remain silent and other non-technical STAs.

The Technical Processing Group will handle AM, FM, and FM translator applications for new stations, modifications to existing stations, license applications, and requests for technical STAs.

The Process Support Group and the Administrative and Computer Support Staffs will provide help necessary for the "smooth flow of work."

Here are the new phone numbers for information:

202-418-2782
202-418-0186 or 800-671-2233
202-418-2795
202-418-2730
202-418-2795
202-418-2795
202-418-2795
202-418-2782
-

ASCAP MAILING "INTERIM LICENSE AGREEMENT" LETTERS to radio stations to extend the license term due to expire December 31. SMRN checked with Dave Fuellhart, executive director of the Radio Music License Committee, who outlined a station's choices:

- 1. Sign the ASCAP agreement, which binds the station to the agreement arrived at during the rate negotiations between ASCAP and RMLC.
- 2. Authorize the RMLC to represent the station in the rate negotiations.
- 3. Negotiate separately with ASCAP.

SMRN recommends signing up with the RMLC. It costs nothing (although donations are gratefully accepted), and the more stations represented by the Committee, the greater bargaining power we all have at the table. (If you do affiliate with the RMLC, you can ignore the ASCAP letter.) Fax a request to the RMLC for the authorization form at 410-866-6268.

# Small Market Radio Newsletter

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

Publisher & Editor: Jay Mitchell Managing Editor: Lori Morgan Editor Emeritus: Bob Doll

Published by: Jay Mitchell Associates, Inc. P. O. Box 1285 • Route 2 Fairfield, IA 52556

Phone 515-472-4087 Fax 515-472-6457 E-Mail 73627.2120@ compuserve.com

Subscription Rates:One Year\$11926 Weeks\$6413 Weeks\$37

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IN OUR 13TH YEAR



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ADDRESS CORRECTION REQUESTED

# VOLUME XIII • NUMBER 19 • SEPTEMBER 28, 1995

GEORGIA STATION VICTIM OF FED SCAM. The U.S. Marshall's office created a sting operation last month in Warner Robins, GA. The sting: set up a phony radio station, WLYU ("We Lock You Up"); send over 800 letters on station letterhead to residents who had outstanding warrants

promising them \$150 to complete a survey; once arrest them. The problem: not know that Lyons, GA, radio station with the call



come to the station to they came to the station, the Marshall's office did 80 miles away, has a letters WLYU. The

Georgia Association of Broadcasters has written to the Marshall's Macon office alleging criminal violations official fraud statutes, deceptive trade practices, and considerable harm to WLYU and radio broadcasters in general. Georgia Senator Sam Nunn has promised an investigation.

**REPORT FINDS 10% DECLINE IN RADIO STATION SALES** in the first half of 1995 compared to a year ago. The NAB report can be found in *Trends in Radio Station Sales: 1993-1995*, compiled by David Schutz of Hoffman-Schutz Media Capital, Inc. Contact the NAB for a copy of the report; the price is \$150 for members, \$300 for non-members.

WANT TO SETTLE YOUR COMPARATIVE HEARING? You now have ninety days from September 15 to settle your dispute; the FCC has waived rules which limit settlement terms. Dozens of cases will be settled. In a release by the Commission, it emphasized that the FCC is not "lessening" support for the rules and that settlements must continue inclusion of "only legitimate and prudent expenses."

DOES ANYBODY SELL OLD TIME SHOWS? Asks SMRN reader Randy Brooks, KLTC, Dickinson, ND, 701-227-1876. Brooks is looking to buy (not lease) a show.

FCC PRESSURED FOR SMALL STATION EEO RELIEF in a letter to FCC Chairman Reed Hundt by NAB. The letter asked the FCC to quicken its EEO rulemaking regarding raising the EEO threshold to stations with 20 employees. Currently, stations are exempt from filing EEO records only if they have five or fewer employees.

# AT THE FCC

# **NEW STATIONS (Applied For):**

ALABAMA (Dora) New Century Radio, Inc., 92.5, 6000w, 328'
LOUISIANA (South Fort Polk) Simla Ellis, 95.7, 6000w, 328'
MISSISSIPPI (Belzoni) Team Broadcasting Co., Inc., 106.3, 6000w, 245'
MISSOURI (Bismarck) David Shepherd, 99.5, 25,000w, 328'
TEXAS (Hudson) Out of Market Productions, 96.3, 3600w, 423' (Hudson) Stephen Yates, 96.3, 3000w, 472' (Palacios) John Wiggins, 99.7, 50,000w, 331'

# **NEW STATIONS (Granted):**

MONTANA (West Yellowstone) Gary Petersen, 96.5, 6000w, -171'
OREGON (Cottage Grove) Signal Communications, Inc., 105.5, 1850w, 581'
(Sutherlin) Valentine Coastal Comms., Inc., 101.1, 200w, 1686'
WEST VIRGINIA (Fisher) James Cookman, 103.7, 310w, 1384'

# AMENDMENTS TO THE FM TABLE (Granted):

CALIFORNIA (Farmington) new, 94.3 A (Grass Valley) KNCO-FM, to 94.3 B1 from A (Jackson) KNGT, to 99.7 A from 94.3 A
MISSOURI (Boonville) KTLH, to 93.9 C3 Fayette from 93.9 A Boonville (Miner) new, 107.1 A (Scott City) new, 93.9 A
OREGON (Depoe Bay) new, 105.5 A

#### **REPORTED SILENT:**

MISSOURI (Tarkio) KTRX, 93.5, pending sale PENNSYLVANIA (Doylestown) WBUX, 1570

#### FORMERLY SILENT:

MAINE (Machias) WALZ-FM, 95.3 NEW MEXICO (Espanola-Santa Fe) KPZA, 92.9 PENNSYLVANIA (Covington) WDKC, 101.5 TEXAS (Gilmer-Longview) KHYM, 1060 (Seabrook-Houston) KRTS, 92.1

--Courtesy M Street Journal

SMALL MARKET RADIO NEWSLETTER

# MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$

# Seasonal Idea-Starters

Think about these businesses and activities for the upcoming season...

### Winter

- Storm windows
- Insulation
- Oil & heating
- Auto preparation
- Snow tires
- House preparation
- Fireplace & wood stove supplies
- Winter clothing
- Ski resorts
- Snow removal
- Tire chains
- Antifreeze
- Holiday parties

# Thanksgiving

- Groceries
- Turkey farms
- Decorations
- Travel
- Restaurants
- Bakeries
- Honey-baked ham
- Apple cider farms
- Hay rides
- Rentals (tables, chairs, party goods)
- Rental cars (for family visitors)
- Photo shops
- Santa
- Christmas shopping

# **Christmas**

- Vacation & travel ("book now")
- Travel agencies
- Resorts
- Skiing
- Christmas lights
- Baking supplies
- Decorations
- Gifts
- Charity fund-raisers
- Food collections

- Christmas Wish
- Best Christmas Lights contest
- Wrapping centers
- Rental agencies (spare beds, party goods)
- Santa suites
- Santa visits
- Storage centers (to hide big gifts before Christmas)
- Layaway programs
- Bakers
- Dairy goods (egg nog)
- Honey-baked ham
- Groceries
- Tree farms
- Potted trees
- Office gifts
- Candy shops
- Music stores (Christmas music)
- Theaters (holiday plays & movies)
- Photo processing
- Video cameras & tape
- Batteries
- Toy stores
- Salvation Army drives
- Chiropractic (back pain in cold weather)
- College & high school basketball
- Spring break
- Auto repairs
- Crafts
- Dry cleaners
- Building supplies & hardware
- Music stores (pianos & organs)
- Computer stores
- Bridal market
- Mobile home dealers
- Carpet stores
- Women's wear
- Book stores
- Optical

—Radio Ink

SMALL MARKET RADIO NEWSLETTER

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# \$ALE\$

# **Objections & Responses**

Objection: "I've got to check with my partner [wife/husband/boss]."

# Possible Responses:

- 1. Let's speak with them now and get that OK.
- 2. I understand. What specifically will you need to talk over with them?
- 3. Naturally, I would never expect you to do my job for me. Let's set a time when I can meet with both of you in person.
- 4. Fine, I'll just make a note on our agreement that it is subject to their approval. You can OK it for me today, and then we're ready to start once they approve.
- 5. When will you be talking with your partner [wife/husband/boss]? OK, I'll call you that afternoon and confirm the start date.
- 6. Can you get it approved with him [her/them] today so we can start Monday?
- 7. What questions do you anticipate them having about this proposal?
- 8. Could you talk with them now while I wait. Then if they have any questions I'll be here to answer them.
- 9. If you could make this decision today without their approval, would you do it?
- 10. To help me understand where we are, how do you feel about this campaign?
- 11. While we are waiting for their approval, let me ask: Are you sold on this?
- 12. Do you think this is right for your business?
- 13. Give it to me straight: What are our chances?
- 14. Help me. How will they see this? If you were me how would you deal with each of the issues?

---Andy Willoughby, Selling Radio, May 1995

Editor's Note: This objection comes up a lot less if you pre-qualify your prospects. Find out all the players in the decision loop and persuade the decision-makers to meet with you together. This is a selling job in its own right, but a vital step if you are to conclude the sale successfully.

As we have noted in the past, the only type of sales call that counts is a *qualified* sales call—in person, with the decision-makers (all of them), for a specific schedule, for a specific dollar amount, for specific dates, and you ask for the order. Anything else is just having coffee.

SMALL MARKET RADIO NEWSLETTER

# MANAGEMENT

# The Budgeting Process—I

We talked with prominent small market broadcasters about their budgeting process. Dean Sorenson, Sorenson Broadcasting, starts the process at the beginning of October, when his "home office" sends to each station manager a packet consisting of:

- A budget timetable
- The current year budget, triple-spaced to serve as an input sheet
- Details of accounts for the eleven months prior
- Account descriptions, for reference
- Sales history
- Current monthly payroll
- Payroll history
- Salary worksheets
- Budget worksheets
- Planning sheet for advertising and promotions

Here is the timetable SBC uses for putting the budgets together:

TASK	TARGET DATE	RESPONSIBILITY
Sales goals prepared, with plan	October 15	CEO, Manager, Sales Manager
Expense budget draft completed	November 10	Manager, Key Staff, Comptroller
First draft of complete budget assembled	November 17	Comptroller
Review first draft and prepare second draft if needed	November 24	Manager, Key Staff, Comptroller
Assemble second draft	November 29	Comptroller
Individual station budget meetings	November 30-December 21	CEO, Manager, Comptroller
All budgets finalized	December 22	CEO, Manager, Comptroller

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# The Budgeting Process-II

Steve Trivers, WQLR & WQSN, Kalamazoo, MI, has a fiscal year which runs from July 1-June 30. "This is a blessing," Steve says, "because we have two 'New Years." Steve does twelve-month sales forecasts every six months, which gives him the opportunity to fine-tune the numbers—making the forecasts "rather reasonable." His stations also have a five-year plan.

The first step in budgeting revenues is to get individual goals from the salespeople. The sales manager does this, helping the salespeople shape their goals, account by account.

Once Steve has addressed the "What are we going to take in?" question, he looks at, "Where are we going to send it?" Expense budgeting is done just once a year, prior to the start of the fiscal year.

Starting about 60 days in advance of the new fiscal year, Steve and his people begin by looking at the line items from the year just ending; they run a 10-month year-to-date P&L to get monthly averages, and they also look at month-to-month fluctuations as well. This helps them to estimate the needs for the upcoming year, line by line, month by month.

All the department heads are involved in their individual budgets. As Steve and his department heads are coming up with numbers, they write a narrative for each line item—how the number is derived, what it includes, and so on. The narrative stays attached to the budget throughout the year, so everyone can see what is happening.

One key area of focus is the promotion budget. Steve and his promotions director come up with a detailed plan of all promotions, and their costs, for the upcoming year. (Steve believes in keeping promotions totally separate from the sales effort, "Otherwise, you end up with a lousy promotion and unhappy advertisers.")

Another key area is the capital expenses. He and his chief engineer discuss needs in that area and put them into the budget.

The budget is nailed down by late June, "but often we're fine-tuning it even a couple of weeks into the new year."

Perhaps unusual in this electronic age, Steve does all his budgeting work in longhand—"I've got to use a pencil and eraser. It makes the figures more real." Ultimately the numbers do get into a computer, of course, thanks to Steve's comptroller.

# **Promotions Cost Projections Form**

The sheet below is used by Sorenson Broadcasting to describe and cost out their stations' promotion plans for the year. It is filled out by the general manager with his/her staff.

MONTH	PROGRAMMING	SALES	G&A
January			
February			
March			
April			
May			
June			
July			
August			
September			
October			
November			
December			
Totals			

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SMALL MARKET RADIO NEWSLETTER

# Updated Month-to-Month Revenue Percentages

The following table, courtesy of Miller, Kaplan, Arase & Co., will help you plan your month-tomonth revenue goals. It shows the average local and national revenue for each month of the year as a percentage of the total annual revenue, based on a new national analysis (July 1, 1990-June 30, 1995).

PERFORMANCE ANALYSIS—SEASONALITY BY MONTH				
	PERCENTAGE OF YEARLY TOTAL			
MONTH	LOCAL	NATIONAL	TOTAL	
JANUARY	6.20%	5.23%	5.99%	
FEBRUARY	7.19%	5.87%	6.89%	
MARCH	7.97%	7.83%	7.94%	
APRIL	8.39%	8.51%	8.41%	
MAY	10.41%	10.19%	10.36%	
JUNE	9.03%	9.27%	9.08%	
JULY	8.40%	8.67%	8.46%	
AUGUST	8.42%	8.95%	8.54%	
SEPTEMBER	8.41%	9.27%	8.60%	
OCTOBER	8.59%	9.11%	8.71%	
NOVEMBER	8.98%	8.90%	8.96%	
DECEMBER	8.02%	8.20%	8.06%	
TOTALS	100.00%	100.00%	100.00%	

LUCKY TO BE SLAPPED WITH A \$50,000 EEO FINE? The FCC charged Lutheran Church-Missouri Synod-owned KFUO AM & FM with an EEO violation even though they found no evidence of discrimination. KFUO faced a possible \$250,000 fine last year when the licenses were involved in a hearing regarding lack of candor allegations. The licenses were renewed subject to reporting conditions.

**THE HALLOWEEN TRADITION CONTINUES.** "The War Of The Worlds," the classic *Mercury Radio Theater* scare-fest starring Orson Welles, is available from Charles Michelson, Inc. For information, call 800-648-4546.

SMALL MARKET RADIO NEWSLETTER

# Small Market Radio Newsletter

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

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Published by: Jay Mitchell Associates, Inc. P. O. Box 1285 • Route 2 Fairfield, IA 52556

Phone 515-472-4087
 Fax 515-472-6457
 E-Mail 73627.2120@
 compuserve.com

 Subscription Rates:

 One Year
 \$119

 26 Weeks
 \$64

 13 Weeks
 \$37

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IN OUR 13TH YEAR



Bill Taylor KQSS P. O. Box 292 Miami AZ 85539 FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

ADDRESS CORRECTION REQUESTED

# VOLUME XIII • NUMBER 20 • OCTOBER 5, 1995

NAB STUDY REVEALS 7.4% INCREASE IN EMPLOYEE COMPENSATION in 1995 compared to 1994, according to a NAB publication, *Radio Station Salaries: 1995*. Accounting firm Miller, Kaplan, Arase & Co. surveyed stations in the top 150 markets. Over 40 different positions are profiled in the study, available for \$100 to members, \$200 to non-members. Call 800-368-5644 for information.

NAB CHAIRS ANNOUNCED FOR 1995-1996. Here are the new chairs:

Joint Committees—Congressional Relations Committee, Tom Oakley, Co-Chair, Quingy; Newspapers, Dean Solonsidn, Co-Chair, Sorenson Broadcasting; Copyright Committee, Leavitt J. Pope; Financial Advisory Committee, Mark Mays, Clear Channel Communications; On-Air Initiatives Committee, Joseph Lewin, WMAR-TV; Human Resource Development Committee, Denise Oliver, Westwood One.

Joint Task Force—Media Convergence Task Force, Nicholas Trigony, Cox Broadcasting Company.

Radio Committees—Future of Radio Broadcasting, Alan Box, EZ Communications; Radio Membership & Board Composition Committee, Ray Saadi, KHOM-FM & KTIB-AM; Group Head Fly-In, Herb McCord, Granum Communications; Research Committee on Local Radio Audience Measurement, Terry Drucker, CBS Radio; Small/Medium Market Radio Committee, Larry Roberts, Sunbrook Communications; NAB Radio Show Committee, David Gingold, Barnstable Broadcasting.

Radio Task Force—Digital Audio & Satellite Sound Broadcasting Task Force, Randy Odeneal, Sconnix Broadcasting Group.

Engineering Committee—AMAX-AM Improvement, Ted Snider, Snider Corporation.

Convention Committees—NAB/SBE Conference Planning Committee, Jerry Whitaker, Multimedia World '96 Executive Committee, Philip Dodds, Interactive Multimedia Association. AT THE FCC

**NEW STATIONS (Applied For):** ALABAMA (Dora) Gary Richardson, 92.5, 6000w, 331' (Dora) J.T. Roberts Broadcasting, Inc., 92.5, 2900w, 476' ALASKA (Ketchikan) TLP Communications, Inc., 99.9, 40w, 2234' ARIZONA (Bagdad) Hualapai Broadcasters, Inc., 103.1, 21,000w, 356' (Lake Havasu City) Arthur Crane, 96.7, 50,000w, 374' (Lake Havasu City) Donna Kimble, 96.7, 1060w, 2649' (Lake Havasu City) Mark Rollings/Benjamin Nicks, 96.7, 1050w, 2646' (Lake Havasu City) Rick Murphy, 96.7, 1050w, 2706' CALIFORNIA (Cambria) George Flinn, Jr., 103.1, 6000w, 207' (Cambria) J. Lawrence Pozzi, 103.1, 6000w, -279' (Cambria) James Robert Kampschroer, 103.5, 6000w, 295' GEORGIA (Sparta) Christine Broadcasting Company, 102.7, 6000w, 328' MISSISSIPPI (Clarksdale) Delta Blues Broadcasting, 92.1, 6000w, 328' (Clarksdale) Greg Shurden, 92.1, 6000w, 328' (Grenada) Delta Radio, Inc., 92.3, 6000w, 328' (Grenada) George Flinn, Jr., 92.3, 6000w, 328' (Grenada) Robert Evans, III., 92.3, 3500w, 434' NEVADA (Sun Valley) Cosine Company, L.P., 93.7, 6000w, 243' (Sun Valley) George Flinn, Jr., 93.7, 450w, 384' (Sun Valley) Kidd Communications, 93.7, 1100w, 423' (Sun Valley) Nevada Star Broadcasting, L.P., 93.7, 6000w, 328' (Sun Valley) Pricilla Watts, 93.7, 6000w, 328' (Sun Valley) Sun Valley Radio, L.L.C., 3500w, 423' NEW MEXICO (Carlsbad) Charles White, 106.1, 50,000w, 138' WASHINGTON (Walla Walla) Mark Jacky Broadcasting, 99.1, 420w, 1994' (Walla Walla) Walla Walla Christian Broadcasters, 99.1, 1200w, -7' WEST VIRGINIA (Williamstown) Ronald Bishop, 96.9, 3510w, 423' (Williamstown) Yellowjacket Radio, Inc., 96.9, 4400w, 380' **NEW STATIONS (Granted):** 

GEORGIA (Warrenton) Don & April Beard, 93.1, 25,000w, 328'

AMENDMENTS TO THE FM TABLE (Proposed):

ILLINOIS (Meredosia) new, 93.5 A MONTANA (Big Sky) new, 104.5 A TEXAS (San Angelo) new, 105.7 C3 (Snyder) new, 97.1 A

AMENDMENTS TO THE FM TABLE (Granted): FLORIDA (Chattahoochee) WBCD, to 105.3 C3 Headland, AL from 105.3 A Chattahoochee, FL

GEORGIA (Donalsonville) new, 107.5 A REPORTED SILENT:

FLORIDA (Pine Island Center) WDCQ, 1200, pending sale ILLINOIS (Rockford) WRRR, 1150 OHIO (Bellevue-Sandusky) WNRR, 92.1, pending rebuild

#### FORMERLY SILENT:

HAWAII (Honolulu) KULA, 1460 SOUTH CAROLINA (Moncks Corner) WJYQ, 105.3 TENNESSEE (Maryville-Knoxville) WKCE, 1120 TEXAS (Cuero) KTXC, 1600

-Courtesy M Street Journal

SMALL MARKET RADIO NEWSLETTER

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# MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$

# **Only 80 Promoting Days Until Christmas!**

Operation Warm. During the month of December, collect coats for the area's needy. Hook up with sponsors and have listeners drop off the coats and receive discounts in the stores. Line up a dry cleaning establishment to clean the coats as a donation in return for participation in the event. Work with your local Goodwill, Salvation Army or Care & Share to collect the coats from sponsor locations and distribute them to deserving families. [Paul Van Ehlis, KKFM, Colorado Springs, CO, 719-596-5536]

Let's Talk Turkey. KLBK & WDEK invented this promotion when the local Salvation Army was faced with 350 Christmas food baskets to fill. In conjunction with the local weekly newspaper, the stations ran promos asking listeners to donate frozen turkeys and meat products suitable for a family holiday dinner. They ran live remotes 6 a.m.-6 p.m. from the Salvation Army the day of the collection, which is one day prior to their distribution of the food baskets (to avoid storage problems). The first year they did the promotion, we received 1,300 items—turkeys, roasts, geese, venison and one live pig! If anyone does this at another time of year, Dianne suggests the title, "Meat the Need." [Dianne Leifheit, WLBK/WDEK, DeKalb, IL, 815-758-8686]

Angel Tree. WBBZ has been the exclusive media sponsor for the Salvation Army Angel Tree. In one year, over 1500 gifts were purchased for "angels" and it keeps growing. The Angel Trees are placed in ten locations around the market, including a restaurant, department stores, discount stores, a gas station, a church, the post office and the radio station. Listeners visit one of the locations and pick an angel from the tree; each angel contains the first name of a needy child or an elderly citizen, and the gifts they would like to receive. Listeners then purchase a gift and take it to the service desk of the location, or to the radio station. The station then arranges for the Salvation Army to make sure the right gifts go to the right "angels." [WBBZ, Ponca City, OK, 405-765-6607]

Holiday Gift Box. The KXXX Holiday Gift Box is placed at sponsor locations, where listeners register for a chance to win gifts and gift certificates. In addition, individual store winners are elegible to win \$500 in free long distance phone calls from a participating provider. Participating businesses include an auto body shop, lube center, pet shop, office center, gold and silver shop, appliance store, flower shop, craft shop, electronics store and jeweler. [WLBK/WDEK]

Letters to Santa. Sell four sponsors (at \$187.50 per month), November and December billing. Go to all the elementary and pre-schools in the area with a hand-held tape recorder; have all the students and teachers say what they'd like Santa to bring them for Christmas. Play them back on the air, sponsored by the participating merchants. "Response has been overwhelming." [KRSL/KCAY, Russell, KS, 913-483-3121]

Home for the Holidays. Work with a phone carrier and an airline to award a grand prize of a trip home for Christmas and runner-up prizes of free holiday phone calls. [RAB]

# **\$ALE\$**

# Your Most Priceless, Overlooked Asset

# O: What am I overlooking in building my business?

A: No doubt about it, it's your current customers and the good-will you have with them. You are very likely limiting the amount of business that saitsfied customers do with you. I know it sounds crazy, but I will bet you it's happening in your business right now. Unwittingly, unintendedly, you are probably keeping people from buying from you.

What most business people don't always realize is that a happy customer can be like a "perennial" in your garden. With proper care and feeding, you can always count on it to yield for you. When a customer buys from you for the first time, he or she is saying, "I like you; you have my trust." This is an invitation not just for a sale, but for a relationship. It is an invitation to create more opportunities for that customer to buy from you—and to buy more frequently. The majority of companies and professional practices spend a fortune chasing after new customers, concentrating mostly on that first sale.

# Q: Wait a minute. Don't most companies truly value repeat business?

A: Of course they do. What I'm saying is that most firms, perhaps yours included, don't aggressively cultivate additional business from that current customer in any organized way. If they did—trust me—they'd see their business grow like never before without hardly working up a sweat. Customers are silently willing, even begging, to be led to more purchases, and by providing the leadership you can put more immediate cash in the till.

# Q: What do you recommend to make this happen?

A: The BIG idea is to offer add-on products or services that help the customer or client achieve his or her desired end result—if possible, as a special value. Customers will always perk up when you offer more value—it's instinctive. So give them a deal in the form of add-on, specially-priced products and/or services at the time of their original purchase.

# Q: What if I don't normally carry all the things people buy to go along with my product or service?

A: Offer them the convenience and/or savings of getting them through you. This is the principle that leads caterers to offer invitation printing, realtors to facilitate mortgages, dermatologists to sell Vitamin E. Remember: your customers already like and trust you. That goodwill is the kindling for at least an immediate 20% sales boost, if you never make them leave you to go two or three other places for other transactions.

-Jay Abraham, Learn from the \$4 Billion Man

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# **1996 PROMOTIONAL OPPORTUNITIES**

	1	
MONTH	WEEK	DAY
া এNUARY st Month তাood Donor Month March of Dimes National Eye Care Month	#1 #2 #3 International Printing Week #4 Celebrity Read a Book Week #5	Mon1 - New Years Day Mon8 - Elvis's Birthday Tue16 - Martin Luther King, Jr. Holiday Sat27 - Vietnam War Ended Sun28 - Super Bowl XXIX
FEBRUARY American Heart Month Children's Dental Health Month National Weddings Month Responsible Pet Owner Month	#6 Boy Scouts of America Week #7 #8 #9	Fri2 - Ground Hog Day Mon12 - Abraham Lincoln's Birthday Wed14 - Valentine's Day Mon19 - Presidents' Day Thu22 - George Washington's Birthday Thu29 - Leap Year Day
MARCH American Red Cross Month National Frozen Food Month National Nutrition Month Poison Prevention Month	<ul> <li>#10</li> <li>#11 Girl Scout Week</li> <li>#12 Agriculture Week</li> <li>Manufacturing Week</li> <li>Poison Prevention Week</li> <li>#13</li> </ul>	Sun17 - St. Patrick's Day Wed20 - Spring Begins
APRIL Amateur Radio Month Keep America Beautiful Month National Garden Month National Humor Month Stress Awareness Month	#14 #15 Buildings Safety Week Home Safety Week #16 Library Week #17 Secretaries Week	Mon1 - April Fools' Day Sun7 - Daylight-Saving Time Sun14 - Easter Mon15 - Income Tax Pay-Day Mon22 - Earth Day Fri26 - National Arbor Day
MAY National Bike Month National Good Car-Keeping Month National Physical Fitness & Sports Month Older Americans Month	#18 #19 Nurses Week Pet Week #20 Transportation Week Police Week #21 Safe Boating Week (Coast Guard) #22	Tue7 - National Teacher Day Sun12 - Mother's Day Sat18 - Armed Forces Day Sun26 - Indianapolis 500 Mon27 - Memonal Day
JNE Adopt-A-Shelter-Cat Month Dairy Month National Iced Tea Month	#23 #24 National Flag Week National Little League Baseball Week #25 #26	Fri14 - Flag Day Sun16 - Father's Day Thu20 - Summer Begins
JULY National Hot Dog Month National Ice Cream Month National Recreation and Parks Month	#27 #28 #29 #30	Thu4 - Independence Day Sun21- National Ice Cream Day
AUGUST National Water Quality Month	#31 #32 #33 #34 National Aviation Week #35	Mon19 - Aviation Day
SEPTEMBER Baby Safety Month Library Card Sign-up Month	#36 #37 #38 Constitution Week Farm Safety Week #39	Mon2 - Labor Day Sun8 - Grandparents Day Sun22 - Autumn Begins Sat28 - National Hunting & Fishing Day
OCTOBER Car Care Month Campaign for Healthier Babies Month Consumer Information Month Co-op Awareness Month Energy Awareness Month Pizza Month Pork Month	#40 #41 Customer Service Week Fire Prevention Week #42 Credit Union Week #43 #44	Mon7 - Child Health Day Mon14- Columbus Day Wed16 - Boss's Day Sun27 - Mother-in-law Day Thu31 - Halloween
VEMBER ational Hospice Month Peanut Butter Lover's Month Real Jewelry Month	#45 #46 #47 American Education Week #48	Sun3 - Sandwich Day Tue5 - General Election Day Mon11 - Veterans Day Thu213 - Thanksgiving Day
DECEMBER Month Bingo Invented	#49 #50 Human Rights Week #51 #52	Wed25 - Christmas Tue31 - New Year's Eve

# **PROMOTION & MARKETING**

# **Creating An Annual Promotions Calendar**

Having a calendar of ongoing, periodic promotions to which we can refer is a great assist in managing promotional flow throughout the year. A well-organized radio station has its promotion calendar for the coming calendar year in place before the year-end rush—by early November—but many stations reserve the planning process for January, a slower period, with the calendar running from February through January or from second quarter through first quarter of the following year.

To make the planning process easier, we offer a system for putting together your calendar that will make your life much easier. If the below steps are followed, you will ensure that—

- No previously successful promotions fall in the cracks
- No event or holiday opportunity is lost
- Past mistakes are not repeated
- Every traditionally-slow period in the year is covered

Here are the steps that we recommend to formulate such a calendar:

- 1. Go back two or three years and list each and every promotion done by the radio station, large and small, along with the inclusive dates of each promotion.
- 2. Go through the list to determine which promotions would be candidates for the coming year, and for annual events. . . and be liberal! If in doubt, keep it in.
- 3. Refer to a list of major holidays and make sure that each holiday is covered by one of your promotional events. If there are holidays which are not covered, add the holiday and the date of the holiday to your list. (Don't worry if you don't have a corresponding promotion yet.)
- 4. On a "Year-At-A-Glance" calendar, block in the promotions that could be regular events. Use a specific color ink for these events. (For the holidays which don't yet have promotions attached, log them in, allowing a two-week time frame, mostly in advance of the holiday).
- 5. Consult any calendars of events which might be published locally—by the Chamber of Commerce or any civic groups. Fit those events into your calendar in a different color ink.
- 6. Make certain that you allow for major advertiser-oriented promotions for first and third quarters, where extra revenue boosts are often needed. If your station normally experiences slow periods in other months, add promotions accordingly. (Again, you may not have specific promotions for these periods yet, but log the information as you have in Step 4.)
- 7. Consult Chase's Calendar of Events for other promotable days and events.
- 8. Engage in a brain-storming session to fill in the blanks. Include a variety of players, including the general manager, sales manager, program director, promotions director, and any other creative types you have on staff. This session has several purposes:
  - a. To come up with specific, powerful promotions for the empty slots you've created
  - b. To weed out conflicts and superfluous activities (isn't it nice to have a surplus for a change?)
  - c. To nail down the exact dates for each promotions you've decided upon

If these steps are followed, you should find it easy to build an effective promotional game plan.

#### TELEMARKETING

# After Election Candidate Thank-You's

#### Winners

, successful candidate for	takes this opportunity to thank his/her
campaign workers who did such a good job. He	/she thanks those of you who voted for
for He/she looks forv	vard to serving you.

The election is over and it's time for a big thank you from ______ elected/re-elected ______ takes this opportunity to thank the many who made this a successful campaign and everyone who cast a vote for him/her. The election is over. The job is just beginning. ______ earnestly seeks your continued support and interest.

The campaign signs are coming down! The political ads on the radio are over! The people have spoken. Here is a special thank you from ______, your ______. He/she appreciates the opportunity of serving you. A very special thank you to those who worked hard on the campaign from _______.

# Re-Elected

______ your ______ wants you to know how grateful he/she is for the opportunity of serving you in another term. Your continued support is sincerely appreciated by ______, your _____.

says thank you for re-electing him/her _____. During the coming term, pledges to use his/her experience to serve you even better as ______. A special thank you to campaign supporters. It wouldn't have happened without you.

has been re-elected _____ For _____ this is a time for celebration, but, more important it's time to say thank you to supporters - and to pledge continued dedication and hard work to the citizens of ______. Thank you from ______, your _____.

#### Losers

takes this opportunity to thank those who supported him/her as candidate for takes this opportunity to congratulate his/her successful opponent Best wishes for success from

_____ wishes to thank those of you who supported his/her bid for _____. Your interest, support, and kindness are sincerely appreciated by _____.

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# **SOUND BITES**

# About Holiday Shopping Patterns

In a study conducted by BKG America, the following holiday patterns and attitudes emerged:

- 46% of the respondents consider the day after Thanksgiving as the beginning of their personal holiday shopping time; 30% claim to do their holiday shopping year-round; 12% start after their kids are back in school; 8% wait until just a few days before Christmas.
- 62% say they'd rather do almost anything else—including home or office work, clean the basement, work on taxes, plumbing jobs or visit the dentist—than Christmas shop. Only 6% claim to enjoy the process.
- What's negative about the process? 6% say the shopping ordeal; 24% say not having enough money; 9% hate the stress; 9% hate being forced to make purchases; 3% don't like to wrap the presents.
- The average tab for holiday shopping: \$766.
- The worst part of the holiday shopping experience, according to 59%, are the crowds; another 18% resent being forced to make purchases in a limited amount of time; 11% cited "chintzy holiday decorations" and 10% don't like the Salvation Army Santas and pressure to donate to other groups.
- 69% say they would rather give gifts than receive them.
- Most popular gifts to receive: home theater system (54%); a free year of video rentals (16%); a pass to the movies (15%).
- On a more fanciful level, people would rather receive a great home (59%) than a great job (39%); an hour of stimulating conversation instead of more leisure time (57% vs. 40%).
- Respondents would rather receive a smaller gift certificate (\$50) from a store they like (82%) than a larger certificate (\$100) from a store they don't like (13%). But they would rather have the certificate from *any* store than an ill-fitting home-made sweater or wrong-size pants.
- Only 3% start out with a set list. 37% shop entirely by impulse. 57% have a good idea of one or two items that might work for a recipient.
- What attracts people to a particular store? 45% say the greatest incentive is promotional pricing; 20% say easy parking; 16% say sales circulars; 5% like easy return policies; 5% like money-back guarantees; 4% say it's the free gift wrapping.

-Advertising Age, 12/5/94

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# Small Market Radio Newsletter

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

Publisher & Editor: Jay Mitchell Managing Editor: Lori Morgan Editor Emeritus: Bob Doll

Published by: Jay Mitchell Associates, Inc. P. O. Box 1285 • Route 2 Fairfield, IA 52556

Phone 515-472-4087
 Fax 515-472-6457
 E-Mail 73627.2120@
 compuserve.com

 Subscription Rates:

 One Year
 \$119

 26 Weeks
 \$64

 13 Weeks
 \$37

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IN OUR 13TH YEAR



Bill Taylor KQSS P. O. Box 292 Miami AZ 85539 FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

ADDRESS CORRECTION REQUESTED

# VOLUME XIII • NUMBER 21 • OCTOBER 12, 1995

**UNATTENDED OPERATION LEGALIZED.** The FCC will soon make it legal to leave stations unattended and automated. Stations must still comply with EBS requirements. Should a station decide to use operators, they do not have to hold the Restricted Radio Telephone Operators Permit. And should there be a technical malfunction, licensees will have three *hours* to respond instead of three minutes.

**RADIO REVENUES UP 10% IN AUGUST** compared to a year ago, according to the RAB index of radio revenue. Radio has now had 36 consecutive months of revenue gains. Local revenue was steady, up 9%, with YTD up 10%. National revenue illuctuated this month with an overall gain of 3%: East up 10%, Midwest down 6%. However, YTD national was up 10%. Combined local and national revenue for August increased 8% and YTD increased 10%.

# THEY'RE BACK (MAYBE)-RADIO OWNERSHIP LIMITS.

According to House Telecommunications Subcommittee Chairman Jack Fields (R-TX), ownership limits may be a bargaining chip in negotiations on the Telecom bill. Fields did not reveal specifics. President Clinton has said he would veto any telecom bill that does not include ownership caps, but Fields believes the bill will have large bipartisan support in the House and Senate, and vetoing such a bill would politically hurt Clinton. Several FCC commissioners support local limits but differ on national limits: Chairman Reed Hundt favors relaxing current national caps and Commissioner Andrew Barrett would like a national cap of 25-26 stations (giants such as Westinghouse, Infinity and Evergreen would have to divest stations).

WHAT'S AMERICA'S FAVORITE FORMAT? Country, according to the recent Katz Format Report for the Spring '95 survey. Alternative/ Modern Rock has made significant gains, and 70's oldies is also growing. For more information on the study, call 212-424-6784.

"RADIO'S ALL YOU NEED" IN JANUARY as the NAB announced the theme of National Radio Month for 1996. Look for a campaign kit to arrive in November from the NAB containing jingles, promotion ideas, logos, and other materials.

# AT THE FCC

# **NEW STATIONS (Applied For):**

CALIFORNIA (Cambria) Karen Hughes, 103.5, 6000w, 216' KANSAS (Arkansas City) Third Coast Broadcasting, Inc., 102.5, 6000w, 328' (Ingalls) Dana J. Puoplo, 105.9, 2500w, 505' (Ingalls) MAS Communications, Inc., 105.9, 6000w, 328' MARYLAND (Annapolis) Patricia Ebbert, 99.1, 30,000w, 633' (Bethesda) Ukranian Congress Committee, 94.7, 20,500w, 771' NEW HAMPSHIRE (Lancaster) K&S Radio Partnership, 102.3, 1000w, -515' NEW MEXICO (Carlsbad) Dewey Runnels, 106.1, 50,000w, 318' NEW YORK (Ogdensburg) Northstar Broadcasting Corp., 98.7, 3000w, 161' OREGON (Klamath Falls) Klamath Basin Broadcasting, 104.7, 9000w, 2196' TEXAS (Clarendon) Roho Broadcasting Co., 99.3, 50,000w, 315' (Hallettsville) Hill Country Radio, 99.9, 6000w, 131' (Hereford) Chip Formby, 103.5, 50,000w, 492' (Hudson) Harold Haley, Jr., 96.3, 6000w, 328' WEST VIRGINIA (Williamstown) David Strock, 96.9, 2350w, 523' (Williamstown) Marietta Radio Properties, Inc., 96.9, 2640w, 502' WYOMING (Diamondville) Jerrold Lundquist, 105.3, 50,000w, 10'

# **NEW STATIONS (Granted):**

FLORIDA (Carrabella) Richard Plessinger, Sr., 106.5, 100,000w, 982' ILLINOIS (Pinckeyville) Kenneth & Jane Anderson, 104.3, 3500w, 276' INDIANA (Ferdinand) Gem Communications, 98.5, 6000w, 328'

# AMENDMENTS TO THE FM TABLE (Proposed):

COLORADO (Meeker) new, 98.1 C

# AMENDMENTS TO THE FM TABLE (Granted):

ILLINOIS (Tower Hill) new, 98.3 A MASSACHUSETTS (Falmouth) WUNZ, to 101.1 A Mashpee from Falmouth TENNESSEE (Bulls Gap) new, 100.7 A

# FORMERLY SILENT:

KANSAS (Starling) KGGG, 94.7 RHODE ISLAND (Wickford) WKFD, 1370

-Courtesy M Street Journal

SMALL MARKET RADIO NEWSLETTER

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# MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$

# Election Day & Thanksgiving

Campaign Budgets. Local candidates don't have a lot to spend; in some states they want to stay under a certain amount (in Iowa it's \$500), to avoid a lot of extra campaign-financing requirements and paperwork. Even so, you need to get to the candidates in contested races now to point out the key advantage of radio in political races: radio reaches the consumer (voter) closest to the time of purchase (vote). So even on a limited budget, radio is ideal for a vertical-saturation campaign the day before and the day of the election.

*Election-Related Fun.* To draw listeners' attention to the upcoming elections, you can urge them to vote for their favorite station personality. . .and/or conduct phone-in polls where listeners indicate whom they'll vote for (and report the results in your newscast).

*Post-Election Thank-You's.* Win, lose or uncontested, *all* candidates are candidates for postelection voter "Thank-you" messages. Run them as :15 telemarketing-type messages (see last week's SMRN for scripts), or as stand-alone :30 spots.

*Election Collection.* If you have some local races coming up, you probably see campaign signs already. Those signs are an opportunity for a radio game that also helps clean up your area.

Pre-promote that you will be at some central location on the Thursday following Election Day, collecting the campaign signs for disposal. Work out a trade with a disposal company to haul away or recycle the signs.

Offer prizes based on how many signs people bring in—e.g., one sign equals a small logo prize (like a refrigerator magnet), five signs equal a tee shirt, and so on. The point is that no one goes away empty-handed. You could even have a special prize for the most signs brought in—a weekend getaway at a nice hotel in your area, or dinner at a nice restaurant. [Chuck Flagg, Houston, TX, in One to One]

Thanksgiving Dinner Recipes. In the two weeks prior to Thanksgiving, have listeners call the station on cue to record their favorite tips and recipes for preparing the traditional holiday turmp3 key and all the trimmings. Suggest in the promos that listeners write down their tips and recipes before calling in so they'll be prepared to record.

Line up a grocery store to sponsor the call-in segments and to provide callers with small prizes or coupons for free merchandise. On the air, play back the calls, surrounding them with a sponsorship billboard and the store's commercial.

Going one step further, line up a catering service to provide a full turkey dinner on Thanksgiving to the winner of a random drawing from all those who submitted tips and recipes—and the caterer prepares all dishes using the recipes submitted. [Jon Sullivan in RAB's Radio Sales Today]

# \$ALE\$

# Selling the Candidates

Last year, Dean Johnson, KWAT/KIXX/KDLO, Watertown, SD (605-886-8444), did an exit interview with a political candidate who had run in a major statewide race. The candidate had hired an East Coast agency who supposedly knew what to do in the area of advertising and marketing. The agency kept the candidate out of radio. The candidate lost.

The candidate told Dean that if he had it to do over, he would definitely market differentlyincluding local radio.

Dean asked, "Would it be true to assume that you felt you really didn't have to buy radio, because the news director runs everything you say?" The answer: "It's better than that. Sometimes the radio newspeople would run a story of mine for up to three days."

In the future, Dean is going to play it smarter. "Let's not just give them everything they want," he advises. His stations will run legitimate stories, but not to the excess they had in the past. "We need to be more conservative about it."

Dean encourages all of us to take that conservative attitude: give the candidates their due, but don't overdo. Says Dean, "If we all do it, the politicians will have to buy radio!"

# Facts & Quotes to Sell Radio

Despite the proliferation of media options, radio's reach is higher now than at any point in the last ten years—over 96% of all people 12+ are reached by radio every week. [RAB, Arbitron]

Radio revenues have recently grown faster than the overall rate of advertising growth and faster than broadcast television, newspapers, magazines, Yellow Pages, direct mail and outdoor. [McCann-Erickson]

Radio goes with consumers where other media cannot. More than 40% of radio listening takes place in cars, and another 20% takes place outside the home. [RADAR]

"Media buyers who purchase radio say that one of the medium's main attractions is that commercials can be on the air virtually overnight. 'That is vital in the age of pitched competition and market share battles,' one buyer says." [The Wall Street Journal]

Why Radio? "Radio's got time—sixty whole seconds to spread your verbal wings and take off. Radio lets you go anywhere—in a dirigible, in a dungeon, anyplace that uses the imagination. Radio is fast—you can record several spots in a day, unlike any other medium." [Bert Berdis, President, Bert Berdis & Company; all the foregoing facts & quotes are from a special advertising supplement to Advertising Age]

SMALL MARKET RADIO NEWSLETTER

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# TELEMARKETING

# Veterans' Day (November 11)

This Veterans' Day, ______ reminds you that every time our nation's liberty has been threatened, American men and women have come to her defense. They sacrificed to make sure our freedom was preserved. ______ salutes the veterans of this community and asks you to join them in saying thank you.

The members of [ORGANIZATION] are proud to have served their country in time of national need. Today, they and their families continue to serve fellow veterans in need and other members of the community through the organization's service projects. Join the members of [ORGANIZATION] in observing Veterans' Day.

_____asks you to pause and reflect on the sacrifices made by men and women in defense of our liberty. ______asks you to join them in remembering why we observe Veterans' Day.

It is too easy to forget wars and emergencies and the sacrifices of men and women who served their country during such events. That's why, each year, one day is set aside as Veterans' Day. ______ asks you to join them in paying tribute to those whose sacrifices have made our freedom possible. Join ______ in thinking about what Veterans' Day really means.

The [ORGANIZATION] is made up of men and women who served their country in time of war. Now, in time of peace, these men and women and their families serve their fellow veterans and work for the community. [ORGANIZATION] works hard to make [COMMUNITY] a better place in which to live. Join them in observing Veterans' Day.

American men and women have been called upon many times to defend freedom. Many paid the ultimate price. ______ believes it is fitting that we reflect on their sacrifices. ______ is proud to join in observance of Veterans' Day.

To save the nation and make this a better place in which to live, the members of [ORGANIZATION] were proud to serve in time of national emergency. In peacetime, they dedicate themselves to the well-being of fellow vets and to community service. [ORGANIZATION] thinks Veterans Day is an ideal time to thank the community for their generous support and continuing interest.

Please join ______ in remembering why we observe Veterans' Day. Pause and reflect on the sacrifices made by men and women in the defense of our liberty. A Veterans' Day message from

FROM OUR READERS

Another Type of Football Guide. "Check out *our* annual football guide. We do 5,000 copies and everyone loves them. The trick is to sell radio and sell print. We charge \$60 per ad in the football guide and add that extra \$60 into our season football package. When we sell out the football guide, we subtract the extra \$60 from the season package and no longer offer the guide as part of the package.

"We make sure our large logo is on the front cover of the football guide; that way you see our call letters even if you don't pick up a guide, thus making more impressions."

-Bill Hearst, WWCH/WCCR, Clarion, PA, 814-226-8600

*Editor's Note:* Bill enclosed his guide, which is a 11" x 17" sheet folded down to  $5\frac{1}{2}$ " x  $8\frac{1}{2}$ ." It is printed in two colors, black and yellow. The front side has the station logos across the top, with "Free Football Guide, Take One" emblazoned in big letters. Opening the first fold (right to left), the reader sees nine 3" x 2" ads; opening the second fold (bottom to top), the schedules appear, surrounded by 12 more ads. The back side (when it is refolded) has four 2" x 2" ads and one 4" x 2" ad. Nice piece, easy to print and handle.

Questionable Taste. "This one is amazing. Mutual aired copy Monday for Ramses condoms. The ad features a condom buyer asking a counter person for one with bumps and ribs; the counter person says something like, 'Are you looking for a condom or a doggie toy?' The spot goes on, through the guy making the purchase, to where he's invited into a dressing room in the back to try one on. Totally inappropriate.

"I called Mutual. Turns out I was one of *dozens* of affiliates to call." ---Chuck Thornton, WAGE, Leesburg, VA, 703-777-1200

*Editor's Note:* ABC was running similarly off-the-wall ads for Sheik condoms (which won a Mercury, by the way). We got complaints. We blocked the ads (with the network's blessing). Now the ads are g-o-n-e.

Lessons Learned. "We've made some major strides this year. Our first order of business was to take about six months to work with some veteran salespeople who were in MAJOR comfort zones—really "spot sellers" as opposed to marketers. These people had educated clients that \$200 per month was a *lot* of radio!

"After six months of patient work with these veterans, we made it clear to everyone what would be expected. We had resignations from people accounting for about 60% of our sales.

"We brought in a crew of positive rookies and we're having the best year in about 13. Dealing with the negative salespeople was trying, but it provided me with some valuable experience and skills in dealing with people."

---Rick Pfeiffer, KEYZ/Oldies 96.1, 701-572-5371

SMALL MARKET RADIO NEWSLETTER

# **STATION OF THE MONTH**

# A Small Market Triopoly

WLKI, at Angola in Northeastern Indiana, was one of the first small-town FM-only radio success stories. Tom Andrews, the station's major stockholder, president and general manager, got into radio in 1995. He took a summer job after college, fully intending to enter graduate school. "I liked radio so much, I never got to graduate school," he says.

By 1974 he was with a hugely successful Top 40 AM station, but he decided he wanted a station of his own. After the usual exhaustive search he settled on a Class A FM at Angola. "The station was barely equipped, with ancient gear collected over the years by its engineer-founder." The price was \$60,000, all cash. "The station's history was such that no bank wanted to be involved," Andrews remembers.

In addition to the \$60,000 he paid for the station, he had to fund at least that much in improvements. Then he decided on an unusual format direction: "My friends told me doing Top 40 in such a small town on FM was gutsy."

To get the kind of people he wanted and to raise the kind of money he needed, he brought some key people into ownership: Bill Kerner, sales manager; Carter Syder, salesman; and Gary Osborne, program director.

Looking back, Andrews says, "It was a case of getting in at just the right time. If we'd tried two years earlier, it wouldn't have worked. FM wasn't doing that well. Two years later, we couldn't have afforded an FM station—even this one."

In the mid to late '80s, Angola's business community changed, like most small towns. A Wal-Mart and a K-Mart came to town. A big factory outlet mall was built nearby. As a result, many of the station's mainstay advertisers liquidated their stores and retired or moved into other endeavors. "We saw the real possibility of cutting back the level of our programming, but it was more than a job or a living to me and my partners. We just couldn't be satisfied down-sizing *our* station. It would have been like trading from a Lincoln Town Car to a Geo."

To fight back, Andrews and company came up with several ideas. Their first was to increase their power, and therefore their selling area, by going from 3,000 watts to 25,000 watts. That effort was frustrating—and very expensive. They finally ended up with 6,000 watts.

The second idea was to buy a nearby station, but they were not successful. The third idea was to build a station east and west of Angola. They applied for WLLZ, an 80/90 at Montpelier, Ohio (population 4,299) and went on the air in 1990. The tower is 15 miles from Angola.

They put the Jones "USA Country" format on WLLZ. "That gave us an additional format to sell in combination with our Adult Contemporary format here, and an additional format choice for listeners and advertisers in Bryan, Ohio (the county seat of Williams County, population 36,856, retail sales \$236 million).

It took longer to get a station to the west. WTHD went on the air a year ago at Lagrange, Indiana (population 2,321, home county retail sales \$167 million). They program the Jones Country format there as well—which has opened a window of opportunity nine miles north in Sturgis, Michigan (population 10,130), where the local station programs Adult Contemporary. "There too, we've given listeners and advertisers a choice of formats."

Some business is comboed with WLKI—15% of the business on Lagrange, 12% of the business on Montpellier—but the majority comes from the stations' individual marketplaces. WLLZ and WTHD maintain studios and offices in their cities of license with a manager/salesperson, a full-time salesperson, a community affairs/news person and a receptionist/office manager.

The satellite programming is controlled by a Systemation hard-disk automation system located in Angola. Fax machines and point-to-point are used to keep WLLZ and WTHD in communication with the home office.

The staff at Angola includes a sales manager, two salespeople, five disc jockeys (WLKI is still locally live 24 hours a day), a full-time newsperson, a traffic manager and an assistant traffic manager/receptionist. One contract engineer is employed for all three stations. As much as possible, the same brands of equipment are employed everywhere. "There's a real savings in standby parts by doing that," Andrews says.

Andrews believes, "If you're a small market station operator you either have to grow or go. We've found our solution to that here. I'm sure others will do the same." He also believes that "Small town stations have to be located together. There has to be some commonality among the markets, and the group has to be easily reached by the key people at the key station."

About local media, he says, "We're going to have face the fact that our listeners and advertisers have a lot of media from which to choose. Your radio operation has to be competitive with all those out-of-town signals. And the pool of local businesses is getting smaller."

Looking to the not-too-distant future, Andrews says, "There will be even more choices. A local station is going to have to reflect the tastes and important interests of its communities. You just can't ride the satellite around the clock. A place like Lagrange or Montpelier could never have supported a conventional local station. Our way of operation makes that possible.

"I think we've found our way to survive and flourish here," Andrew says. But it wasn't a smooth road: "We didn't get our power increase for WLKI. We also lost out on an effort to buy a second nearby radio station. But we never lost sight of what we wanted to do—to run a First Class small station operation. When one thing didn't work out, we went on to something else. You have to do that. I'm confident that we're here to stay because we've put ourselves in a position to grow again. That's key to my partners and me. There's no satisfaction in running a dying business."

# Small Market Radio Newsletter

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

Publisher & Editor: Jay Mitchell Managing Editor: Lori Morgan Editor Emeritus: Bob Doll

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IN OUR 13TH YEAR



Bill Taylor KQSS P. O. Box 292 Miami AZ 85539 FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

ADDRESS CORRECTION REQUESTED

# VOLUME XIII • NUMBER 22 • OCTOBER 19, 1995

**URGENT! DEREGULATION SUPPORT NEEDED** *NOW*. Late last week the Speaker of the House named the House and Senate conferees who will negotiate the final version of the telecommunications legislation. These lawmakers will decide whether radio gets the ownership deregulation many broadcasters are seeking.

These members of the House Commerce Committee are the conferees on broadcast-related issues: Tom Bliley (R-VA), Rick Boucher (D-VA), John Dingell (D-MI), Anna Eshoo (D-CA), Jack Fields (R-TX), Scott Klug (R-WI), Ed Markey (D-MA), Mike Oxley (R-OH), Bill Paxon (R-NY), Bobby Rush (D-IL), Cliff Stearns (R-FL), Rick White (R-WA).

From the Senate Commerce Committee, the conferees are Conrad Burns (R-MT), James Exon (D-NE), Wendell Ford (D-KY), Slade Gorton (R-WA), Ernest Hollings (D-SC), Daniel Inouye (D-HI), Trent Lott (R-MS), John McCain (R-AZ), Larry Pressler (R-SD), Jay Rockefeller (D-WV), Ted Stevens (R-AK).

The NAB urges us to call, fax and write the lawmakers' Washington offices. Contact the NAB at 800-424-8806 for more information.

NAB URGES FCC TO REJECT DARS STUDY for various reasons. The study, initiated by DARS proponents ARMC and Primosphere, analyzed FM stations in rated markets only. The NAB believes the new service will not benefit the public, particularly smaller markets and minorities.

**EBS REPLACEMENT DEADLINE DELAYED.** The FCC is allowing additional time to replace EBS equipment with the new EAS system. Broadcasters now have until January 1, 1997.

NAB AND RADD FIGHT DRUNK DRIVING. The NAB and Recording Artists Against Drunk Driving have created a series of radio public service announcements, *Give Up The Keys*, targeting 21-34 year olds. The new PSAs are part of NAB's Stations Target Alcohol Abuse Reduction campaign.

#### AT THE FCC

**NEW STATIONS (Applied For):** NEW HAMPSHIRE (Lancaster) New Hampshire Public Radio, 102.3, 600w, 735' NEW MEXICO (Texico) James Stanford, 96.5, 4000w, 177' NORTH DAKOTA (Harwood) Conway Broadcasting, Inc., 100.7, 25,000w, 328' (Harwood) Judy A. Bernier, 100.7, 25,000w, 328' (Harwood) Randy K. Holland, 100.7, 25,000w, 328' PENNSYLVANIA (South Waverly) Sunair Communications, Inc., 96.1, 1000w, 695' **NEW STATIONS (Granted):** NORTH DAKOTA (Cavalier) Robert Ingstad Broadcasting, 105.1, 44,000w, 512' (Devils Lake) Robert Ingstad Broadcasting, 96.7, 45,000w, 512' AMENDMENTS TO THE FM TABLE (Proposed): ILLINOIS (Atlanta) new, 96.3 A TEXAS (Brackettville) new, 94.7 A AMENDMENTS TO THE FM TABLE (Granted): ARIZONA (Pinetop) new, 106.7 C1 (St. Johns) new, 95.7 C CALIFORNIA (Merced) new, 94.1 A (Susanville) new, 96.3 C3 GEORGIA (Pearson) new, 101.9 A ILLINOIS (Breese) new, 97.5 A IOWA (Parkersburg) new, 98.9 A KENTUCKY (Cadiz) WKDZ-FM, to 106.5 C3 Oak Grove from 106.5 A Cadiz MISSISSIPPI (Wiggins) WUSD, to 97.9 C2 D'Iberville from Wiggins MISSOURI (La Monte) new, 97.1 C3 (Macon) new, 99.9 A NEBRASKA (Albion) new, 92.7 A OHIO (Wauseon) new, 96.9 A OREGON (Merrill) new, 105.7 A (Seaside) new, 98.1 A PENNSYLVANIA (Mansfield) new, 92.3 A TEXAS (Electra) new, 94.9 C2 (Gregory) new, 104.5 A VIRGINIA (Blackstone) WBBC-FM, to 93.5 C3 from A (Dillwyn) new, to 105.3 A from 93.7 A (Emporia) new, 99.5 A (Exmore) new, 106.1 B1 WISCONSIN (Neillsville) new, 92.7 A **REPORTED SILENT:** 

MAINE (Lincoln-Bangor) WHMX, 105.7

FORMERLY SILENT: WISCONSIN (Lake Geneva) WAUX, 1550, WMIR formerly silent

---Courtesy M Street Journal

SMALL MARKET RADIO NEWSLETTER

# MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$

# Brainstorming

Christmas to New Years-Sell at half-price. Dead time. Thanks for being advertiser.

Jingles—To get a 52-week schedule. Advertiser pays for 50% at signing, then 50% on acceptance. Then is rebated through schedule. Another station *licenses* jingle to client. Station retains ownership. Control jingles by supplying only finished ads to other stations.

Service Package—Rotator package which includes weather, sports, features, programs, etc. Sell 13-, 26- or 52-week. Lowball price to get quantity. Build up to cover your base business.

Idea for News/Info Stations—Rotators like the ones TV stations sell: "The Farm Mix," "The Weather Mix," and "The Sports Mix" Impact Plans; "The Farm Club," "Ag Info."

Sell TFN-Just sign up at rate and let it go, maybe for years!

Armed Services Advertising—The Army, Marines and Navy all have budgets. Many can only use it for recruiting. They get their budgets in 4th quarter. They now like to tie with promotions such as softball games against radio stations and listeners, or tee shirt giveaways at a mall. They get remote. They cannot buy ads. Will buy a booth at event, or sponsor a special event like "Welcome Home." They have even bought the back of a bumper sticker.

Car Dealership Tie-Ins-Ways to give away a car:

.

- Car for 30 Days—Winner will get car for a few weeks. Or take a trip to Florida.
- Car for Year-Actually a formal lease for a year, with option to buy at end of year.
- Outright Giveaway—Bought car from dealer with understanding in writing that he'd spend that amount in advertising. Put in writing. Tied with fast foods for giveaway.
- Celebrity test drives—Take a test drive in new car with morning person or sports celebrity.

#### Other Vehicle-Dealer Pointers—

- Dealers can usually get support from the manufacturer. They'll want to be on posters, in promos to get three to four times the value.
- Gasohol—Manufacturers will want to promote new cars that can handle higher percentages of ethanol.

Cash In Advance—Give an extra schedule for cash in hand.

SMALL MARKET RADIO NEWSLETTER

# \$ALE\$

# Ten Classic Lies Customers Use on You

When prospects fail to recognize the benefits of buying, they are often too embarrassed to tell the truth. Although any of the statements below sound true, and can be true, you will never know unless you probe further to uncover the true reason behind your prospect's "shortcut." The most common lies in selling follow these ten distinct patterns:

- 1. Denial
  - a. "I don't need this new product."
  - b. "I would not think of trading in my old one."
  - c. "There's no reason to change now."
- 2. Alibi
  - a. "I don't have the money to buy."
  - b. "I don't have the authority."
- 3. Blaming
  - a. "It's not my responsibility to make that decision."
  - b. "My boss doesn't like products like that."
  - c. "I want it, but my husband [wife/partner] doesn't like it."
- 4. Minimizing
  - a. "This new idea won't do us that much good."
  - b. "I don't see what's so great about this."
  - c. "There isn't much value to spending money on this."
- 5. Justification
  - a. "We do have a need, but we are too busy with our reorganization."
  - b. "I would like to go ahead right now, but the budget hasn't been approved."
  - c. "As long as business is slow, we can't spend money."
- 6. Derogation
  - a. "I heard these things suffer from frequent breakdowns."
  - b. "When it comes to service, nobody will be around to help us."

- c. "You don't have a good reputation in this area."
- 7. Yes, But. . .
  - a. "It's a good idea, but it won't work here."
  - b. "Yes, it is inexpensive, but we still can't afford it."
  - c. "We'd like to buy two, but not right now."
- 8. Helplessness
  - a. "It's out of my hands; I can't do this deal."
  - b. "If I could convince my boss, I'd buy it today."
  - c. "There is no way my wife [husband/ partner] would agree to that."
- 9. I Have No Choice
  - a. "I tried my best, but I had no choice but to go along with the majority."
  - b. "With the many problems we've had in the past, I had no choice but to cancel the order."
  - c. "Based on the lower offer that we've received from your competitor, I had no choice but to go with them."
- 10. Reframing Reality

¢

- a. "Our purchasing system is not unfair, we are just limiting the number of suppliers."
- b. "We may have caused you a minor inconvenience by canceling this order, but we are saving you a lot of money in the future, because your product wasn't right for this application."

#### FROM OUR READERS

Salary Survey. "I read about national salary averages in a recent SMRN, but I have to wonder how well they apply to our small markets, if at all. Why don't you conduct a similar survey among your readers?"

-Gerry Emmet, Emmet Broadcasting, Leesburg, VA, 703-777-1200

*Editor's Reply:* A good idea—from the same gentleman who suggested our earlier, well-received survey on small market sales performance. Here's a brief questionnaire; please help all small market broadcasters by faxing your reply back to us as soon as you can. (Our fax number is 515-472-6457.) Thanks!

SMRN Small Market Salary Survey					
Pop. of Trading Area	No. of Stns. Owned in Market				
Salaries Paid per Month (please give all figures as <i>monthly</i> ; if two or more in a job description are paid different salaries, please indicate a range):					
Program Director \$	Office Manager \$				
Traffic Manager \$	News Director \$				
Air Personality \$	News Person \$				
Please fax this form to SMRN at 515-472-6457 52556. Do it today! Thanks for your help!	, or mail it to P. O. Box 1285, Fairfield, IA				

Spayed, Shmayed. "Before your publication 'goes to the dogs'...

"Thought you'd like to know the word 'spading' in reference to vet discounts in the September 14, 1995 issue of SMRN should be 'spaying."

-Frosty Mitchell, WMT, Cedar Rapids, IA, 319-395-0530

Editor's Reply: Boy am I in the dog-house! Thanks for sniffing this error out, Frosty.

More Condom Fall-Out. "Just read the note from Chuck Thornton at WAGE about the Ramses ads. We sent Mutual a note of objection on those spots, and they (Westwood One) faxed an immediate reply to the effect that they had pulled the ads: 'Thanks in large part to responses, like yours, from many of our affiliates regarding the questionable taste of the spot, the network took a positive action.' My big gripe was that they never notified us they were going to run those ads and in fact substituted them for spots already on their logs."

-Rick Sellers, WMT AM & FM, Cedar Rapids, IA, 319-395-0530

#### SALES MANAGEMENT

#### **Business Establishment Information Profile**

The following form is from Marvin Hill, WGOG, Walhalla, SC. Marvin writes, "I remember someone recently wanting information about client profiles and I ran across this one." Business Name_____ Nature of Business_____ _____Position______Position_____ Contact____ Phone_____ Date Business Established_____ Information Regarding Business Beginnings, Growth, Changes over the Years, Etc._____ Accomplishments, Beginning with the Most Recent Newsworthy-Prizes Won, Records Broken, Unusual or Interesting Trip, Vacation_____ Contact's Hobbies & Interests_____ □ Native of the Area □ From_____ Present Address _____ Phone_____ Married 
 Single Spouse's Name_____ Children's Names_____ Children's Achievements_____ غر SMALL MARKET RADIO NEWSLETTER OCTOBER 19, 1995 • PAGE 6

#### TELEMARKETING

#### Thanksgiving Announcements

hopes you'll join them in giving thanks for friends, family and other blessings. Thanksgiving is a festive holiday. Enjoy it, but don't forget the real meaning of the day. Give thanks. The best Thanksgiving holiday wishes are from _____.

have much for which to be thankful. Among the most important is the friendship and patronage of their many friends and customers throughout our area. During this very special holiday, please accept the thanks of ______.

Remember why the Pilgrims observed the first Thanksgiving? ______ says, as the Pilgrims did, "Let us recognize His hand in our lives and give thanks." To you and your family, extends best wishes for an old-fashioned Thanksgiving.

Loving family. . .good friends. . .a good meal. They're all part of the traditional American Thanksgiving Day. But isn't there something missing? ______ says, sometimes we forget what the real meaning of Thanksgiving is. Count your blessings. Give thanks. ______ extends best wishes for a Happy Thanksgiving.

Many of us spend time complaining about what's wrong. This Thanksgiving, think about all of the things that are *right*. ______ says, think about the good things and give thanks. ______ says, let's put "Thanks" back into Thanksgiving.

hopes you'll pause for just a moment to think about the good things in your life. There's a lot to be thankful for! Each of us has been richly blessed. _____ hopes you'll have a happy holiday—a real day of Thanksgiving.

Thanksgiving is a family holiday. That's what makes it great. ______ hopes you and your family are together this Thanksgiving. ______ hopes this Thanksgiving is truly a happy one for you and yours.

Pause for a moment to think about the good things in your life. ______ believes there is much to be thankful for. Each of us has been richly blessed. ______ hopes that your Thanksgiving will be a happy one and a real day of Thanksgiving.

America is still the best place on earth. ______ says, we are truly lucky to be here. They hope you'll join them in giving thanks. ______ extends best wishes for a Happy Thanksgiving.

The Pilgrims started our Thanksgiving holiday. They set the day aside to thank God for their blessings. ______ hopes that you and your family will observe the day in the spirit of the Pilgrims. ______ believes there is much to be thankful for.

SMALL MARKET RADIO NEWSLETTER

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FROM THE FRONT

As I continue the adventure of operating my own small market radio station, here are some random ruminations that have occupied my mind of late. . .

- You can never be too thin, too rich or too well capitalized.
- There is a big difference between *managing* and *leading*.
- If you have the right people in place, you can do anything. The opposite is also true.
- Everything we say about finding, keeping and motivating salespeople (forget about *good* salespeople) is true. As Bob Doll told me recently, "Radio sales is the second most difficult profession there is." (The first and third most difficult are a subject for another time.)

On this issue, there is a huge difference in perspective between successful stations and a virtual start-up (that's us). It takes time to sort through the think-they-wannabes to find the folks that want to and can do radio sales, but once you've got a few you can build on them.

- You will almost always have a Designated Flake on your staff. The trick is to keep it down to one, and to keep him or her from infecting anybody else.
- Your people are only as excited, motivated, hard-working, committed and cooperative as you are. In this business the Golden Rule is instant and inviolable.

# THE LAST WORD

At this point the question of the removal of ownership restraints in our business is *when* rather than *whether*. Despite opposition from within the industry and within government, I think most of us are feeling the indomitable force of inevitability on this one.

I have always favored a free market economy and I still do. But I fear that many of the benefits I have associated with unlimited ownership are not going to come to pass. I thought that a consolidation might help us to keep the "best and the brightest" and reward them better. I thought that consolidation would produce more respect and stature for our medium in our markets.

It's not happening that way. Many of the agglomerated companies are retaining the secondstringers—preferring order-takers who can keep things going to creative leaders who can keep things growing—and paying them *less*. The best and the brightest are leaving the business. The consolidation of programming outlets results in a balancing act instead of competition, which produces a commodity approach to marketing, which in turn inspires less enthusiasm for the medium in the marketplace. And does anybody feel good about the return of the outrageous Eighties-style price run-ups?

I am not fighting the inevitable. But that doesn't mean I'm happy about the way it's playing out.

# Small Market Radio Newsletter

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

Publisher & Editor: Jay Mitchell Managing Editor: Lori Morgan Editor Emeritus: Bob Doll

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IN OUR 13TH YEAR



Bill Taylor KQSS P. O. Box 292 Miami AZ 85539 FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

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# VOLUME XIII • NUMBER 23 • OCTOBER 26, 1995

**RADIO PROTECTED FROM PERFORMERS' ROYALTIES.** The House passed a bill last week exempting radio from paying future digital performers' royalties. The Senate also exempted radio in its bill passed in August. President Clinton has yet to act on the bill.

VOLUNTEER-RUN STATION GETS SPOTLIGHT of a House committee hearing. First reported in SMRN, July 20, 1995, KTOZ in Springfield, Missouri has been under fire by the U.S. Labor Department for operating with 19 volunteers and not having a minimum wage law exemption. KTOZ GM Ron Johnson will testify in front of the House committee in support of a House bill allowing volunteers to work at forprofit businesses.

THE FINE LINE. The FCC is at it again. Here are some details of recent small market actions:

- Hampton Radio, Inc., may be fined \$10,000 for failing to maintain control of WOJY, Hampton, VA. They were LMA'd to Hampton Roads Christian Radio, Ltd. in 1992-93, and did not file 1990-93 annual ownership reports. According to WOJY GM Ray Fowler, WOJY was reorganized under a new licensee in January 1994; the FCC's notice was addressed to the former licensee at the former address.
- KUAD-FM, Windsor, CO broadcasted a cruise package promotional announcement without identifying the sponsor, Saga International Travel Corp. KUAD had believed the ads were in compliance as Saga alleged the ad had run on other stations. Upon discovery, the station corrected the error. The FCC fined KUAD \$5000. KUAD has a month to appeal.

**KEEP AN EYE ON THOSE BABY BOOMERS** as they move into the 50+ demographic; they could be very lucrative for radio. A study by the Interep Radio Store claims that this demo will be "even more essential than it has been in the past." Why? Householders 45+ represent half of the U.S. aggregate consumer expenditures and half of all discretionary income. By the year 2010 adults 50+ will be 100 million strong, 33% of the population.

#### AT THE FCC

# **NEW STATIONS (Applied For):**

ALASKA (Fairbanks) Northern Television, Inc., 96.9, 10,000w, 507' (Fairbanks) Sherry Walley-Hoff, 96.9, 3600w, 856' (Fairbanks) William Holzheimer, 96.9, 25,000w, 812'
CALIFORNIA (Needles) The Park Lane Group, 107.1, 50,000w, -10' MONTANA (Cut Bank) Prairie Broadcasting, Inc., 102.7, 100,000w, 551' NEBRASKA (Kimball) Tracy Broadcasting Corporation, 100.1, 6000w, 295' NEW HAMPSHIRE (Lancaster) Barry P. Lunderville, 102.3, 360w, 958' NEW YORK (Ogdensburg) K&S Radio Partnership, 98.7, 3000w, 171' PENNSYLVANIA (South Waverly) Maureen Furiosi, 96.1, 1750w, 444' (South Waverly) Raymond Ross, 96.1, 620w, 712'

#### **NEW STATIONS (Granted):**

KANSAS (Fredonia) KGGF-KUSN, Inc., 104.1, 6000w, 328' MINNESOTA (Babbitt) Eclectic Enterprises, Inc., 106.7, 19,800w, 790' NORTH DAKOTA (Rugby) Rob Ingstad Broadcasting, Inc., 95.3, 6000w, 328' SOUTH CAROLINA (Kingstree) Atlantic Broadcasting Co. Inc., 94.1, 6000w, 328' TENNESSEE (Tusculum) Darrell Bryan, 103.1, 6000w, -223'

#### AMENDMENTS TO THE FM TABLE (Proposed):

SOUTH CAROLINA (Sampit) new, 105.7 A TEXAS (Bandera) KEEP, to 103.1 A from 98.3 A (Hondo) KRBH (CP), to 105.9 A from 98.5 A (Karnes City) new, 103.1 C2 (Pleasanton) KBUC, to 98.5 C2 from 98.3 A WASHINGTON (Shelton) new, 94.5 A

#### AMENDMENTS TO THE FM TABLE (Granted):

ILLINOIS (Canton) new, 100.9 A TEXAS (Lamesa) KIOL-FM, to 100.3 C1 Tahoka from 100.3 A Lamesa WASHINGTON (South Bend) new, 105.7 C3

#### FORMERLY SILENT:

SOUTH CAROLINA (Moncks Corner) WJYQ, 105.3

#### **REPORTED SILENT:**

SOUTH CAROLINA (Burnettown) WKRU, 1510 TEXAS (Port Arthur) KOLE, 1340, pending sale

---Courtesy M Street Journal

SMALL MARKET RADIO NEWSLETTER

# MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$

December Business Opportunities include the following businesses, whose sales in the month are above average:

Appliance Stores Book Stores Camera Stores Children's Wear Stores Consumer Electronics Stores Department Stores Discount Stores Drug Stores Fabric & Sewing Stores Factory Outlets Fast Food Florists Furniture Stores Hardware Stores

Jewelry Stores Life Insurance Men's Wear Stores Mobile Home Dealers Movie Theaters Music Stores Office Supply Stores Shoe Stores Sporting Goods Stores Supermarkets Tire Dealers Women's Wear Stores

-RAB's Top 40 Business Survey

#### December Promotional Opportunities - Events & Holidays

<u>Months</u> Bingo's Birthday Month Universal Human Rights Month

#### <u>Weeks</u>

December 10-16 - Human Rights Week

#### <u>Days</u>

)

December 1 - World AIDS Day December 1 - Bette Midler's Birthday (1945) December 1 - Woody Allen's Birthday (1935) December 7 - Pearl Harbor Day December 9 - Kirk Douglas' Birthday (1916) December 10 - Human Rights Day December 12 - Frank Sinatra's Birthday (1915) December 13 - Dick Van Dyke's Birthday (1925) December 13 - Dick Van Dyke's Birthday (1925) December 17 - Wright Brothers Day December 18-25 - Chanukah December 22 - Winter Begins December 25 - Christmas December 30 - Holiday Bowl Parade and Game December 31 - New Year's Eve

---Chase's 1995 Calendar of Events

SMALL MARKET RADIO NEWSLETTER

#### \$ALE\$

#### Marketing to Generation X

Editor's Note: The following appeared in the client newsletter of KTOE/KDOG, Mankato, MN (507-345-4537). It is good information if you are selling a young-adult audience.

If you're not including a radio station that targets 18-34-year-olds in your marketing plan, you're missing the single most important consumer market in the country. Want proof? Take this test:

When you were 17 had you:		By the time you were <u>35 had you:</u>
ū	Purchased a new car?	ū
ū	Purchased a home?	
Q	Had a child?	ū
	Purchased major appliances?	
	Purchased living room furniture?	
<b>L</b>	Purchased insurance?	
<b>L</b>	Purchased an IRA?	Q
	Joined a health club?	<b>D</b>
<b>L</b>	Taken a \$2,000+ vacation?	
	Owned a major credit card?	
ū	Purchased a lawn mower?	ū
Q	Chosen a hospital & physician?	

Virtually all of a consumer's brand loyalties are created between the ages of 18 and 34. Remember, it's easier to create a new customer than to change an old customer's preferences. For more information on marketing to Generation X, read Karen Ritchie's new book, *Marketing to Generation X*.

#### What Do Drivers Do While Driving?

According to a survey conducted for *Prevention* magazine by Princeton Survey Research Associates, here's what people do to occupy their time on the road:

Listen to music or news
Drink a beverage
Eat while driving
Change CD or tape
Read a map or directions 33%
Talk on the phone
Fix hair
Apply makeup 14%
Tend to children

### TELEMARKETING

#### **Christmas Season Safety**

______ says, be sure to include safety in your holiday plans. When selecting a Christmas tree, look for a fresh, natural tree. Fresh trees are less likely to catch on fire than older trees. And when you put your tree up, give it plenty of water to keep it from drying out. A reminder from your friends at _____.

Getting ready for that visit from Santa Claus is a lot of fun. Your friends at ______ remind you to avoid small toys with removable parts—they can be swallowed or lodged in a child's throat. Avoid toys made of brittle plastic or glass—they can break easily—and avoid toys with sharp edges. ______ says, let's make this a happy, safe Christmas.

Here is a Christmas-tree buying tip from your friends at _____: stay away from "flocked" trees. Children often think the flocking is powdered sugar, but it's actually poisonous. A safe holiday reminder from _____. They want this holiday season to be a happy, safe one.

______ sends best wishes for the holidays with this safety reminder about candles: don't place candles near draperies or near anything else that might catch fire easily. Teach children not to touch burning candles, and not to get too close to the tree. Replace candles before they burn too low. Holiday safety reminders from _____.

reminds you to set up your Christmas tree away from heat sources like fireplaces and radiators. Decorate your tree only with U.L. approved lights and cords. Examine the lights carefully for frayed wires, loose connections or broken sockets. Make sure all the sockets have lights. ______ says, don't let a fire mar your family's holiday season.

wishes you and your family the happiest and safest holiday season ever. Trim the tree with children in mind. Don't put breakable ornaments, or ornaments that look like food or candy, on the lower branches where the little ones can get to them. Always turn off tree lights when you go to bed or leave the house. Best wishes for a happy, safe holiday season from _____.

______ sends best wishes for a happy holiday season. Here are some tips to make it safer: Don't overload extension cords with lights. Use no more than three strings of lights on one extension cord. Keep toddlers away from electrical fixtures. Always unplug and cover electrical sockets when they're not in use. Safety reminders from your friends at _____.

This holiday season, ______ reminds you to put safety first. Make sure your tree is fresh and give it plenty of water, and avoid flocking. If you're decorating with candles, keep the flame away from draperies and other flammable items. For gift-giving, stay away from small toys, sharp edges and removable parts for toddlers. Best wishes for a safe and happy Christmas from _____.

SMALL MARKET RADIO NEWSLETTER

# TELEMARKETING

#### **Basketball Opening**

It's tip-off time! Time for another great basketball season. ______ wants to wish the best of luck to the [TEAM]. ______ is proud of [TEAM] and are behind them every game of the season.

Basketball time is here again. ______ sends best wishes to the [TEAM] as they open another basketball season. This year's schedule promises a lot of exciting moments. ______ says, let's support the [TEAM].

There's nothing like the excitement as another basketball season opens. ______ wishes [TEAM] the very best of luck. ______ is happy to join the entire community in saying, "We're behind you all the way."

Another season of high school basketball is about to begin. ______ is behind the [TEAM] all the way. Fans, ______ says, let's let the [TEAM] know we're behind them. Good luck [TEAM].

are with the [TEAM] all the way. Here's hoping they have a great season and great community support all year long. Go [TEAM] from _____.

______ is proud of the [TEAM]. Luck has a lot to do with it, but really great teams need more than that. _______ salutes the hard work being put forth by Coach [NAME] and the [TEAM]. Good luck [TEAM]!

Good luck and best wishes to [TEAM] from _____. They know that [TEAM] is ready to get 'em. Join ______. Support the [TEAM].

The [TEAM] are ready for the tip-off. ______ and everybody in [TOWN] is ready to support them. ______ says, let's play ball. Go [TEAM].

Win or lose, ______ always stands behind [TEAM]. Over the years, the [TEAM] have given us great seasons, great teams to be proud of. ______ is ready for another great season of [TEAM] basketball. Go [TEAM].

There's only one way to play the game—hard. ______ believes that's what gives the [TEAM] such a great basketball tradition. The tradition continues this year. ______ believes it deserves everyone's support. Go [TEAM].

Good luck and best wishes to [TEAM] from _____. The team is ready to go get 'em. _____ urges old fans and new to join them in supporting [TEAM].

# SOUND BITES

### **New Programs**

- "Medical Tribune Radio," by MediaTracks Communications, is a 60-second health feature with the most important health issues of the day from the pages of Jobson Publishing's *Medical Tribune*. For info, call 708-317-1515.
- "John Sutton's Big Band Swing" is a four-hour live barter program Saturdays at 8 p.m. ET. For information, call 1-800-75-SWING (757-9464).
- USA Radio Network has some new programs. John Rosemond hosts "Because I Said So!," a two-hour daily show on conservative, back-to-basics parenting. On weekends, Doug Kaufman hosts "Your Health Matters," focused on herbal healing, food related disorders, allergies, and taking control of your health. For info, call 800-829-8111.
- "The Field & Stream Radio Hour," syndicated by the National Association of State Radio Networks, airs weekends via satellite. Non-member states can now receive the show. For info, call J. D. MacKay at 313-882-5261.

# **Check Your Checks**

Here are four check-handling tips from *Bottom Line Personal*:

- You can deposit an unsigned check. On the line where the signature would normally appear, write or type the word "over." On the back of the check, type "lack of signature guaranteed" and add your station's name, your name and your title. Then sign. This guarantees your bank that you'll take back the check as a charge against your account if it isn't honored. Most banks will then process the check and remit the funds. This saves you the trouble of returning the check to your customer for signature. [Credit & Financial Management]
- How to Spot Bad Checks. About 90% of cleared bad checks are numbered 101 to 150, indicating a new account. In spotting forged checks, look for perforated edges—legitimate checks have at least one perforated edge, while most forgeries are cut-outs. Hold a suspicious check up to the light; if the print is shiny, the check is a forgery.
- Things to Watch Out For. Checks dated more than six months ago are usually not cashable. If the amount in words is different from the amount in numbers, banks pay the sum written in words. If you receive a check with the date missing, it is legal to fill in a date reasonably close to when it was mailed. It is *not* legal to predate or postdate it by several weeks.
- Check-Endorsement Trap. To prevent loss of money when sending checks by mail for deposit, write "For Deposit Only" above your signature on the back. That limits the endorsement. An endorsed check with nothing but a signature is the same as cash.

SMALL MARKET RADIO NEWSLETTER

# **RADIO FACTS**

# Group Vs. Non-Group Ownership

In the U. S. today there are 12,754 licensed stations and CPs that have been assigned call letters. For the purposes of this study a "group" is defined as owning more than one station in more than one market. Combos and duopolies in a single market are not a group.

The first table breaks down AM and FM stations according to whether they are group-owned:

	All Stations		AM St	ations	FM Stations	
Ownership	Number	Percent	Number	Percent	Number	Percent
Group Owned (913 Groups)	5,106	40%	1,890	38%	3,216	42%
Non-Group Owned (5,743 Owners)	7,648	60%	3,140	62%	4,508	58%

The second table divides group-owned and non-group-owned stations by market size:

	Group		Non (	Group	Total	
Market Size	Number	Percent	Number	Percent	Number	Percent
Arbitron Rank 1-100	1,881	51%	1,784	49%	3,665	100%
Arbitron Rank 100+	1,390	46%	1,629	54%	3,019	100%
Non-Arbitron Ranked	1,835	30%	4,235	70%	6,070	100%

296 stations, or 2% of the total, are managed by someone other than the licensee—a group, another station, or some other entity.

Are there any stand-alone stations left? A "stand-alone" is a station with no AM or FM sister one station in one city. It may be group-owned or non-group-owned.

	All Stations		AM St	ations	FM Stations	
Ownership	Number	Percent	Number	Percent	Number	Percent
Stand-Alone	5,513	43%	1,833	33%	3,680	67%
Combos & Duopolies	7,241	57%	3,192	44%	4,049	56%

-M Street Journal

SMALL MARKET RADIO NEWSLETTER



THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

Publisher & Editor: Jay Mitchell Managing Editor: Lori Morgan Editor Emeritus: Bob Doll

Published by: Jay Mitchell Associates, Inc. P. O. Box 1285 • Route 2 Fairfield, IA 52556

Phone 515-472-4087 Fax 515-472-6457 E-Mail 73627.2120@ compuserve.com

 Subscription Rates:

 One Year
 \$119

 26 Weeks
 \$64

 13 Weeks
 \$37

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IN OUR 13TH YEAR



Bill Taylor KQSS P. O. Box 292 Miami AZ 85539 FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

ADDRESS CORRECTION REQUESTED

# VOLUME XIII • NUMBER 24 • NOVEMBER 2, 1995

50% OF AT-HOME WORKERS TUNE TO RADIO, according to a recent study conducted by NFO Research, Inc. for AT&T. The study was based on 1,005 home-based entrepreneurs. According to the RAB, 36% of office workers listen to radio at work.

So what do at-home workers listen to? Music stations (84%), with Country leading the way (38%), Classic Rock a close second (36%) and CHR third (27%). Besides music stations, they also listen to Talk (22%) and/or all News (16%).

**DISTINGUISHED SERVICE NOMINEES SOUGHT BY NAB** for the 1996 NAB Distinguished Service Award (DSA). The award will be presented at NAB '96, April 14-18 in Las Vegas. Nomination forms are available on NAB Helpfax; ask for document 0103. Entry deadline is December 1.

TELECOM CONFERENCE PROCEEDINGS began last week as House and Senate members work to resolve differences in the two versions of the deregulation legislation. Conferees will meet three times a week in closed sessions to settle conflicting language on less controversial issues. They will then move on to the more controversial issues, such as telco vs. long distance. The NAB hopes the conference will resolve the differences quickly so that the bill can pass before Congress adjourns for the year.

**RENEWED NAB-RAB PARTNERSHIP** will allow the RAB to manage the sales and marketing sessions for the Radio Management Conference at the annual NAB convention and NAB Radio Shows through 1998. The NAB will develop management, legal and technological sessions for the RAB Annual Marketing Leadership Conference held each February.

FOURTEEN NEW RADIO HALL OF FAMERS were inducted last weekend during the fourth annual ceremony held by the Museum of Broadcast Communications in Chicago. More than 800 attended the event, carried live by several area radio stations. Inducted: EFM Media chairman Ed McLaughlin, the late pioneering female announcer Yvonne Daniels, and "The CBS World News Roundup," one of radio's longest-running shows.

#### AT THE FCC

# **NEW STATIONS (Applied For):**

MINNESOTA (Buhl) Minnesota Public Radio, 92.5, 39,000w, 558'
OREGON (Klamath Falls) Clark N. Gamble, 104.7, 12,500w, 2201' (Klamath Falls) Sandra Ann Falk, 104.7, 100,000w, 351'
WASHINGTON (Davenport) Blue River Broadcasting Co., 97.3, 4800w, 321'

#### **NEW STATIONS (Granted):**

MICHIGAN (Lake City) New Horizons Broadcasting, Inc., 4600w, 371' (Tawas City) Patricia Mason, 103.3, 6000w, 328' TEXAS (Dimmitt) James D. Peeler, 100.5, 25,000w, 328'

#### AMENDMENTS TO THE FM TABLE (Proposed):

TENNESSEE (Henry) new, 96.5 A

#### AMENDMENTS TO THE FM TABLE (Granted):

ARKANSAS (Viola) new, 94.3 C3 CALIFORNIA (Healdsburg) new, 96.7 A TEXAS (Karnes City) new, 103.1 C2 WASHINGTON (Pasco) new, 93.7 A

#### FORMERLY SILENT:

FLORIDA (Panama City Beach) WDLP, 1290 TEXAS (Hemphill) KAWS, 1240

#### **REPORTED SILENT:**

MAINE (Presque Isle) WEGP, 1390 WISCONSIN (De Pere-Green Bay) WJLW, 95.9

---Courtesy M Street Journal

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#### Quote of the Week

"The worst customer we have is the one who never complains."

-Tim McCaleb, Manager, Easter Foods, Fairfield, IA

# MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$

# **Holiday Promotions**

Jingle Bell Run. This is a 5K walk and run (athletes take their pick). The entry price is \$7.50 (\$15 also buys an official event tee shirt) and some canned goods for the hungry. Entrants fill out a form which serves as a release and the foundation for a database.

*Christmas in the City.* Also known as "Miracle on [your main retail street]" or "Christmas in the Country," this is a one- or two-day sales event in which all participating downtown retailers decorate their windows and/or shops around a central theme. Stores offer special values for the event. If your downtown has empty stores (all too common, unfortunately), arrange to make them available for non-downtown merchants and booth vendors. If a store cannot participate fully, make it a "warming station" or a child-care location.

*Kids Light Up the Town.* Hold a Christmas contest drawing, open to all children aged six to 12, where the grand prize is the right to throw the master switch lighting up the tree and decorations downtown. Entry forms are available at all downtown merchants.

*Riding With Santa.* If parents bring a can of food for the needy, they enter their kids in a drawing to win a ride with Santa during the Christmas parade. Twelve kids are selected for the honor.

*Christmas Decorating Contest.* Businesses decorate their windows in a common theme. The owner of the winning display wins free window-washing service.

*Kids Shopping Day.* Run special transportation downtown for kids on a special day at the end of November. Featured events include a magic show, petting zoo, free gift wrapping, special displays and shopping areas, free gifts, prize drawings, gift certificates and discounts.

Deck the Halls in Downtown [Town]. This one-day event includes a movie matinee for the kids, breakfast with Santa, merchants' open house, tree decorating, and a tour of historic homes. All radio advertising for this event is set to the popular carol, "Deck the Halls." [All foregoing ideas from The Downtown Promotion Reporter, 212-228-0246]

Jingle Bills. The station furnishes participating sponsors with small Christmas trees decorated with "50 crisp \$1.00 bills." Their customers register in-store to win the tree and all the money. The station sells a sponsorship plan which includes holiday ads. [WLRB/WKAI/WLMD, Macomb, IL, 309-833-5561]

Nursing Home Christmas Special. Do a live remote from a holiday party at a local nursing home. The announcer talks about the home, talks with the administrators. . .and spends a lot of time interviewing residents of the home about their family background, how long they've been there and so on. As one nursing-home official puts it, "This broadcast is a living history book." [Dean Johnson, KWAT/KIXX/KDLO, Watertown, SD, 605-886-8444]

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# \$ALE\$

#### Don't Let the "Experts" Get You Down!

Business people who think they know everything there is to know about their businesses—or yours—might listen to the humble pie some of their historical counterparts have had to eat (from Personal Selling Power):

"I think there is a world market for about five computers."

-Thomas J. Watson, founder, IBM Corporation

"Face it, Louis, Civil War pictures have never made a dime." —Irving Thalberg, MGM, to Louis B. Mayer about *Gone With the Wind* 

"Gone With the Wind is going to be the biggest flop in Hollywood history. I'm just glad it'll be Clark Gable who's falling flat on his face instead of Gary Cooper."

-Gary Cooper, after being passed over for the role of Rhett Butler

"The cinema is little more than a fad."

-Charlie Chaplan

"What would this company make of an electrical toy?"

-Carl Orton, president, Western Union, to Alexander Graham Bell, when Bell offered him the rights to the telephone for \$100,000

"That's an amazing invention, but who would ever want to use it?" —President Rutherford B. Hayes, after seeing a demonstration of the telephone

"No matter what happens, the United States Navy is not going to be caught napping." —Frank Knox, U.S. Secretary of the Navy, December 4, 1941

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"Nothing has come along that can beat the horse and buggy."

---Chauncey DePew, president, New York Central Railroad, advising a nephew against investing in Henry Ford's new company

# MANAGEMENT

# Small Market Salary Survey

Here are the first responses from our survey questionnaire, suggested by Gerry Emmet, Emmet Broadcasting, Leesburg, VA."See. . ." indicates one person has more than one position.

Trade Area	No. Of Stations	Program Director	Traffic Manager	Air Person	Office Manager	News Director	News Person
5K	1	1208	1300	See PD	-	See TM	-
75K+	2	2000	1100	950-2000	1750	2375	-
27K	2	1800	1200	1450	1200	1200	-
100K	2	1230	1600	1090	See TM	1700	1025
20K	2	1745-2025	1510	1690	2400	1666	-
40K	2	1300	PT \$5/hr	1000	1200	1250	-
75K	2	1916-2166	1750	1375-1583	-	2083	1416
30K	3	2000	2000	1000	1000	2333	-
35K	1	1583	1350	-	See TM	1458	-
18.5K	1	1500-1600	1300	1200	1520	1000-1200	-
30K	2	1500	-	1500	-	-	-
76-100K	1	1474	1322	1235	Pd by Corp	1473	-
76-100K	2	1604	1344	1214	Pd by Corp	1171	-
80K	1	2166	1666	1666	1666	1333	-
30K	3		1500	1500	1500	1600	-
100K	1	3333	-	2000	2083	2083	1666
15K	1	1850	1600	1650	-	1550	-
35K	1	2000	1040	1400	1040	1500	1000
52K	2	2333	1833	2000	-	\$6.5/hr	-
50K	2	1650	1400	1750	1750	1400	-
60K	3	2427	1517	1300-1690	1517	1777	-
100K	2	2800	1425	1500-2050	1850	2560	1900
400K	2	2000-2500	1200-1500	1000-2000	1200	-	~
27K	1	Mgr/PD/SP :1800; Axr: 700	1200	Axr/ND/SP: 1800	-	-	-
65K	1	1668	1213	1300-1213	1735	1300	1040

SMALL MARKET RADIO NEWSLETTER

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# TELEMARKETING

# Winter Safety

______ reminds you that if you're driving this winter, stock your auto with dry mittens, gloves, headgear, clothes, flashlights, flares, candles and blankets or sleeping bags. Also include waterproof matches, a hatchet, shovel, sand, rope, and a first aid kit. ______ says be ready for the unexpected.

______ says, if you have an auto accident during bad weather, remain calm and dry. Conserve your energy. Wait for help to come. It is usually safer to stay with your vehicle than to try to walk out of a snowstorm. Run the car engine only at intervals and with adequate ventilation. ______ wishes you safe winter driving.

______ says, don't kill yourself shoveling snow—it is hard work that can bring on a heart attack. _______ reminds you that heart attacks while shoveling snow are a major cause of death during winter months. Be careful!

If you're first to arrive at the scene of an accident, ______ reminds you to pull over and use your emergency flasher to warn oncoming traffic. Send someone to telephone the police or an ambulance. Check the condition of the victims, but it's usually not wise to move them. A safe driving reminder from _____.

Here's a winter safe driving tip from ______. Adapt your driving for better traction. If you find your car sliding, ease off the accelerator. Avoid using your brakes. ______ says, safe winter driving means being extra alert and careful.

Hold onto your steering wheel firmly during the winter driving season. _______ says, don't attempt large turns. A light touch should be used to correct swerves. React as soon as the car begins to slide. Minor adjustments will halt most slides. ______ reminds you that safe winter driving means extra care.

______ says, before you start up that car, be sure you've thoroughly scraped and cleaned all of your car's windows. Clear the snow from the roof and hood, as well as from headlights, taillights, and turn signals. In winter, ______ reminds you it's wise to see and be seen.

If you have a kerosene heater in your home, ______ says to refer to the instructions carefully and often. Always leave a window cracked, so fresh air can replace toxic gasses expelled by the heater. Use a good grade of kerosene for cleaner, safer burning. Store kerosene outside the house in a marked container. Always use that kerosene heater carefully. ______ reminds you it's always better to be safe than sorry.

#### TELEMARKETING

### **More Christmas Greetings**

With warmest thoughts, ______ sends best wishes for a holiday season filled with happiness. It is the hope of ______ that the hope and peace of this season will be with you always.

Greetings of the season from the folks at ______. They wish you the joys of Christmas—and prosperity throughout the new year. Again, best wishes from ______.

Happy holidays and best wishes for the new year from ______. _____ hopes the holiday season and the new year is filled with good friends, good times, good health, and good cheer.

hopes that the holidays and the new year will bring you joyful hours, pleasant memories, thoughts of friends and much happiness. Merry Christmas and Happy New Year from

Christmas is a time for enjoying friends and family, for spreading cheer and goodwill. For ________it's also a time to send warmest wishes to the special people who they number among their friends and customers. Best wishes from ______.

At this special time of the year, a special message from your friends at _____. May the miracle of Christmas bring thoughts of joy and peace. Happy holidays and best wishes for the new year from _____.

The folks at ______ believe the holiday season is the perfect time to send warm wishes for the best that life has to offer—and to say thanks for your friendship and goodwill. The holiday's best from _____.

_____hopes that you and your loved ones will enjoy the special gifts of the season: the gift of love, the gift of peace, the gift of happiness. ______hopes this will be your best Christmas ever.

______ believes Christmas is the best time of the year. For _______ it's a time for enjoying friends and family, for spreading cheer and goodwill, and for sending warmest wishes to special people like you. Merry Christmas! Happy new year from ______.

There is no time more fitting than this holiday season to say thank you. From ______ thank you for your friendship and support. Please accept their best wishes for a merry Christmas and a happy new year. Again, thank you and best holiday wishes from _____.

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FROM OUR READERS

Cut the Rate-Cutting. "Most letters that take issue with something we've offered on the air begin, 'I listen to your station every day and really like it. However, . . .' Well, this is one of those letters to you. I read every issue of SMRN and pass it through our staff because of your many good ideas. However, Page 3 of your October 19th issue promulgates one of the truly awful concepts about our medium—we must cut rates if we want more business.

"Please look at the issue and note these key words:

'Christmas. . .half-price'
'Jingles. . .rebate'
'Service. . .lowball price'
'Sell TFN. . .let it go. . .for years'
'Dealer pointers. . .three to four times the value'
'Cash in advance. . .give extra schedule'

"Please return to helping small market operators to understand that our medium moves people to action; to establish a rate card that reflects true worth and allows enough profit to stay in business; to sell ourselves at the price we're worth and stop bringing our own Vaseline to our sales presentations.

"I recently asked the ad manager of a supermarket chain why radio was asked to give all kinds of bonuses when other media were not. His answer was, 'Because you do it.' We don't. . . and we won't. Yes, it cost us accounts—Illinois Lottery, Menard's, Coke, a couple of beers and probably some others this year. We've still sold over 75,000 commercials in 1995 at a non-negotiated price, right on our rate card. We raise our rates every October and every advertiser moves to the new rates at the expiration of any existing agreement.

"My perception of your promotion of rate cutting really pressed a hot button." —Gary Wright, WKAN/WLRT, Kankakee, IL, 815-935-9555

*Editor's Reply:* I congratulate Gary on his thinking. It is certainly the way I believe the radio business *should* be conducted at all times. Unfortunately, it does not reflect a universal law. So much of a station's ability to control its own business depends on financial conditions (it's easy to turn away the low-ballers when you're making money); market conditions (it's easy to turn away unwanted business when you are in demand, or when you have no competitors, or when your competitors uphold *their* rates); and *conviction* (it's easier to get your rates when you have absolute, unwavering belief in your product, and that belief is shared among all staff members). From owning my own station and from dealing with hundreds of owners over the years, I have concluded that there are many "right" ways to do this business, and some of them involve rate flexibility and even, er, packaging. We try to gear SMRN to all our readers, and hope that all our readers will find something of value to apply to their individual situations, in keeping with their individual philosophies.

# Small Market Radio Newsletter

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

Publisher & Editor: Jay Mitchell Managing Editor: Lori Morgan Editor Emeritus: Bob Doll

Published by: Jay Mitchell Associates, Inc. P. O. Box 1285 • Route 2 Fairfield, IA 52556

Phone 515-472-4087 Fax 515-472-6457 E-Mail 73627.2120@ compuserve.com

 Subscription Rates:

 One Year
 \$119

 26 Weeks
 \$64

 13 Weeks
 \$37

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IN OUR 13TH YEAR



Bill Taylor KQSS P. O. Box 292 Miami AZ 85539 FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

#### ADDRESS CORRECTION REQUESTED

# VOLUME XIII • NUMBER 25 • NOVEMBER 9, 1995

**PERFORMANCE RIGHTS BILL NOW LAW.** President Clinton signed the bill last week. Radio will be exempt from performer royalties.

# BROADCASTERS - GET YOUR MANDATED LOCKOUT/

**TAGOUT SIGNS!** OSHA has issued rules to help reduce electrical hazards in the workplace. NAB has responded by creating "lockout/tagout" signs identifying station equipment that must be turned off during maintenance. Call NAB services for information at 1-800-368-5644.

# COMBINED RADIO REVENUE UP 8% IN SEPTEMBER, 10%

YTD, according to RAB's Radio Revenue Index. Local revenue rose 9% for the month, from the Midwest at 15% to the East at 3%. National revenue rose 4%, from the East at 10% to the Midwest at 3%, however the West suffered a decline of 6%. YTD local and national revenue was steady in all markets, rising 10% locally and 9% nationally.

# WHICH FORMATS ARE MOST LIKELY TO COME FROM THE BIRD? Here is a summary of formats, compiled by *M Street Journal*, from stations who run at least 80% of their programming from satellite:

FORMAT	% USING SATELLITE	# OF STATIONS
Pre-Teen	86	24 of 28
Sports	78	115 of 148
Aduit Standards	61	278 of 473
R&B Oldies	60	28 of 47
News-Talk	43	559 of 1,308
Urban AC	39	46 of 117
Oldies	35	248 of 711
Soft AC	30	106 of 349
S. Gospel/Christian CW	23	58 of 254
Contemporary Christian	23	62 of 251
Country	20	524 of 2,622
All Formats	21	2,503 of 11,834

#### **NEW STATIONS (Granted):**

ALASKA (Cordova) Bayview Communications, Inc., 100.9, 1200w, -423' SOUTH DAKOTA (Sisseton) Eclectic Enterprises, Inc., 99.5, 50,000w, 492'

# **NEW STATIONS (Applied For):**

CALIFORNIA (Needles), 1530 Broadcasting, L.L.C., 107.1, 50,000w, 492' (Needles) Steven M. Greeley, 107.1, 50,000w, -295'
KENTUCKY (Tompkinsville) Falcon Broadcasters, Inc., 102.7, 3200w, 456' MISSISSIPPI (Durant) Boswell Broadcasting Company, 101.1, 4800w, 369' OREGON (Klamath Falls) Baldwin Broadcasting Co., 104.7, 12,500w, 2129'

# AMENDMENTS TO THE FM TABLE (Granted):

ALABAMA (Bay Minette) WAVH, to 106.5 C2 Daphne from Bay Minette CALIFORNIA (Willows) KQSC, to 105.5 B1 Dunnigan from Willows

#### FORMERLY SILENT:

CALIFORNIA (Taft-Bakersfield) KMYX, 1310 WISCONSIN (Racine-Milwaukee) WBJX, 1460

#### **REPORTED SILENT:**

MAINE (Brewer-Bangor) WNSW, 1200 MINNESOTA (Monticello) KMOM, 1070

-Courtesy M Street Journal

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# About Outdoor Media

There's no shortage of rules about what to do and what not to do in advertising. *Media Matters*, a newsletter published by Chicago-based CPM Media Management, passes along this one concerning out-of-home advertising: "As a general rule, no more than seven words of copy should appear on the advertisement since most consumers give an out-of-home ad only four seconds of their time." So, you've been warned. With traffic becoming increasingly congested, though, people are apt to have more time to kill as they inch past outdoor billboards."

—AdWeek

SMALL MARKET RADIO NEWSLETTER

# MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$

# Ideas from Christmases Past

Here are some of our favorite holiday promotions from SMRN in years gone by:

**KXXX Christmas Card -** The station distributes custom printed Christmas cards that are serially numbered. The front cover has the station logo and the logo of the major co-sponsor (a soft drink bottler, for instance). On the inside, 40 prizes (or whatever number works for you) are listed with their donors. Contest rules are listed on the back of the card.

Rules: each morning during the Christmas season, and throughout the day, the station announces the serial number of one of the Christmas cards. The listener has 10 minutes to call in and win.

After Christmas Party - Have a series of remotes the day after Christmas. If you sell 8 one-hour broadcasts, you could have a drawing at each location for packs of batteries, etc.

Sing Along with KXXX - Have each of your deejays sing a line from a Christmas song. Don't take it too seriously when you're taping. Get into the spirit. Have some fun. Listeners call in and sing the rest of the verse, getting a small prize for calling.

**Holiday Hello** - Long distance telephone companies are very competitive during the holiday season. Set up a promotion where listeners sign up to win free 10 minute phone calls to friends and relatives who live elsewhere. Do a show from the calling location. Winners are briefly interviewed on the air before making their call.

Lousy Gift Exchange - After Christmas, have listeners bring in a bad gift and trade it for a good one.

Christmas High/Low - Listeners guess how many ornaments are on a Christmas tree you have set up in a high traffic area. They can register to be called where the Christmas tree is displayed, or you can randomly ask for the Nth caller. If the caller is too high, Eddie the Elf falls off the Christmas tree saying, "You're too high." If the caller is too low, Santa booms, "You're too low." When you get a winner, tell your audience, "We're going to play another game starting tomorrow. We're going to add some ornaments or we're going to take some ornaments off the tree. Go by. Look at the tree. Beginning tomorrow be ready to play 'Christmas High/Low.'"

Stuff-a-Truck - Station gets visibility, location gets traffic, both get goodwill. Promotion is tied in with a moving van company or a local automobile dealer. Listeners are asked to bring food donations to location. Goal is to fill the truck. Food is donated to area food banks.

Christmas Trivia - Ask questions about Christmas music and films. Award holiday-themed prizes from participating sponsors.

SMALL MARKET RADIO NEWSLETTER

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# \$ALE\$

### Staying on Top of It

The biggest challenges and stumbling-blocks in the profession of sales have little to do with selling. You can be a super salesperson and still fail at sales.

There is a big difference between a *seller* and a *sales professional*. Put a seller in front of a prospect and he or she can close the sale. But it takes a sales professional to manage his or her time to get in front of as many prospects as possible—and ask for the order as often as possible.

The more successful a salesperson becomes, the more difficult time management becomes—and the easier it is to stop doing what created success in the first place.

You make a sale. Then you have to write up the paperwork. Maybe write the copy. Service the account. Collect the money. Change the copy. More paperwork. More service. More collecting.

Once you've sold a few accounts, it is easy for the non-sales activities to consume all your time. Sometimes for days. Then, when you've nailed down all the paperwork, copy, and so forth, it takes another day or two to get back into the swing of the sales process.

Look at your weekly production to see if you have fallen into this all-too-common trap. If your written sales are on a roller coaster—high one week, low the next—it means you need to achieve better balance in your daily routine.

Ideally, every day will contain all the facets of the selling process. One effective way to keep each day in balance is to use the "4-4-4" method: four sales calls, four service/collection calls, and calls for four future appointments. Sales professionals keep careful track of their activities from day to day—especially making sure they are making four actual sales calls every single day.

90% of all sales are made between 9 and 11 a.m., so it makes sense to schedule your sales calls in the morning. After lunch is a good time to get the paperwork turned in and write copy if you have to. The afternoon is good for service calls and making calls (on the telephone or in person, according to which works best for you) to set up future appointments.

*Hint:* When you sit down (or go out) to set up future appointments, set a goal for yourself to make four appointments, no matter how many calls that takes. Try to make those appointments for early in the day (see the previous paragraph). Each day you will set up appointments for the next day, the next week or later; but if you do this every day, within a few days you'll be starting each day with four real live sales calls.

The key to sales success is *real sales calls*. Day after day. Boom times or slump. Rain or shine. No matter how many pieces of paperwork you have to turn in. Organize your time and the success will follow!

### TELEMARKETING

# Holiday Season Safety Tips

If you're planning a holiday party, ______ suggests you include plenty of non-alcoholic drinks. If you're serving punch, use a non-carbonated base—alcohol is absorbed much faster when it's combined with a carbonated mixer. _____ brings you this message with their best wishes for a safe, happy holiday season.

believes it's a good idea for holiday party hosts to serve plenty of food. Snacks will help slow the rate at which the body absorbs alcohol. It's a good idea to avoid salty food, which stimulates thirst. Good holiday party foods include open-face sandwiches, low-salt crackers, vegetables to dip, candy, cookies and breads. ______ says, have a happy, safe holiday season.

Did you know that half of all fatal holiday auto accidents involve drinking? ______ reminds you that alcohol dulls your judgement and your reflexes. It impairs your vision. ______ believes the old advice is still the best advice: "If you drink, don't drive. If you drive, don't drink."

During the holidays, ______ reminds you that abstinence from drinking is always acceptable. But if you plan to drink, set limits and stick to them. Stop drinking long before you start home. Ask for help in getting home if you think you need it. This reminder is from _____, with best wishes for the holidays.

It's a fact: coffee will not sober a person up. ______ suggests you plan a large breakfast of fix-your-own eggs, meat and fruit to wind up your party. Having guests help prepare the breakfast forces them to put down their drinks. ______ wishes you a safe, happy holiday season and a happy new year.

Staying close to home this holiday season? ______ hopes it will be the happiest season ever for you—please don't let an accident ruin it. Remember that the majority of auto accidents happen close to home, and over half of them involve a drinking driver. ______ says, be happy. . .but be careful.

Plan your holiday party around a fun event. ______ suggests selecting a theme, and planning games and activities around that theme. Games and activities give people a reason to put down their glasses. A reminder from ______ who extends their best wishes for a safe, happy holiday and new year.

#### MANAGEMENT

#### What Your Customers Are Reading

Say It Faster. "There are methods to speed up commercials by compressing them electronically. It's called *time compression* and it is used for both radio and television. It is done with skill and subtlety. Listeners are not aware of what has happened. When a speaker's words are timecompressed, he or she doesn't sound as hurried as when he or she tries to talk faster. Part of the reason is that the percentage of time given to pauses remains the same as in normal speech, and word emphasis remains the same.

"Speed-ups usually amount to about 15%—a substantial amount, but not enough to distort voices. A 15% speed-up allows a 38-second spot to be squeezed into 30 seconds without any deletions. This permits about 10 extra words.

"There is another important side-effect that few people know about: studies show that television and radio commercials that have been given the speed-up treatment have greater powers of persuasion and recall. Unaided recall is improved by 36%. Aided recall is increased by 40% over normally-spoken commercials.

"There is strong evidence that listeners prefer faster speakers, even in casual conversations, because they regard them to be more informed, trustworthy, intelligent, and truthful." —Jeanette Smith, The Advertising Kit—A Complete Guide for Small Business, Lexington Books

Wh	en Shopping Occurs. Percent of weekly retail business:	
•	Monday through Friday 8 AM to 5 PM	30%
•	Monday through Friday 5 p.m. to closing	30%
•	Saturday and Sunday	40%
	-Don Taylor, Up Against the Wal-Marts Am	lacon

When Marketing (Advertising) Works. "Marketing works only when you understand what 'works' really means. When marketing works, it builds your sales and your profits. It shows you your most profitable offerings along with the ones that aren't so profitable. It encourages your customers to come in more often and spend more money. It diverts prospects and profits from your competitors. It reminds customers and potential customers of your prime benefits. You may be bored hearing them, but customers and prospects don't bore as easily. Finally, it establishes and maintains your identity and your reputation. Marketing works for businesses that establish these goals."

-Jay Levinson, Guerrila Marketing Excellence, Houghton Mifflin

# STATION OF THE MONTH

#### A Small Market Duopoly

When a 6000-watt Class A FM was petitioned into the Weakley county seat of Dresden, Tennessee (population 2,488), Paul Tinkle, manager and co-owner of nearby WCMT AM & FM in Martin (population 8,600), says his stations were doing well. . .but he wondered how much the new operation would impact his stations—established in 1957 and 1968, respectively—in a county of just under 32,000. "My partners and I decided to wait and see."

"The Dresden station came on the air in 1991 with an album oriented rock (AOR) format," Tinkle says, "obviously targeted to the University of Tennessee at Martin (enrollment 5,212). The station had some audience, but found it difficult to sell to the mostly conservative business communities."

The Dresden station was soon sold to a group owner with two other West Tennessee FM stations. The format was changed to Southern Gospel, like the group's other stations—again with little sales success. The group's 75-year-old principal quickly listed his stations for sale. Tinkle and his partners decided the asking price was too high and passed, but when the owner approached them personally they agreed upon a more realistic price. "The \$300,000 required to take the seller out was far more than we would like to have paid, but we decided to buy it."

Tinkle says, "Our decision to buy the station was actually a three-fold one. First, owning three stations in the county makes this a single-operator market again, which I think enhances the value of all three stations. Secondly, I'm not superstitious, but the third time might have been the charm —another operator might have cut into our revenues. Third and maybe the most important, the Class C Country FMs to the North and South of us were getting sizeable audiences in our county.

"We couldn't change our FM, which has done AC for years, or our AM, which has a heavy dose of local information, sports, and talk. So we decided to put Jones Satellite's 'CD Country' on Dresden. We've brought a lot of country listeners back home."

The first problem Tinkle had to face was the format change on the renamed WCDZ. "Even in this area, the Southern Gospel format attracts small but very loyal audiences and advertiser lists. We decided to continue to program Southern Gospel and commercial religious programs on Sunday mornings. We kept some of the station's listeners and revenue by doing that. We also kept their morning man, a man with strong ties to Dresden."

The station had been operating, mostly unattended, from a mobile home outside Dresden. The operation was moved into the Martin studios with little negative feedback from Dresden. "I don't think most people ever noticed that mobile home," Tinkle says. Paul, who describes himself as a "manager who keeps his eye on the bottom line," folded the new station into the Martin operation with nominal additional personnel expense.

SMALL MARKET RADIO NEWSLETTER

WCMT-AM has two full-time announcer-operators and three part-timers. The station doesn't play much music, offering a steady diet of local news and community features—many of which date back to the station's beginning. The early-morning show is a simulcast with WCMT-FM. The AM also carries play-by-play broadcasts from the University of Tennessee-Martin and local high schools. The station is a longtime Mutual affiliate, and since the early Nineties it has carried network talk shows like Rush Limbaugh, Oliver North, and Jim Bohannon on non-sports nights.

The FM station programs an AC format supplied by Broadcast Programming. The morning is hosted by the afternoon AM announcer, and the afternoon is hosted by the morning AM announcer. They record local patter onto the station's Smartcaster digital automation system. "It takes about 20 minutes to do the local stuff for a five-hour show," Tinkle says. The station also carries the games of the University of Tennessee-Knoxville (the state's major university).

With the exception of the morning show and the Sunday morning religion block, WCDZ carries Smartcaster-driven Jones satellite music and disc jockeys, with local cut-ins recorded by the WCMT announcers.

He calls folding in the third station "the easy part. We found that it takes two bookkeeping/traffic people to stay on top of the three stations," Tinkle says. "The hard part is working out the sales. I attended several seminars on the subject and got a lot of ideas. But every situation is somewhat different. You have to decide what's best for you by trial and error.

"Before we took on WCDZ, we operated for years with three sales people, including myself. We added another, but originally that third person was going to sell only WCDZ. That didn't work. I guess we've run seven people through that number-three spot in a year and a half. About a year into the three-station operation, I decided everybody would sell all three stations."

"It's sort of like returning to the block programming days of when I first got into the business in the late Sixties," Tinkle says. "We find out what the customer wants to get done and recommend the stations we feel are most likely to get it done. It's working so well that I'm now actively looking for a fourth salesperson."

Even though he puts in 60 to 70 hours a week, Tinkle, in his mid-forties, says he has no ambition beyond his stations in Weakley county. "I came here 14 years ago while I was waiting for an opening at a big station in Louisville," but when it came up, he passed, instead electing to become manager/partner at WCMT AM & FM.

Although he has a full-time news person for the three stations, he does the early morning news himself; he is on the street most of the business day; and he calls local sports an evening or two a week. He says that demanding schedule works because "I really love what I'm doing, and I have a very supportive wife who shares my career enthusiasm."

# Small Market Radio Newsletter

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

Publisher & Editor: Jay Mitchell Managing Editor: Lori Morgan Editor Emeritus: Bob Doll

Published by: Jay Mitchell Associates, Inc. P. O. Box 1285 • Route 2 Fairfield, IA 52556

Phone 515-472-4087 Fax 515-472-6457 E-Mail 73627.2120@ compuserve.com

Subscription Rates:One Year\$11926 Weeks\$6413 Weeks\$37

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IN OUR 13TH YEAR



Bill Taylor KQSS P. O. Box 292 Miami AZ 85539 FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

#### ADDRESS CORRECTION REQUESTED

# VOLUME XIII • NUMBER 26 • NOVEMBER 16, 1995

**DAILIES STILL ON LOSING TREND IN CIRCULATION** blared the headline in a recent *Advertising Age*. "Among the top 25 dailies publishing today," the article declared, "72% reported circulation declines for the six months ended September 30." Papers with Sunday editions were nearly as badly off, with 63% reporting declines compared to the same period a year ago. A major culprit: rising prices caused by inflated materials costs.

**MAGAZINES ARE HAVING THEIR PROBLEMS, TOO** with a proposed second-class postal rate reclassification. Since the reclassification gives postage breaks to publishers that can pre-sort large bundles, smaller magazines would be hardest bit, the thread file of 17-22% increases.

NEW PROGRAMS FOR THE HOLIDAYS AND BEYOND as well as a new computer product:

- Charles Michelson, Inc. has a "Christmas Radio Program Package" which includes episodes from the Jack Benny Christmas Show, the Burns & Allen Christmas Show, the Dragnet Christmas Show, A Christmas Carol, and No Room At The Inn. For more information, call 1-800-648-4546.
- MOR Media is offering a radio script for Charles Dickens's "A Christmas Carol." The script can be easily produced by local stations. For info, call 1-800-827-1722.
- Create AM coverage maps in seconds by using Radiosoft's "AMR" program in either DOS or Windows. The program features accurate ground conductivity, directional patterns, and interference maps. A companion program for FM maps is called "FMR." For info, call 904-426-2521.
- United Stations Radio Networks has two new three-hour Country specials for the holiday season. The first one, "U. S. Country Heroes," airs during the Thanksgiving holiday, featuring American heroes of 1995. The second special, "U. S. Country Winners," recaps major award winners in 1995. For info, call 212-767-1111.

# AT THE FCC

#### **NEW STATIONS (Applied For):**

ILLINOIS (Canton) Neil Rones & Luann Dahl, 101.1, 6000w, 328'
KENTUCKY (Tompkinsville) Judy Crabtree, 102.7, 6000w, 328'
MICHIGAN (Iron Mountain) Donald James Noordyk, 106.7, 1700w, 623' (Negaunee) Goetz Communications Corp., 99.5, 1850w, 598' (Negaunee) Todd Stuart Noordyk, 99.5, 2100w, 554'
MONTANA (Billings) Conway Broadcasting, Inc., 107.5, 100,000w, 984' (Billings) Paul Lucci, 107.7, 100,000w, 1023'
SOUTH DAKOTA (Rapid City) Gregory D. Gentling, Jr., 92.3, 100,000w, 984' (Rapid City) Paul Lucci dba KFD Broadcasting, 92.3, 100,000w, 984'
TEXAS (Gregory) Gerald Benavides, 104.5, 6000w, 328'
WASHINGTON (South Bend) Jodesha Broadcasting, Inc., 105.7, 3200w, 905'
WISCONSIN (De Forest) David and Lynn Magnum, 93.1, 6000w, 328'

#### **NEW STATIONS (Granted):**

ILLINOIS (Neoga) WSHY, Inc., 98.9, 6000w, 328' NEW YORK (Old Forge) 21st Century Radio Ventures, 99.7, 3800w, 239'

# AMENDMENTS TO THE FM TABLE (Proposed):

ILLINOIS (Kewanee) WJRE, to 93.9 A from 92.1 A NEW MEXICO (Las Vegas) new, 96.7 A NEW YORK (Wellsville) WJQZ, to 103.5 A from 93.5 A NORTH CAROLINA (Robbins) new, 103.1 A (Sanford) WFJA, to 103.1 A from 105.5 A OREGON (Pendleton) KWHT, to 103.7 C1 from 103.5 C1 WASHINGTON (Wilson Creek) KVYF, to 103.5 C1 from 103.3 C3 WISCONSIN (Cornell) new, 99.9 C3 WYOMING (Laramie) new, 96.7 A

# AMENDMENTS TO THE FM TABLE (Granted):

ILLINOIS (Carthage) new, 92.9 A (Taylorville) new, 97.3 A MINNESOTA (St. Joseph) new, 99.9 A OKLAHOMA (Bixby) KJMM, to 105.3 C2 from C3 (Nowata) KRIG-FM, to 104.9 A from 94.3 A (Okmulgee) KTHK, to 94.1 C1 from C2

#### FORMERLY SILENT:

FLORIDA (Immokalee-Ft. Myers) WAFZ, 1490, WZOR silent MARYLAND (Oakland) WMSG, 1050 (Oakland) WWHC, 92.3, WXIE silent

-Courtesy M Street Journal

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# **MONEY PAGE - SALES & PROMOTION IDEAS**

# **Proactive Promotions**

Homemakers School. Hold the event at a local auditorium, armory, banquet hall or other venue. Tie in dozens of vendors to do demonstrations, distribute samples and give away prizes. Everyone attending gets a free gift bag "loaded with money-saving coupons," product samples, gifts and a free cookbook "with dozens of new recipes." Tickets are free but only available from participating sponsors. [WLRB/WKAI/WLMD, Macomb, IL]

Shopping Spree. This is a good promotional event and sales tool. Shopping sprees are exciting, especially when the event is broadcast live as though it were a major sporting event. While shopping sprees can be done with most kinds of retailers, the best ones are held in grocery stores. Here are some tips for making the shopping spree a success:

- Build the promotion to involve local media. Think about visuals when planning the promotion, including strategic placement of station banners.
- Promote shopping spree entries with pointof-purchase advertising, grocery bag stuffers and mentions in the store's print advertising.
  - Get vendor dollars by tying in product brands through entry points at certain brand displays in store aisles or aisle ends, or through grocery bag inserts. Vendor dollars are good

# SMRN READER RESPONSE

We want to help you and our other readers by gathering answers to this question:

What are some of your most successful first-quarter promotions?

We need your help! Please fax your promotions to 515-472-6457. Thanks!

sources for advertising dollars to attract grocery budgets to radio.

Set up the rules to meet the store's needs. For example, a limit on the number of identical items will prevent the store being cleaned out of the pricier items. Put all rules in written form for your contestants and your contest file. [John Lund in One To One]

Kids Night at the Supermarket. This is a great way to get families into the supermarket so that they can experience the store. Have a "We Love Supermarket Kids Night" from 5-9 p.m. for children from different elementary schools. Listeners show up to play games for themselves and to earn donations for their school library. [Irwin Pollack]

25% Tuesday. One a certain day, ten businesses feature everything in their stores at 25% off. The station and the businesses promote this incredible citywide event with an on-air campaign beginning five days ahead. Use posters and flyers to promote the event. [Irwin Pollack]

SMALL MARKET RADIO NEWSLETTER

# \$ALE\$

# Understanding the Power of Radio Advertising

How often has a customer asked you one of these questions?

- "How much is an ad?"
- "Shouldn't I run all my ads in morning drive, since that's where the most listeners are?"
- "My budget is tight; can I buy just one ad?"

Questions like this belie a lack of understanding about how radio works. Radio's effectiveness depends on a combination of two factors—how many people hear the customer's ad (*reach*), and the number of times each person hears it (*frequency*). One without the other limits results. And achieving an effective combination of the two requires multiple exposures of the advertiser's message.

The principle of reach—exposing lots of people to an ad—seems simple enough, but often customers undermine that principle by believing they should only advertise in the most popular dayparts (like morning drive). The "OES" (Optimum Effective Scheduling) research conducted by Steve Marx and Pierre Bouvard showed that to enjoy the benefits of reach, ads *must* run in all dayparts. There are many ways to trim a schedule, Marx and Bouvard asserted—reduce the number of weeks used in a month, or days in a week, for example—but never reduce the number of dayparts used in a day.

The reason for this is simple: there are always people listening in each daypart who don't listen in others. Unless you advertise in each daypart, you miss those people altogether.

Frequency is usually better understood, because even the print media preaches it. In fact, we have an advantage over print because they are telling their customers that a newspaper ad must be seen *nine times* before it is acted upon. Regardless of whether the print number is accurate (I suspect it's inflated to sell more ads), radio's threshold is slightly over *three times*. A simple way to express the effects of frequency appeared in an article in the Arbitron publication *Selling Radio*:

Exposure to a New Message	Mental Response					
First exposure	"What is it?"					
Second exposure	"What of it?"					
Third exposure	"Let's do it!"					

The Arbitron article goes on to say, "It is important for the advertiser to make the message important enough for the individual to want to retain it. For the radio station, the job is to make sure the listener hears the message enough times to prompt him or her to take action. To do that requires the effective application of reach and frequency."

SMALL MARKET RADIO NEWSLETTER

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### TELEMARKETING

### **New Year's Greetings**

As the old year makes way for the new, ______ thanks you for your valued friendship and continued patronage. Please be assured that they will work even harder to serve you in the coming year. Thank you and happy new year from _____.

Old acquaintances are never forgotten at _____. To friends old and new, best wishes for the best of everything in the new year, from _____.

A new year of health, happiness, and prosperity. That's the wish of your friends at ______. Thanks for your continued friendship and patronage, and a happy new year from ______.

If the New Year's holiday includes alcoholic beverages, don't forget that old advice: "Make that 'one for the road' a cup of coffee." ______ hopes that your holiday will be a happy and safe one, and that the new year will be full of health, happiness, and prosperity. Happy new year from

Here at the end of one year and the beginning of another, ______ looks back at a year full of many kindnesses from their many friends and customers. More important, they look forward to another year of your friendship and the opportunity of serving you even better. Happy new year from ______.

thanks you for using the products and services they offer. In the new year, as in the old, only the best is good enough for their customers and friends at ______. Here's wishing you the best of everything in the new year.

Ring out the old! Ring in the new! Happy new year from _____. Here's hoping the new year will be full of health, happiness, and prosperity. Happy new year from _____.

This is the time of the year for making resolutions. _____ makes this resolution: In the year ahead they will work even harder to serve you even better. Happy new year from _____.

Best wishes for a happy new year from ______. It's been a real pleasure for them to serve you this year. In the new year they pledge to work even harder to merit your continued friendship and patronage. Happy new year from ______.

All drivers are not as careful as you are. ______ reminds you, if you're driving this new year's holiday, drive with extra care. ______ wishes you a happy, safe holiday and the best of everything in the new year.

As the old year draws to a close, ______ looks ahead to the new year and the opportunity to serve you better than ever. ______ wishes you all the best in the coming year.

### PROGRAMMING

# Ten Ways to Liven up Your Newscasts

Here are ten tips to give your newscasts more ear appeal:

- 1. *Impact points*. Open the news with a sounder to grab attention and set it apart from other air elements.
- 2. *Call letters.* Include station calls when you open and close the newscast, or before going into or coming out of a commercial. Also include calls when announcing the intro of your sports or weather, and of course, during at least one news story.
- 3. Ditch wire copy. It's not hard to rewrite wire stories. [Editor's Note: Especially with wireservice/computer interfaces from AP and WireReady.] You can enhance the copy by rewriting it in your style.
- 4. Don't begin a story with its source. Beginning a story with "Police say. . ." or "Senator Jones stated. . ." is weak. These people say things all the time; it's what they say that's important. Put that at the top of the story.
- 5. *Put the hottest words up front.* Open the newscast with action words—powerful verbs that immediately tell the listener what the story is about.
- 6. Keep the actualities short and colorful. Why put a dull spokesperson on the air when you can say it better and more quickly yourself? Avoid using actualities simply for their own sake.
- 7. *Keep it short.* Radio is a headline service. Stories become bulky and difficult to digest after a few lines, unless there's a hot breaking event.
- 8. *Tease the newscast.* Bring on the newscaster about ten minutes before the cast airs. The best stories to tease are the top story and the kicker.
- 9. *High story count*. Research indicates that listeners feel more satisfied when they hear several items, not lots of detail on a few items. Try to use six to eight stories in a five-minute newscast.
- 10. Don't agonize. It shouldn't take too long to write newscast stories; otherwise you eat up precious time that could be spent on interviews or updating the weather or traffic—elements listeners really want to hear.

Remember, news is part of programming. For best results, it has to *sound* like it belongs on the station.

-Morning Show Consulting Group, reprinted in NAB RadioWeek, May 13, 1991

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# MANAGEMENT

# **Protecting Yourself from Interruptions**

Quick—without thinking about it for more than a few seconds, name your biggest timemanagement problem. Could it be continual interruptions? Here are several techniques for controlling interruptions:

# Telephone

- Immediately after greeting a caller, ask, "What can I do for you?" (Not "How are you?")
- After a caller states his/her purpose, silently set a limit for the conversation and write this on a note you can see as you're talking.
- If a call you are making is answered by a machine, leave your entire message instead of only a request for a call-back.
- Get callers used to specific call-back hours with a message such as, "Please call me back between 4 and 5:30 p.m. any day of the week."

# Office Visits

- Close your door part way. This is a very effective visit deterrent that still communicates, "I'm available if needed."
- Before visitors sit down, stand up (to shake their hand, adjust blinds, etc.), then remain standing while you chat.
- Have a clock clearly visible.
- If practical, institute a closed-door policy for a maximum of two hours a day, preferably during your prime productivity period.

# Subordinates/Support Staff

- Ask subordinates who often interrupt to make lists of questions. When they have five or more, suggest that they leave them in your in-box or on voice mail.
- Always give clear and complete instructions, together with this request: "I'd prefer you to take notes, because I find it cuts down on any questions later."
- Communicate positive expectations by saying things such as, "I know I can count on you to figure out how to do this with a minimum of direction from me."
- When subordinates go through a day or a project without interrupting you, comment appreciatively.

# General

- When someone asks (in person or on the phone), "Got a minute?" you answer, "Just about that," or "I can give you five now or 20 later this afternoon." That way, you alert your interrupter at the start that you're on a tight schedule.
- Have your top goals for the week and month in plain view every day, to help you remember that indulging interrupters steals time from moving toward your goals.
- Create a reputation as someone who highly values time management and productivity. When people know you're time-conscious, they'll interrupt less.
- Ask for cooperation in keeping calls and meetings short.
- Don't be a frequent interrupter yourself. People will treat you the way you treat them.

-Ann Reeves, Quill, November 1994

# SALES MANAGEMENT

# **Calculating Cost of Sales**

There are many benchmarks floating around our industry concerning "cost of sales." Often we measure how well operated a station is by how low the cost of sales is; generally, the number thought to be ideal ranges between 19% and 25%.

Some small market stations are successful in keeping the number very low; not only do those stations shy away from expensive sales promotions and other means of "buying sales," but their general managers (and sales managers if they have them) carry large account lists which are not commissioned.

At the other extreme, many stations are finding that sales costs are rising due to increased competition and the necessity to pay more to get talented, stable sales people.

What expenses are generally used to calculate cost of sales? Here is a list, provided by a successful small market group owner, of what is included and what is not included in his operation's cost of sales:

Included Sales salaries Sales commissions Sales guarantees Sales Manager compensation RAB dues Sales-oriented phone calls Sales department business cards Printing of contracts and other sales materials Sales-related meals and entertainment expense Sales person auto expense Promotions which are exclusively sales-oriented

Not Included Manager's compensation Health insurance FICA, FUTA, and so on Promotions which are audience-oriented in some way

One convenient way to look at cost of sales is that the sales department must generate five times its cost. Keeping a constant eye on this indicator keeps you focused on both sides of the revenue-generating process.

NOVEMBER 16, 1995 • PAGE 8

# Small Market Radio Newsletter

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

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Published by: Jay Mitchell Associates, Inc. P. O. Box 1285 • Route 2 Fairfield, IA 52556

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Subscription Rates:One Year\$11926 Weeks\$6413 Weeks\$37

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IN OUR 13TH YEAR

Bill Taylor KQSS P. O. Box 292 Miami AZ 85539 FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

ADDRESS CORRECTION REQUESTED

# VOLUME XIII • NUMBER 27 • NOVEMBER 23, 1995

# FCC HITS STATIONS WITH UNAUTHORIZED TRANSFER VIOLATIONS. Here's who and why:

- Eddie Bond was hit with \$15,000 for apparent liability regarding three separate unauthorized transfers of control involving WOHT, Drew, MS, between October 1991 and July 1993. In addition, current owner Delta Radio was fined \$7,500.
- Covenant Media Services was fined \$1,000 for unauthorized transfer of control involving KJUS, Beaumont, TX. The fine was lowered because KJUS voluntarily went off the air as soon as the licensee discovered the violation.

IT'S OFFICIAL—CBS AND WESTINGHOUSE MERGE with 99.5% stockholder approval last week. The price tag: \$5.4 Billion. The FCC still has to approve the merger.

**STUDY SHOWS RETAILERS USING DATABASES** more frequently. According to a study of retailers conducted by the Direct Marketing Association, two thirds of the respondents have a marketing database program in place. Of the one third without a database, 40% say they will be adding one.

**DEADLINE FOR ASCAP LICENSES NEARS.** If you wish to continue playing ASCAP music, you need to take action before December 31. The Radio Music License Committee has been urging stations to give the RMLC authorization to negotiate on their behalf with ASCAP. To obtain an authorization form from the RMLC, contact Dave Fuellhart at 410-866-5594, or fax to 410-866-6268.

CONSUMER UNCERTAINTY MAY HURT HOLIDAY SPENDING.

Consumers are more cautious as to where and how to spend their money due to uncertainty about government tax breaks, Medicare cuts, balanced budgets, veto threats, and other issues. According to a survey by Leo J. Shapiro & Associates, 28% plan to spend more on holiday gifts this year while 42% plan to spend less. Retailers may also see less "plastic" used this year because consumers are maxed out—credit card debt and credit card delinquencies have risen this year.

# AT THE FCC

# **NEW STATIONS (Applied For):**

ALASKA (Kasilof) William John Glynn, Jr., 106.9, 3000w (h), 262'
ARKANSAS (Earle) Catherine Joanna Flinn, 103.9, 25,000w, 328'
COLORADO (Silverton) Alton Broadcasting Co., 107.3, 100,000w, -817'
INDIANA (Roann) Charles & Toni Adams, 101.9, 6000w, 328'
KENTUCKY (Tompkinsville) J.K. Whittimore, 102.7, 3100w, 453'
MICHIGAN (Iron Mountain) Superior Media Group, Inc., 106.7, 2250w, 541'
(Iron Mountain) Zephyr Broadcasting, Inc., 106.7, 1750w, 621'
MONTANA (Billings) Mount Rushmore Broadcasting, 107.5, 100,000w, 984'
(Billings) Reier Broadcasting Company Inc., 107.5, 100,000w, 984'
(Billings) Reier Broadcasting Company Inc., 107.5, 100,000w, 987'
NEVADA (Pahrump) Gregory Wells & Mark Nolte, 95.1, 6000w, 328'
SOUTH DAKOTA (Rapid City) Christian T. Haugo, 92.3, 56,000w, 2416'
WISCONSIN (De Forest) BBDG Broadcasting, L.L.C., 93.1, 6000w, 328'
(De Forest) Jolene Neis, 93.1, 6000w, 328'
(De Forest) Walter A, Wigglesworth, 93.1, 6000w, 328'

## AMENDMENTS TO THE FM TABLE (Proposed):

GEORGIA (Elberton) new, 105.1 A NEW MEXICO (Chama) new, 98.9 A OKLAHOMA (Claremore) KTFR (CP), to 100.7 A Chelsea from Claremore

# AMENDMENTS TO THE FM TABLE (Granted):

ILLINOIS (Colchester) new, 104.1 a

# FORMERLY SILENT:

PENNSYLVANIA (Mount Pocono) WPMR, 960 WISCONSIN (De Pere-Green Bay) WKSZ, 95.9, WCLW, silent

—Courtesy M Street Journal

#### **Products & Programs**

- ► SJS Entertainment and Black Entertainment Television are introducing "BET Radio," a feed of daily news, music news, entertainment and comedy features, sports, and long-form specials. It's targeted for Urban, Urban AC, and CHR stations. For info, call 202-608-2372.
- ESPN Radio Network has acquired rights to air NBA programming. The NBA and ESPN Radio Network signed a three-year agreement with coverage beginning January 21, 1996.
   ESPN Radio Network is a joint venture between ESPN and ABC Radio Networks.

# MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$

January Business Opportunities include the following businesses, whose sales in the month are above average:

Book Stores Tire Dealers Video Stores

-RAB's Top 40 Business Survey

January Promotional Opportunities—Events & Holidays

<u>Months</u> Blood Donor Month Diet Month March of Dimes Month National Eye Care Month National Radio Month

#### <u>Weeks</u>

January 14-20 - International Printing Week January 21-27 - Celebrity Read A Book Week

# <u>Days</u>

January 1 - New Year's Day January 5 - Walter Mondale's Birthday (1928) January 15 - Martin Luther King, Jr. Holiday January 17 - James Earl Jones's Birthday (1931) January 22 - George Foreman's Birthday (1949) January 27 - Vietnam War Ended (1973) January 28 - Challenger Space Shuttle Explosion Anniversary (1986) January 29 - Oprah Winfrey's Birthday (1954) January 28 - Super Bowl XXIX

-Chase's Calendar of Events 1996

Kids' Activity Tips. A daily feature for parents featuring tips for school holidays, weekends, or after school. Featured guests could be: educators, child psychologists, local recreation leaders, etc. Tie in kids clothing or toy stores for sponsorship. [Broadcast Programming]

January Clearance. The day after Christmas, every retail and service business gets a notice, followed by an in-person sales call, telling advertisers and potential advertisers, "January Clearance! We have about 2,000 January ads that didn't sell, all marked down to move fast and ready to move your January clearance merchandise fast. These ads are first quality, no seconds. They're all from our regular inventory. While they last, you save as much as 50%. Be ready to get your share when your representative calls. Better still, call right now for extra fast service." [KSID AM & FM, Sidney, NE]

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SMALL MARKET RADIO NEWSLETTER

# \$ALE\$

# **More About Effective Advertising**

In the article in Arbitron's *Selling Radio* magazine that we cited on last week's Sales Page, I found more useful information that can further our own and our client's understanding of how to make their radio investment really pay off. Here are some key points:

- "Every day it is estimated that the average consumer is exposed to more than 1,500 advertising impressions. To make a client's commercial message stand out from the rest, a station needs to work out a schedule that prompts consumer action. That means getting the listener first to notice the message and second to respond to it. That is where reach and frequency come in."
- "In order for an advertising campaign to be effective over the course of, say, a week, the frequency of the campaign should be at least three; that is, the same listener should be exposed to the message at least three times."
- "Dr. Herbert Krugman of General Electric studied mental response to new messages. Krugman found that it wasn't until the third exposure that some kind of action would occur. Indeed, little productive value is generated from only one exposure to an ad. Citing six major studies, ad agency executive Alvin Achenbaum observed that 'individuals who are exposed less than three times are not significantly affected by the advertising.""
- "According to Mike Naples, president of the Advertising Research Foundation, 'One exposure to a target consumer within a purchase cycle has little or no effect. Optimal frequency of exposure appears to be at least three exposures to the message."
- "In 1885 a researcher by the name of Thomas Ebbinghaus did a study on people's ability to retain information. He called the results the *Curve of Forgetfulness*. What this curve shows is that a person consciously forgets 75% of what he or she has learned the previous week; after three weeks, he/she forgets 90% of what was learned; and after four weeks, 95% of that information has been forgotten."
- "If a primer existed for fledgling radio salespeople, it would have to include the dictum that in order to sell radio to an advertiser you have to know how radio can sell for an advertiser. Successful selling must incorporate three goals: (1) The message must be right, to motivate people to take action. Ten dollars off the price of a car is not a great inducement, but a hefty rebate or no-interest car loan might be enough to elicit response. (2) The audience must be matched to the message. If the advertiser is selling children's sportswear, a late-evening sports talk show would probably not be the best advertising medium. (3) The message must be heard enough times by enough people. Too few commercials heard by too few listeners is why many schedules do not work on radio; it takes time and repetition for the message 'Go out and buy my product' to sink in."

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#### SALES MANAGEMENT

## **Inventory Management and Pricing**

Some interesting sales management thoughts in a thought piece by Rick Pfeiffer, KEYZ & KYYZ, Williston, ND, 701-572-5371. What do you think of them?

# Inventory Management and Pricing

This starts with the "internal customer" (the salesperson). Because perception is reality in everybody's mind, the sales manager and overall station management team must demonstrate and prove the perception that the stations are worth more than market-dictated measurements driven by buyers. This is accomplished primarily by inspiring the staff as opposed to motivating the staff. People who are inspired will motivate themselves (assuming the proper profile match for hiring was made initially).

The best managers are inspirationalists as opposed to motivationalists. Most people, including managers, have a hard enough time motivating themselves to do what they are supposed to do on a daily basis, and to think that managers will be able to motivate others when managers have a big enough problem motivating themselves is oftentimes unrealistic. A good manager, then, inspires the staff by providing an atmosphere that is devoid of demotivating factors that contribute to depressed rates, low morale, and employee attrition.

# Monitoring Rates

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Assuming that the foregoing step has been accomplished, the following guidelines are what I have used to ensure revenue maximization: (1) All proposals "off card" (non-standard rate card pricing) are approved by the GM or SM in advance of airing. (2) The salesperson knows that if an "off the card" rate is turned in, the buy will become a house buy unless the change has been approved in advance by the GM or SM. In this way, the salesperson cannot slip orders through and must justify any change to a lower rate or risk losing the buy to the house.

#### Qualitative Data

Other obvious tools to justify rates are qualitative data from RAB, Simmons, Arbitron, your network service and other similar vendors.

#### **Buyer** Perception

Since perception is reality with the advertiser, the stations must be perceived *not* as commodities but as value-added facilities that enhance the ad buy. One way to build value is to offer off-air benefits, such as training the advertiser's sales force in basic selling skills, faxing monthly Sales Tips to clients (which keep the stations top-of-mind and at the high end of rates).

### TELEMARKETING

#### **Blood Donor Month (January)**

believes you should know that 40,000 units of blood are needed each day for patient care in the United States. There is a blood shortage in many communities. Donating blood is a safe and simple process. ______ reminds you, it saves lives.

wants you to know that as many as four million Americans may need blood -transfusions this year. There are shortages of blood in many communities. Donating blood is a safe and simple process. Your blood donation may save the life of a loved one—or yourself. urges you to volunteer to give blood.

You cannot get AIDS or any other disease by donating blood. Donating blood is safe and simple. ______urges you to take part in the [AREA] blood drive. The time, day, and place are: [INFO]. A community service message from your friends at _____.

Each year four million Americans need a blood transfusion because of accidents or illness. Think! You know someone whose life was saved by blood from the community blood supply. Blood supplies are dangerously low. ______ says, do your part! ______ urges you to volunteer to give blood.

warns you that blood supplies are dangerously low. You can help be becoming a regular blood donor. In [AREA] call [NUMBER] for information. ______ reminds you that you are giving the gift of life when you give blood.

salutes the [DONOR CENTER]—one of 2,400 community blood centers serving the nation, manned by over 8,000 dedicated people. Virtually all of the nation's blood supply comes from volunteers like you, donating blood to agencies like [DONOR CENTER]. If you're a regular blood donor, ______ says, thank you. If not, why not become a blood donor?

There is a blood shortage in this community. ______ reminds you that you can help. It'll take just a few minutes of your time. The truth is that donating blood is a safe and simple process. ______ urges you to call [NUMBER] for information. When you give blood, you give the gift of life.

______ is happy to be a part of [AREA]. They want to make this the healthiest, safest, happiest community possible. That's why ______ wants you to know that there is a blood shortage. Your blood donation is needed. It's safe and simple and it saves lives.

reminds you that there is always a need for blood in our community—for accidents and illnesses. Giving blood is safe and easy. Just contact the [DONOR CENTER] at [NUMBER] for information about how to give the gift of life. _____ urges you to give the gift of life donate blood today.

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### PROGRAMMING

# **Morning Show Bits**

Here are some ideas to try on your morning show:

Funny words only you and your family know. My neighbors use the word "binky" for "blanket." Every family has some.

Different ways to set up a scavenger hunt. Have the "boss" call up explaining how he lost his wallet. There's x amount of money in it. Have him ask if your listeners will help hunt for it. Give hints.

Did you know that a hundred laughs a day will give you as much cardiovascular benefit as ten minutes on a rowing machine? It also lowers blood pressure and heart rate, strengthens the immune system and reduces levels of stress-creating hormones.

Brag on the air that you know the punch lines to every joke, because you wrote them all. Of course, the phones light up and you get jokes like crazy. Chances are you'll surprise yourself and know a majority of them. But when you hear one you don't know, make a big deal over the listeners for having "Stumped the Jokemeister!"

As a variation, just once, you might have the caller give you the set up, pause, and then tell them that they did the impossible and stumped you. Then get the punch line. With the tape stopped, say, "Did you say the punch line was—", then start recording again and repeat the punch line. The caller will follow you with, "Yeah, that's it!"

On the air, the call, with the edit, will sound like you knew the joke and the caller confirmed it. Of course, you've given the caller a nice prize off the air, so he or she won't hate you too much. Be *sure* to let your listeners in on the deception after it's over.

End of summer subject to get the phones ringing: "What did you do for a summer job?"

The headline game. Which one's real? Go to a tabloid like the National Enquirer for crazy headlines, then make a few up. Invite listeners to sort out "real" or "made up"!

Confess to your parents. Get parent and (adult) child on the phone and have the child confess something he or she did in the past.

*The replacement game.* Jock gives a name or item and the contestant must say what the replacement is for that name or item. Examples:

- Q: David Letterman; A: Conan O'Brien.
- Q: Michael Keaton as Batman; A: Val Kilmer.

# FROM THE FRONT

# The Teacher Becomes the Student

After nearly twenty years of advising hundreds of stations on how to do almost everything, it was pretty humbling to have to do it myself.

As I've said before, I was gratified that *some* of the advice I've been giving over the years actually works in the real world. Then again, there are some things I will never advise again!

This whole ownership experience has brought home certain verities to me like never before:

- Knowledge in and about the radio business is constant and inviolable. There really aren't any new ideas, just ones that work (or not), passed along from one generation to the next.
- The strength of our business is this link between those who have gone before and those who come after.

I owe a tremendous debt to so many friends who have given me their advice and counsel (and sometimes their shoulders on which to cry). I know I'll never be able to repay them directly, but I hope that I can do so by passing the knowledge and experience on to others.

# THE LAST WORD

We received a letter today from the Associated Press. There will be a 2.9% general assessment increase, the letter says, applied to all AP services effective Jan 28, 1996. But it may increase up to 8.1% if any of the following apply (and we quote):

- 1. If your station is currently phasing to the market assessment under AP's Uniform Assessment Formula adopted in 1987, a step increase of no more than 5%.
- 2. A change in your FCC station class.
- 3. A change in your market assignment or size.

I guess somewhere along the line we agreed to all this, but it wasn't we "we." When we bought our stations, we were confronted with a contract from AP that—well, if the world's superpowers used the same language, believe me, nuclear proliferation would definitely be a thing of the past. This thing survives format changes, personnel changes, ownership changes, FCC rules changes, and the end of the world.

Having dealt with some of our more unsavory brethren, I can understand a broadcast vendor protecting itself. But among the music licensing folks and the information providers (oh, and let's throw the FCC in for good measure), we broadcasters sure have a lot of lopsided agreements to live with. Whatever happened to the concept of win-win?

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 Subscription Rates:

 One Year
 \$119

 26 Weeks
 \$64

 13 Weeks
 \$37

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IN OUR 13TH YEAR



Bill Taylor KQSS P. O. Box 292 Miami AZ 85539 FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

ADDRESS CORRECTION REQUESTED

# VOLUME XIII • NUMBER 28 • NOVEMBER 30, 1995

FCC APPROVES CBS-WESTINGHOUSE MERGER with a vote of 5-0. The new megagroup will have 39 radio stations—21 FM and 18 AM.

ALL-AMERICAN TO KEYNOTE RAB '96. Keith Harrell, All-American basketball player and 14-year IBM marketing executive, will be the motivational keynote speaker at the opening session of RAB '96. The RAB Managing Sales Conference will take place in Dallas, February 15-18, 1996. Early registration is recommended. Call 800-722-7355 to register.

**DAB UPDATE:** Canada can now issue its first licenses for digital radio stations; the U.S. is still testing various DAB systems. The American field tests, which were to be in their final stages by now, have been delayed until February 1996, when the first round of testing will take place. The second round is scheduled for May 1996. It is unlikely that the U.S. will have a DAB standard until all the tests are completed.

NEW PRODUCTS & PROGRAMS include these holiday offerings:

- Jones Satellite is offering "Crook & Chase," a year-end Country countdown with Lorainne Cook and Charlie Chase. Available on CD, it will air December 30-31. For information, call 303-784-8700.
- Disney and ABC Radio present "Mickey and Minnie's Merry Christmas from Walt Disney World," a three-hour special hosted by Ed McMahon. For information, call 212-456-5131. ABC has other holiday specials which include: Rick Dees, Bob Kingsley, Dick Bartley, Tom Joyner, and Paul Harvey.
  - NPR will bring "Cognac Hennessy New Year's Eve Coast to Coast" to the air. The six-hour jazz program will begin at 10:00 ET on New Year's Eve.
- Westwood One is offering 11 music and entertainment oriented programs, as well as news, through its NBC and Mutual webs. For information, call 212-641-2052.

# AT THE FCC

# **NEW STATIONS (Applied For):**

ARKANSAS (Earle) Bobby Caldwell, 103.9, 25,000w, 328'

# **NEW STATIONS (Granted):**

ALABAMA (Columbia) James Wilson, III, 92.1, 2550w, 499' IOWA (Muscatine) Muscatine Communications, Inc., 93.1, 4400w, 384' PENNSYLVANIA (Laporte) Theodore J. Saul, Jr., 103.9, 6000w, 276'

# AMENDMENTS TO THE FM TABLE (Granted):

NEW MEXICO (Raton) new, 96.5 A TENNESSEE (Jonesville) new, 99.1 A

# **REPORTED SILENT:**

CALIFORNIA (Merced) KFIE, 106.3 NEVADA (Reno) KRCV, 630, pending sale UTAH (Centerville) KCPX, 1600

# FORMERLY SILENT:

KENTUCKY (Russell Springs) WIDS, 570 MAINE (Worcester) WNEB, 1230

---Courtesy M Street Journal

# Again, Why Are Ratings A Good Thing?

Every once in a while a good ratings story surfaces to remind us, win or lose, not to take the silly things too seriously. This one is from *TV Guide*:

"In Los Angeles some time ago, a test pattern airing at 2 a.m. on local TV station KTLA got higher ratings than the 10 p.m. newscasts on two competing stations. That's right: the numbers suggest that more people actually sat and stared at a bunch of color bars than tuned in to watch the local news. An unlikely event, to say the least.

"The probable explanation is that KTLA viewers who were watching a 1 a.m. rerun of the station's own 10 p.m. news simply fell asleep while their TV sets—and Nielsen Ratings's settuning meters—stayed on. It's not often that we get such an absurd reminder that the almighty Nielsens are not always what they seem. Thanks, we needed that."

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# MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$

# Winter Promotions

The Sledding Festival. On a crisp Saturday, arrange for one of your personalities to conduct a sledding festival for local kids. Award prizes for the longest run, the most graceful form, the best slalom pattern, the most creative use of non-sled vehicle, etc. A good prize is a brand-new Flexible Flyer.

Food Bank Tie-In. Food banks are under a lot of pressure during the Winter months, and it makes good sense to make your local bank the beneficiary of your events.

- Have your listeners bring a can of food as admission to one of your events.
- Have a volunteer Sunday food bank blitz: recruit listeners to staff pickup points at advertiser locations and promote food-can drop-offs. (Pick convenient locations, like shopping centers, fast-food outlets, gas stations, banks, groceries, etc.) Have personalities on the scene at pickup points. [Broadcast Programming]
- Tie in with a local financial institution for a "Bank to Bank" promotion, using the institution as the drop-off point. The station and the bank provide small premiums for those who bring cans by.

**Bring Your Flame to Breakfast.** From six to nine a.m., local firefighters take over a local restaurant or banquet hall and cook up a buffet-style breakfast. The station personalities, along with the staff of the eatery, serve beverages and bus tables. The admission fee (\$5) goes to a local charity. Tickets are made available through the fire department, the eatery, the charity and the station. [One to One]

Ski Trip Giveaways. This works even for stations in warmer climates. Arrange with a local travel agent to give away a ski package including accommodations, lift tickets, equipment rentals and transportation (train or bus can be different and fun). Tie in with a food sponsor for free meals.

Station Ski Team. If you're anywhere near a ski area, put together a staff team. Have the team frequent your local area(s), broadcasting live and giving away small prizes. Once or twice in the season, invite listeners to purchase packages for a full-blown ski trip with the team.

Stall Patrol. Work with a local gas station or towing company to provide a free service just for your station's listeners who have unexpected car trouble. Have stranded listeners call a special hotline number. In addition to free assistance, they can also qualify to win other prizes.

If your station has a 4x4, you can have listeners "saved" by your vehicle. (Be sure to put some small prizes on board to give to the stranded motorists.) You can also do a bit on your morning show, "Jump Start Your Morning," where listeners describe their dilemmas. [Network Forty]

# **\$ALE\$**

# Another Radio PSA: Positive Sales Attitude

Studies reveal that up to 68% of all customers who leave a business do so because of dissatisfaction with service. Of the other 32%,

. ____

- 3% move away
- 5% become involved in other friendship-based transactions
- 10% leave for competitive reasons (such as a more convenient location, better prices, etc.)
- 14% don't like the product

Obviously, offering the best possible service is the name of the game. Research by the White House Office of Consumer Affairs tells us that up to 70% of complainants will remain loyal if their complaints are resolved, and up to 95% will remain loyal if the complaints are resolved *quickly*.

Here are some helpful hints to ensure that the needs of your customers are met:

- *Listen* for facts and feelings. Focus on your customer, thereby creating a nonverbal message that you care enough to listen carefully.
- Ask open-ended questions to determine the difference between what your customer is saying and what your customer means.
- Select appropriate solutions to the conflict. Treat customer complaints like a gold mine—let them vent anger and frustration. Practice empathy: say, "I understand how you feel."

It costs up to six times more in time and effort to sell a new customer than it does to keep the ones you have.

Our customers are valuable to each and every one of us, and we can only win by letting them know it. . .

. . . And letting them know it. . .

. . . And letting them know it. . .

. . .And. . .

-Sandy Johnston, KASI & KCCQ Radio, Ames, IA, 515-232-1430

# SALES MANAGEMENT

# How to Manage Sales Time Effectively

The job of media sales is actually a combination of dozens of activities. Only a few of those activities lead directly to sales. Here is a way to use a sales meeting to determine the ten most important *selling* activities. These top ten activities become the basis for planning the day and the basis for effective sales managing, coaching and training.

Materials Needed: An easel with flip chart (or blackboard); a calculator; masking tape for hanging up flip charts, and marking pens or chalk. *Important*: Have each person bring call reports for the past two weeks.

#### **Running the Meeting**

Step 1 (10 minutes)—As a group, brainstorm a list of at least 30 different activities that a salesperson does during the selling week. Use verbs to describe these—"Attend merchant association meetings," "Drive to advertisers' stores," "Type orders," and so on.

Step 2 (10 minutes)—Once you have a list of at least 30 activities, estimate the amount of time you spend doing those activities. Have each individual estimate this on his/her own. For example, if you think you are spending two hours in front of clients each day, enter 10 hours for the week. One hour a day in your car means five hours of driving each week.

Step 3 (5 minutes)—Now add up all of your hours and see where you're spending the most time and notice which activities are getting the most and least amounts of time.

Step 4 (10 minutes)—Divide the total number of activities you do by three. (If you do 30 different things you will have 10 "A" priorities, 10 "B" priorities and 10 "C" priorities.)

Step 5 (10 minutes)—Have each member of the group list his/her "A" priorities.

Step 6 (15 minutes)—Ask for each person to name one of his/her "A" priorities. List this one "A" priority on a clean piece of paper. Now ask the other group members how many of them listed that as an "A" priority as well. Put the number of "votes" beside the activity and move to the next person. Repeat the process until everybody has listed all of their "A" priorities. Count up the votes for each "A" and prioritize the "A" priorities into a group list.

#### You now have a list of the top selling activities in your station.

There is no need to go on to the "B" and "C" activities. If your sales reps do the "A" activities, they will increase their sales. Inspect their call sheets and call reports for evidence of doing the most important activities. There will be a tendency to do the urgent but unimportant "B's" and "C's" unless you make it clear as to how you want people to perform.

Post the FOP 10 ACTIVITIES in a prominent place in your sales department. Use it to plan sales meeting topics. Incorporate it into your job description for a sales rep.

Editor's Note: We don't know where this piece came from—it's been kicking around in our computers for a while now. If any reader knows its source, please let us know.

#### TELEMARKETING

# National Eye Care Month (January)

Here's an eye care tip from ______ in honor of National Eye Care Month. Children who consistently avoid sports, sit close to the television screen, or ask move closer to the chalkboard at school, may be nearsighted or have astigmatism. ______ urges you to have your children's vision tested. Be safe—an eye test and correction now can save those children's eyes in the future.

January is National Eye Care Month, and ______ reminds you that children who avoid reading or other close work, or complain of headaches or eyestrain after reading, may be farsighted or have astigmatism. Don't wait—have your children's vision tested before serious problems develop. A message from _____.

Walking for health is good, but ______ reminds you to practice "defensive walking": Wear a fluorescent vest with reflective trim; walk against traffic; avoid walking at dawn or dusk; and obey all traffic signals. This message is brought to you by ______ in honor of National Eye Care Month.

Eyes become more susceptible to potentially-blinding retinal disorders after age 50. ________ reminds you to practice preventive care. . .be alert for symptoms. . .and take action if symptoms appear. The best step of all is an annual eye exam. This message a service of _______ for National Eye Care Month.

Most people over 35 have heard about glaucoma, but many do not protect themselves from it. ______ reminds you that glaucoma is a leading cause of blindness among adults over 35. The good news is, glaucoma is controllable if diagnosed early. _____ urges you to have regular eye check-ups.

For National Eye Care Month, ______ urges you to care for your eyes. Take frequent tenminute breaks from work or TV. Wear eye safety equipment during hazardous work or sports activity. Wear sunglasses outdoors. Use adequate lighting indoors. And seek regular eye care. Eye care reminders from _____.

If you work on a computer, ______ reminds you to take precautions to save your vision. Reduce overall room lighting. Be sure lamps do not reflect off the screen. Adjust monitor brightness to three to four times room lighting. Take a ten-minute break every couple of hours. Eye care reminders from _____.

NOVEMBER 30, 1995 • PAGE 6

#### PRODUCTION

# The Ten Commandments of Copywriting

- 1. **Truth is better than creativity.** Ask the client what the customers are asking. That's what should go in the ad.
- 2. Never start with a weather report. We know it's Winter ("Winter is finally here, and Bazooka's Auto Shop is. ..."). If you ask 100 people what the season is, 98 will already know. Don't waste time in the spot.
- 3. Garbage in, garbage out. If nothing in the ad is worth listening to, the client gets no response and you have an unhappy client.
- 4. Quit selling advertising time—sell the client's merchandise. Your job is to sell shoes for the shoe store. Focus on the *client's* needs.
- 5. Quit thinking of it as "cranking out another piece of copy." When getting it written becomes more important than the merchandise, everybody loses.
- 6. Grab the listener in the first three seconds. That's how much time you have to convince the listener to listen further.
- 7. Use power words. Keep a list at your desk. (See below)
- 8. Use the active voice, not the passive voice. It makes for more forceful writing. (Passive voice: "All your needs are served by Joe's." Active voice: "Joe's serves all your needs.")
- 9. Eliminate all cliches! (See next page)
- 10. A commercial that works is the one that builds traffic for the client. The primary goal of all commercials is to sell your client's product or service. The best ads can turn an irregular advertiser into a major sponsor. It's easier to sell the *second* schedule when the first one worked!

-Kenn McCloud

#### Chris Lytle's Power Words

- Fast-acting Proven Results Success guaranteed Stops/corrects How to⁻ Suddenly Now
- Announcing Introducing It's here Just arrived Important development Improvement Amazing
- Sensational Remarkable Revolutionary Startling Miracle Magic Offer

Quick Easy Wanted Challenge Advice to The truth about Compare

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Bargain Hurry Last chance

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# **Killer Clichés**

More of Kenn McCloud's advice: avoid these hackneyed words and phrases in your copywriting efforts:

- 1. Conveniently located
- 2. Now that is in the air
- 3. All the names you know and love
- 4. Don't forget
- 5. Stop in soon
- 6. The next time you're in the mood for. . .
- 7. Doesn't it make sense to. . .
- 8. Remember, ...
- 9. It's sale time at. . .
- 10. Stretch your budget with values like. . .
- 11. Super savings
- 12. Savings throughout the store
- 13. And while you're there, . . .
- 14. Check out. . .
- 15. A select group of. . .
- 16. The friendly folks down at. . .
- 17. Everyday low, low prices
- 18. For all your needs

- 19. How about a for those —
- 20. Our friendly, qualified personnel
- 21. Lowest possible prices
- 22. Prices slashed to the bone
- 23. We refuse to be undersold
- 24. We will meet or beat any offer
- 25. People who care about you
- 26. Huge selection of. . .
- 27. But wait, there's still more
- 28. Fantastic
- 29. Unbelievable
- 30. You'll save big on. . .
- 31. And of course, . . .
- 32. Don't miss out
- 33. Factory-trained technicians
- 34. We service what we sell
- 35. All the names you know and trust
- 36. Super specials

#### THE LAST WORD

It is with mixed emotions that I report the departure of Lori Morgan. She has resigned to accept a marketing position with the leading accounting firm in the region—a position which will allow her to make full use of her marketing education and experience.

Lori will be phasing out of our operation over the next couple of weeks; Pam Kiefer, who is ably serving us at our radio stations' Office Manager, will become Managing Editor of SMRN.

As a friend, I am excited for Lori. This is a terrific opportunity for her.

As one who has relied on her professionalism, her ability to handle pretty much everything we've thrown at her, and her unflappable grace under fire—and as one who's genuinely enjoyed our working relationship—I'm going to miss Lori a lot. I'm sure you join me in wishing her the best!

# Small Market Radio Newsletter

<the weekly publication for small market radio management and investors

Publisher & Editor: Jay Mitchell Managing Editor: Lori Morgan Editor Emeritus: Bob Doll

Published by: Jay Mitchell Associates, Inc. P. O. Box 1285 • Route 2 Fairfield, IA 52556

Phone 515-472-4087 Fax 515-472-6457 E-Mail 73627.2120@ compuserve.com

 Subscription Rates:

 One Year
 \$119

 26 Weeks
 \$64

 13 Weeks
 \$37

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IN OUR 13TH YEAR

Bill Taylor KQSS P. O. Box 292 Miami AZ 85539 FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

ADDRESS CORRECTION REQUESTED

# VOLUME XIII • NUMBER 29 • DECEMBER 7, 1995

WHO WILL BE RESPONSIBLE FOR BROADCAST TOWERS? In a move to save the FCC thousands of dollars, the FCC says that tower owners, not licensees, are responsible for maintenance and upkeep. (There are 75,000 antenna owners versus 900,000 licensees.) There is one catch: the FCC cautions that the licensees could be liable if the tower owner fails to maintain the tower.

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NAB ACCEPTING CRYSTAL RADIO AWARD ENTRIES through February 5, 1996. The award recognizes exceptional community service during 1995. The winners will be honored at NAB 1996 in Las Vegas, April 16. For entry forms and information, call BJ Cohen at the NAB in Washington at 202-775-3510.

**POSITIONING GURU TO KEYNOTE RAB CONFERENCE.** Jack Trout, the marketing professional who was vital in developing the concept of positioning, will be the Marketing Keynote speaker at RAB 1996, to be held in Dallas in February. For registration information, call 800-722-7355.

CHRIS LYTLE'S 1996 RADIO DIPLOMA COURSE is now available. Here are the courses:

- The Radio Marketing Associate (RMA) is a course designed for rookies with fewer than two years of radio experience. The RMA course goes for seven weeks. The fee for RAB members is \$350, for non-members \$450.
  - The Radio Marketing Master (RMM), for veterans with two or more years of radio experience, lasts 13 weeks. The fee for RAB members is \$500, for non-members \$600.
  - The Manager of Radio Marketing (MRM), for sales managers of all levels, lasts 13 weeks. The fee for RAB members is \$750, for non-members \$850.

For further information, call 800-255-9853.

#### AT THE FCC

**NEW STATIONS (Applied For):** ARIZONA (Duncan) Kelly McMurray, 100.7, 6000w, -112 (Duncan) William S. Konopnicki, 100.7, 6000w, -154' (Pinetop) Apache Radio Broadcasting Corp., 106.7, 100,000w, 981' ARKANSAS (Earle) John Shields, 103.9, 25,000w, 328 (Earle) L.T. Simes II & Raymond Simes, 103.9, 25,000w, 328' (Ola) KERM, Inc., 101.3, 850w, 855' GEORGIA (Talking Rock) Carmen D. Trevitt, 100.1, 1850w, 587' (Talking Rock) Charles McClure, 100.1, 3530w, 426 (Talking Rock) Jericho Communications, Inc., 100.1, 6000w, 328' IOWA (Parkersburg) CD Broadcasting, Inc., 98.9, 6000w, 318' MISSOURI (La Monte) Bick Broadcasting Co., 97.1, 25,000w, 328' (La Monte) Missouri Valley Broadcasting, 97.1, 19600w, 373' (La Monte) Sedalia Investment Group LLC, 100.7, 8000w, 577' (La Monte) Valkyrie Broadcasting, Inc., 97.1, 6100w, 151' (Macon) Chirillo Electronics, Inc., 99.9, 6000w, 328' (Macon) David Shepherd, 99.9, 6000w, 328' NEVADA (Pahrump) Milton Bozanic, 95.1, 6000w, 102' (Pahrump) Pahrump Valley Broadcasters, 95.1, 6000w, 328' (Pahrump) Ramona Lee Hyes-Bell, 95.1, 6000w, -226' NEW MEXICO (Reserve) Woodrow Michael Warren, 104.5, 1200w, 1420' NORTH CAROLINA (Fair Bluff) Atlantic Broadcasting Co., Inc., 105.3, 25,000w, 328' (Fair Bluff) Jerry Dale Jenrette, 105.3, 6000w, 328' OHIO (Wauseon) Sherman Taft Hill, Jr., 96.9, 3000w, 314 OREGON (Merrill) Klamath Basin Broadcasting, 105.7, 110w, 2183' TEXAS (Electra) High I-Q Radio, Inc., 94.9, 50,000w, 492' (Gregory) Carl Como Tutera, 104.5, 6000w, 328 VIRGINIA (Exmore) James R. Glover, 106.1, 25,000w, 328' WEST VIRGINIA (Williamstown) Dailey Corp., 96.9, 6000w, 328' WISCONSIN (DeForest) B-93 Ladies of DeForest, 93.1, 6000w, 161' (DeForest) DeForest Radio Partnership, 93.1, 2200w, 544' (Neilsville) Margaret Grap, 92.7, 3400w, 440' **NEW STATIONS (Granted):** NEW YORK (Brighton-Rochester) Brighton Broadcasting, L.P., 94.1, 6000w, 318' PENNSYLVANIA (Mill Hall) Jane E. Kennedy, 98.7, 970w, 581' AMENDMENTS TO THE FM TABLE (Proposed): KENTUCKY (Campton) new, 103.7 A

KENTUCKY (Campton) new, 103.7 A MAINE (Machias) new, 101.1 B WYOMING (Jackson) new, 93.3 C

# AMENDMENTS TO THE FM TABLE (Granted):

MISSOURI (Columbia) KCMQ, to 96.7 C1 from C3 (Cuba) new, 107.3 C3 (Dixon) new, 92.1 A PENNSYLVANIA (Tioga) WPHD, to 94.7 B1 from A

**REPORTED SILENT:** 

MAINE (Houlton) WHOU-FM, 100.1 MICHIGAN (Howell) WHMI, 1350

#### FORMERLY SILENT:

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COLORADO (Boulder) KBVI, 1490, KBKS silent NEW YORK (Cape Vincent) WKGG, 102.7

—Courtesy M Street Journal

SMALL MARKET RADIO NEWSLETTER

DECEMBER 7, 1995 • PAGE 2

# MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$

# **More Winter Promotions**

**Post-Holiday Blues-Busters.** During January, most of us are buried in a stack of holiday bills. Your station can lend a helping hand by doing a promotion in which you pick up the tab on the holiday bills for one or more of your listeners.

New Year's Resolution-Reinforcers. After the holidays your listeners are trying to keep their resolutions, and you can help. Work with a weight loss clinic to give away free programs, and/or with a health club to give away free memberships.

We Do Windows. Car windows can get pretty dirty in the Winter, and keeping the car's windshield washer fluid replenished is a major chore. Arrange with an auto-parts distributor for a supply of fluid that can be custom-labeled with your station's logo and/or pictures and autographs of station personalities (even if they're satellite ones). Give the bottles away on the air; better yet, have your personalities give them away on a busy corner in town, personally filling listeners' fluid wells to boot.

**Ice Softball.** Work with a local charity and recruit listeners, local celebrities and station personalities to try to play America's favorite sport on ice. (Imagine a slide home that keeps on sliding.) Locate donation buckets around the event or have staff members pass them around.

Some Like It Hot, Some Like It Cold. If you live in a warm climate, give away a trip to a Winter resort. If you live in a colder clime, give away a trip to a warm-weather spot.

Splash Into Winter. Work with a company that sells or distributes hot tubs and spas to give one (or more) away to a lucky listener.

Turn Up The Heat. Offer to pay a lucky listener's heating bills for a month or all winter. As qualifying prizes, give away electric blankets, comforters, heating pads, space heaters, firewood, and so on.

Winter Station Items. Good logo apparel for the season include mittens, gloves, hats, sweatshirts, turtlenecks, ear muffs, scarves, sunglasses, fanny packs.

Other Winter logo goods include ice scrapers, thermometers, zipper pulls, pocket warmers.

Theme Weekends. Heat up your weekends by programming theme weekends centered on things like keeping warm, being hot, being cold, shaking and shivering, etc. Tie in with one or more sponsors to invest in an advertising program which includes some theme-related giveaways.

**Theme Days.** Have a "Thaw Out Thursday" or a "Frigid [or "Frosty"] Friday." Again, have a local advertiser sponsor the event and provide related giveaway items. *[Network 40]* 

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#### \$ALE\$

# **About Closing**

Psychological testing indicates that some words tend to be restful words; they invoke a relaxed atmosphere, a favorable reaction. On the other hand, there are words that evoke stress, a sharp reaction. For the most part, the restful words are soft sounding words while unfavorable ones are sharp, often hard. In the closing stage, use stroking words, not striking words.

# **Favorable Words for Closing**

approve	agreement	authorize	safety	comfort
deserve	discovery	proven	evaluate	fun
guarantee	understand	easy	results	save
love	health	new	right	let's
proud	profit	happy	value	trust

#### Unfavorable Words for Closing

contract	deal	sign	sell	decide
failure	hard pay	death	price	lose
hurt	cheap	signature	bad	fail
angle	obligation	worry	liable	difficult

The lists are from Ken Greenwood's *High Performance Selling*, which he calls "a practical system for becoming a major league sales professional." He takes salespeople through four stages of development: novice, learner, competent, and finally the highest level, the co-creator professional. The book is full of easy to understand and remember graphs, illustrations, and tests.

Greenwood has spent his working life in sales, management, academia, and as founder of one of the nation's leading sales training organizations. Greenwood's book doesn't just spell out the "how to" of sales, but uniquely spells out the "why" of it. On closing, he advises:

<b>Don't Say</b> "Just sign where I made the X."	<b>Instead Say</b> "If you'll just authorize the agreement."
"If you'll just sign the deal where I've marked X."	"If you'll just approve this where I've noted."
"Don't worry about this being a good decision. It won't fail."	"I believe you'll find this a very profitable investment."

The single most important word to use in a closing is the buyer's name. Of all the words in our English language, the name does more to produce a positive, relaxed, comfortable atmosphere than any other. You cannot use the buyer's name too often.

-Ken Greenwood, High Performance Selling, Streamline Press (\$39.95), 800-226-7857.

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# **RADIO FACTS**

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# **October Format Count**

Prir	mary Format—AM Stations	No.	%	Pri	mary Format—FM Stations	No.	%
1	Country	1005	21.4%	1	Country	1617	22.7%
2	News, Talk	1004	21.3%	2	Adult Contemporary	745	10.5%
3	Adult Standards	410	· 8.7%	3	Oldies	443	6.2%
4	Religion (Teaching, Variety)	355	7.5%	4	Religion (Teaching, Variety)	429	6.0%
5	Adult Contemporary	327	6.9%	5	Variety	377	5.3%
6	Spanish	287	6.1%	6	Top 40 CHR	358	5.0%
7	Oldies	268	5.7%	7	Alternative Rock	354	5.0%
8	Southern Gospel	203	4.3%	8	News, Talk	304	4.3%
9	Sports	143	3.0%	9	Classic Rock	299	4.2%
10	Black Gospei	135	2.9%	10	Rock	288	4.0%
11	Soft Adult Contemporary	94	2.0%	11	Classical, Fine Arts	263	3.7%
12	Variety	65	1.4%	12	Soft Adult Contemporary	255	3.6%
13	Urban, R&B	63	1.3%	13	Adult Hits, Hot AC	242	3.4%
14	Ethnic	55	1.2%	14	Contemporary Christian	211	3.0%
15	Gospel	43	0.9%	15	Spanish	176	2.5%
16	Contemporary Christian	43	0.9%	16	Urban, R&B	154	2.2%
17	R&B Oldies	40	0.8%	17	Jazz, New Age	145	2.0%
18	Urban AC	33	0.7%	18	New Rock, Modern Rock	133	1.9%
19	Pre-Teen	26	0.6%	19	Urban AC	84	1.2%
20	Rock	23	0.6%	20	Adult Standards	63	0.9%
21	Adult Hits, Hot AC	16	0.3%	21	Easy Listening	60	0.8%
22	Jazz, New Age	14	0.3%	. 22	Southern Gospei	48	0.7%
23	Top 40 CHR	13	0.2%	23	Ethnic	21	0.3%
24	Easy Listening	10	0.2%	24	Black Gospei	16	0.2%
25	Classic Rock	10	0.2%	25	Gospel	12	0.2%
26	New Rock, Modern Rock	8	0.2%	26	R&B Oldies	7	0.1%
27	Alternative Rock	7	0.1%	27	Sports	5	0.1%
28	Classical, Fine Arts	6	0.1%	28	Pre-Teen	2	0.0%
	Not Available or Changing	-	-		Not Available or Changing	17	0.2%
_	Total Operating Stations	4706	100.0%		Total Operating Stations	7128	100.0%
	Silent	244			Silent	98	
	Construction Permits	79	1		Construction Permits	498	

-M Street Journal

SMALL MARKET RADIO NEWSLETTER

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DECEMBER 7, 1995 • PAGE 5

## TELEMARKETING

# Vietnam War Ending Anniversary (January 27)

Here's a history question, courtesy of ______: Which was the longest war in U.S. history? The answer: The Vietnam War. America's involvement started in 1964. It ended nine years later on January 27, 1973. _____ pays tribute to the men and women of our area who served the United States and the cause of freedom during the Vietnam era.

In the nine years from 1964 through 1973, eight and three-quarter million American men and women served in the Vietnam War. ______ believes we owe them a sincere vote of thanks for answering when their country called. ______ reminds you that the Vietnam War ended 23 years ago on January 27, 1973—a long time ago, but let's not forget those who served.

This Saturday is the 23rd anniversary of the end of the Vietnam War. It was the longest war in our nation's history—nine years. Eight and three-quarter million men and women served. Over 58 thousand paid the supreme sacrifice. Over 150 thousand more were wounded in action.

______believes the men and women who served deserve our honor and eternal thanks. salutes our Vietnam era veterans.

It is said that the Vietnam war was not only the longest war in our history, nine years, but that it was also the most unpopular. No matter what our feelings about that war, ______ believes the men and women who fought it deserve our honor and eternal thanks. ______ reminds you that January 27 is the 23rd anniversary of the war's end. Let's not forget.

It is too easy to forget the sacrifices that achieved and have preserved American freedom. January 27 is the 23rd anniversary of the end of the longest war in the nation's history, the Vietnam War. _______ is sponsoring this announcement to call to your attention the sacrifices made by the eight and three-quarter million men and women who served in Vietnam. _______ believes they deserve honor and our eternal thanks.

It's been a while coming, but ______ believes it's time that we honor the men and women who served when they were called in the Vietnam War. By most accounts, it was the most unpopular war in our nation's history. That's all the more reason that ______ takes this opportunity to commend the young men and women who answered their nation's call to duty. January 27 is the 23rd anniversary of the Vietnam War ending. Let's not forget those who served.

The Vietnam War was controversial, but eight and a half million of America's finest served in that war, over 150 thousand fell and nearly 60 thousand died. ______ wants us to remember the dedicated men and women who served our country in that ill-fated conflict. January 27 is the 23rd anniversary of the end of the Vietnam War. Join ______ in saluting those veterans who did their country's bidding so many years ago.

#### THE HOLIDAY OUTLOOK

Retailers flooded consumers with stacks of shiny circulars in Thursday newspapers, but come Friday morning, traffic was light enough at one famous shopping Mecca to raise eyebrows.

Chicago's Magnificent Mile, a barometer of Midwest consumer confidence, appeared lifeless Friday morning despite retailers' extended morning hours. Clerks and shoppers at Water Tower Place mall were surprised by the elbow room. "Usually you can't even walk around," said Becky Alberts, a 20-year-old from Streeter, IL, who drives 2½ hours each year to shop on Michigan Avenue the day after Thanksgiving.

Salespeople at Water Tower's Lord & Taylor store said traffic on the day after Thanksgiving has decreased in recent years, possibly due to "the hype and the crowds." A clerk at the retailer's jewelry counter said the day *before* Thanksgiving was surprisingly busy this year; the store sold \$18,000 in diamond bracelets, gold chains and other baubles, three times the intake on the same day last year.

Most analysts predict sales will increase 4% to 5% this year, but no one seems to agree when shoppers will come out in force.

Traffic the day after Thanksgiving was heavier at Chicago's suburban malls, where consumers said they were drawn by department stores' early hours. Nationwide, department stores opened earlier than most specialty stores, advertising special sales and incentives for early birds.

Sears stores nationwide opened at 7:30 a.m.,

**"Bah, Humbug"** Spending per gift will be down this year, according to a survey by America's Research Group, Charleston, SC. Consumers expect to lay out between \$16 and \$20 per present, down from last year's average of \$21 to \$25. The survey was conducted November 1-3 and consisted of 1,000 telephone interviews.

Will consumers be spending more money this season?

- 43% said yes, citing higher prices.
- 60% said no, saying their income has decreased.
- Almost 40% said they would shop discount stores, while only 14% said they will shop more at major department stores.
- 73% believer that retailers will slash prices close to Christmas Day.
- 82% planned to start their shopping after Thanksgiving.
- 52% said they don't like it when stores put up Christmas decorations before Halloween.

advertising a three-hour sale and \$500 shopping spree to some lucky customers. J. C. Penney one-upped Sears, opening at 7 a.m. for a five-hour sales. When Belk's, a North Carolina department store, found out that Penney's was opening at 7 a.m., they decided to open at 6. Struggling KMART was even open on Thanksgiving Day, offering a wide variety of deals.

In Manhattan, FAO Schwartz was crowded as usual, with especially heavy traffic in the expanded Barbie Boutique. The store gets as many as 60,000 visitors on a weekend day during the month after Thanksgiving. And Bloomingdale's said it's "cautiously optimistic this year," expecting strong single-digit sales gains.

-Advertising Age, November 27, 1995

# THE LAST WORD

# The Wal-Mart Opportunity

When Wal-Mart came to our town some years ago, the store was bright and well-organized. The assistance was plentiful and enthusiastic—the "Associates" practically ran down the aisle to show you where something was. Returns were easy. No receipt? No problem. Bought it six months ago and it quit on you yesterday? No problem. And a retiree with a big smile and a proffered shopping—cart always greeted you at the door with a cheery "Welcome to Wal-Mart."

Of course, that was in the days when old Sam was still flying his plane from store to store, making sure all was right with the Wal-Mart world.

What a difference a few years and the passing of the torch can make.

Today, Wal-Mart is a far different world. You can't find anything since they re-set the store. Even months afterward, customers are still wandering around clueless. And finding an Associate to help you is as difficult as finding what you're looking for in the first place. And when you do manage to scare a helper up, he or she is as clueless as you are.

Returns? Thirty days with the receipt, thank you very much. No receipt? For electronics, you're completely out of luck, and there's a lot of paperwork and disapproving looks for anything else. And tell us again why you're returning this, if you please? And guess what? The prices have crept up on a lot of items. And the sweet Seniors are mostly gone from the front of the store.

It makes you wonder, Who's minding the stores? A gaggle of suits from home office who worry only about today's return per square foot, not whether there are enough Associates on the floor, or whether the shopping carts are manned by a greeter, or whether the customer feels loved?

The service-driven-retailer "We're here for you" mentality has been supplanted by the middlemanager-who's-never-worked-a-counter "The customer is out to screw us" mentality. Sam's way of keeping profits high—by keeping prices low and servicing the hell out of the customer—has been replaced by a more short-term, one might say rapacious, agenda. ("Hey, all those noquestions-asked returns cost us *money*, dammit!")

I've talked to other broadcasters and regular folks all over the country about this, and it seems to be much the same all over. And people are noticing.

And that could be the best news in a long time for your Main Street retailers. The smart ones will take advantage of it now, before the sleeping giant wakes up again.

**Correction.** In November 23rd's issue of SMRN we incorrectly attributed the article, Inventory Management and Pricing, to Rick Pfeiffer. The correct source is John Haggard, Nashville, TN, 615-292-9292. We apologize to both gentlemen for the error.

DECEMBER 7, 1995 • PAGE 8

# Small Market Radio Newsletter

The Weekly Publication For Small Market Radio Management And Investors

Publisher & Editor: Jay Mitchell Managing Editor: Lori Morgan Editor Emeritus: Bob Doll

Published by: Jay Mitchell Associates, Inc. P. O. Box 1285 • Route 2 Fairfield, IA 52556

Phone 515-472-4087 Fax 515-472-6457 E-Mail 73627.2120@ compuserve.com

Subscription Rates:

One Year	•	•	•	•	•	÷		÷	\$119
26 Weeks							•		. \$64
13 Weeks	•	•	•	•			•	•	. \$37

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IN OUR 13TH YEAR



Bill Taylor KQSS P. O. Box 292 Miami AZ 85539 FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

ADDRESS CORRECTION REQUESTED

# VOLUME XIII • NUMBER 30 • DECEMBER 14, 1995

**RADIO AD REVENUES UP 4% IN COMBINED REVENUE FOR OCTOBER,** according to RAB's Radio Revenue Index. Local revenue was steady with 6% growth for October, and YTD was up 10% compared to a year ago. National revenue for the month dropped 2% overall, with the Southeast up 9% and the West being hit hard with a decline of 15%. However, national YTD was up 9% compared to a year ago. October was the 38th consecutive month of radio ad revenue growth.

**CAR-BUYING SLOWDOWN AHEAD**, according to a recent study of 400 vehicle customers conducted by Strong Automotive Merchandising, a Birmingham, AL-based ad agency for auto dealers. Only 5.7% of consumers expected they would purchase a vehicle within the next six months, compared with 9.5% 18 months earlier. Consumer resistance is strongest in the West, with only 2.6% expected to buy, and weakest in the Southeast, with 9.3% expecting to buy. Expectations to buy within the next 12 months totaled 17.4%, down from 22.5% 18 months ago. "What we are seeing is not so much that the automotive market may be softening, but that it is going into a more normal product and sales flow," said Bill Marefka, Strong VP. "Advertising and marketing becomes so important because so many people have not made up their minds."

ARBITRON RELEASES RELIABILITY STUDY as part of the controversy surrounding the "posting" issue (where ad agencies demand make-goods and rebates if audience levels drop during the period when the schedule is placed). The Arbitron study questions whether available ratings data is accurate enough to narrow buys down to specific hours. "It quantified some axioms about audience estimates," said an Arbitron spokesman: "Bigger samples are better and broader demographics are more reliable." According to Howard Nass, senior VP at New York ad agency FCB/Leber Katz Partners, "The big problem is radio listening is very fractionalized. Sample size is why there are fluctuations."

**COUNTRY RADIO SEMINAR** will be February 28 to March 2, 1996 in Nashville. The theme: "Investing in the Present. . .Securing the Future." Sessions include concert promotions, copy/production techniques, sales training, the Internet, promotions, and more. For info, call 615-327-4487.

## AT THE FCC

### **NEW STATIONS (Applied For):**

ALASKA (Houston) Chester Coleman, 96.3, 6000w, 262' (Kasilof) Kasilof Communications Inc., 106.9, 6000w, 266' ARIZONA (Pinetop) William Konopnicki, 106.7, 55,400w, 1239' CALIFORNIA (Merced) KM Communications, Inc., 94.1, 3000w, 328' (Merced) Valley Broadcasting, Inc., 94.1, 3000w, 328' (Susanville) Sierra Broadcasting Corp., 96.3, 2300w, 1090' ILLINOIS (Breese) KM Communications, Inc., 97.5, 6000w, 328' (Breese) W. Russell Withers, Jr., 97.5, 6000w, 328' IOWA (Parkersburg) KM Communications, Inc., 98.9, 6000w, 328' NEW YORK (Jeffersonville) William Walker, III, 102.1, 6000w, 328' OHIO (Wauseon) Lenawee Broadcasting Company, 96.9, 3000w, 328' OREGON (Merrill) Terry Cowan, 105.7, 122w, 2155' TEXAS (Bells) Thomas Desmond, 92.9, 4100w, 387' (Gregory) BK Radio, 104.5, 3000w, 298' VIRGINIA (Emporia) Mainquad Communications, Inc., 99.5, 3000w, 328' (Emporia) Sinclair Telecable, Inc., 99.5, 1925w, 403' WISCONSIN (Neilsville) KM Communications, Inc., 92.7, 6000w, 328'

## AMENDMENTS TO THE FM TABLE (Proposed):

MISSISSIPPI (Calhoun City) new, delete 102.3 A

# AMENDMENTS TO THE FM TABLE (Granted):

MISSOURI (Ava) KKOZ-FM, to 92.1 A from 92.3 (Branson) KRZK, to 106.3 C2 from C3 (Brookline) new, 102.1 A (Mountain Grove) KCMG-FM, to 92.5 A from 106.5 A

#### **REPORTED SILENT:**

FLORIDA (Jacksonville) WIVY-FM, 102.9
NEVADA (Sun Valley) KHIT, 1590
SOUTH CAROLINA (Beaufort-Hilton Head) WBEU, 960 (Orangeburg) WJZS, 1150

# FORMERLY SILENT:

NEVADA (Reno) KRCV, 630

SMALL MARKET RADIO NEWSLETTER

---Courtesy M Street Journal

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# MONEY PAGE - \$ALES & PROMOTION IDEA\$

# **First Quarter Promotion**

Here's a first-quarter promotion that can bill several dollars with reasonable cost. We call it "Live Free for a Month."

Sponsors become registration sites by buying our commercial package—25 sponsors who use 20 commercials each, in February. The station furnishes registration blanks, containers and promotional announcements. Registrations are taken for only a short time—two to three weeks.

One semifinalist is drawn from each participating sponsor's container, and each of those people, with a guest, is invited to our "Live Free" party with hors d'oeuvres, cash bar, Karaoke, and some gambling games with funny money. (We telephone each semifinalist to confirm that they meet eligibility requirements.) Station people are the croupiers.

A couple of hours into the evening, we auction some merchandise from our prize closet for the funny money. Our best prize last year was a Joe Diffie concert trip with an overnight stay at a nice hotel. (Sponsors are invited, too.)

We give special items to everyone attending. The items change each year, and include things like western hats, logo lapel pins, decks cf cards, logo coffee mugs, etc.

Last year we bought some ceramic piggy banks, put \$10 inside each bank, and taped the name of one semifinalist on the bottom of each bank. (The logo banks make a nice display when lined up on a table.) To cap the evening, we asked a security person to select the first piggy bank for elimination. The name on the bottom of that bank was eliminated, but they kept the bank and \$10, and they got to select the next piggy bank for elimination. The last few entrants came to the front of the room so everyone could commiserate when they were eliminated. When only two remained, we asked if either wanted to sell their chance to the other (so far no one has sold), and played with them to build suspense. The final bank was selected, that person was eliminated, and the remaining person won the grand prize, \$927.00 worth of February bills paid for that winner (for our 92.7 frequency). The station writes the checks to the vendors—lights, mortgage, finance company, etc.

Our approximate costs, excluding commissions, were 23% of gross last year: party venue, \$1,000; grand prize, \$927; piggy banks & \$10 bills, \$450; Diffie trip, \$450; prize closet merchandise, \$200; card decks, \$100; logo mugs, \$100.

I think our staff has as much fun as the contestants.

If you are more than 50 miles from our market, we'll tell you anything you want to know about our experience.

---Gary Wright & Bill Guertin., WLRT, Kankakee, IL, 815-935-9555

SMALL MARKET RADIO NEWSLETTER

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# \$ALE\$

# Making Your First Quarter Numbers

It comes as no secret that first quarter is tougher sledding for most stations than any other. But according to successful operators, that doesn't mean that the beginning of the year is doomed to failure. It means working harder, offering better value to clients and creating better ideas.

What's Hot? Looking at the RAB "Top 40" list, January is an average or above-average month for a lot of business categories: *above average* for book stores, tire dealers, video stores, ski supplies and resorts, weight loss centers and products, fitness centers, white sales, clearance sales, coats, fireplace supplies, heating and air conditioning; *average* for auto repairs, office supply stores, optical goods stores and supermarkets.

The thing to keep in mind is that *if a business is open, it needs to advertise to get its "unfair share" of whatever business is out there.* I often use the old marketing axiom that a business's advertising expenditures should always be below the peaks and above the valleys—in other words, you might invest a little less in slower months, but you're always doing something.

The Big Promotion. Perhaps you have one or more first quarter promotions you've used to bolster your billings year after year. If so, ask yourself these questions:

- 1. What is the true cost of the promotion as a percentage of its gross sales?
- 2. From year to year, have the results (expressed in gross dollars, number of sponsors, and the abovementioned percentage) gone up, gone down, or stayed about the same?

Some of the best-operated stations operate on the principle that the cost of a promotion cannot exceed 15-20% or it's not worth doing. From an accounting standpoint that is absolutely true, especially if you are adding something that has not been fully budgeted. But wait: if you spend \$1,000 to make \$2,000, you've still made \$1,000, right? *Wrong.* Chances are the \$2,000 in "extra" sales will go against your revenue budget *but will not cause that budget to be exceeded.* Meanwhile, you've added \$1,000 to your costs. Bottom line: you've *dropped* \$1,000.

To make matters worse, many stations find they have to add new incentives from year to year to keep their cornerstone promotions fresh and attractive to advertisers. Even if they computed the cost of the promotion the first time they ran it, often they neglect to do so year after year, and all those new incentives have driven up the cost—and driven down the efficiency—to the point that the promotion hardly makes any sense.

Stations often find that by focusing their creativity not on a big slam-bang station promotion but on individual advertiser-driven business-boosting ideas, they can put more money in their customers' pockets and consequently in their own—without driving up their cost of sales.

[Portions of this piece were inspired by Selling Smarter, December 1995, 816-454-0907.]

#### **SOUND BYTES - RADIO & COMPUTERS**

#### **Tools or Toys?**

Theoretically, no software category is more perfectly suited to the computer than the personal information manager (PIM), sometimes known as the organizer. You can set appointments, tasks, phone calls and reminders. You can carry undone tasks to the next day automatically. You can record notes on meetings and conversations and then locate the information quickly. You can maintain a large address book with voluminous information on each contact, updating a record easily and locating it instantly.

The concept is great, and as long as you work at your desk most of the time (as I did when I was merely a consultant and newsletter publisher, before I joined the ranks of overworked radio owners), a PIM works equally well in practice.

But if you're out and around a lot (as I am now that I have joined the ranks, etc.), a computerized organizer leaves one thing to be desired—the ability to carry it with you everywhere. (I have a svelte notebook computer, but believe me, it's not the sort of thing you whip out at a luncheon meeting to set a follow-up appointment.)

On the other hand, nothing can keep better track of information, contact data, tasks, recurring events, schedules and reminders than a computerized personal information manager.

The solution? Use both a paper organizer and a computer organizer. While this does violate Rule Number One of time management—Keep everything in one place—if you are diligent about keeping your system up to date you can have the best of both worlds.

If you carry a Day-Timer® (or any paper system, for that matter), you should check out the Day-Timer Organizer (DTO), the computerized equivalent. Not only does the planner screen look identical to the paper version, but you can use the program to print out pages in any Day-Timer size and format to insert in your binder.

As a contact manager, DTO is one of the best. For each name in your address book you can enter two addresses, six telephone numbers, four e-mail addresses, twelve customizable fields and up to 35 pages of miscellaneous information—in addition to records of all your calls and meetings.

As a scheduler, DTO works pretty well, too. You can set recurring appointments with ease, even ones at oddball intervals (like second Tuesday of the month). You can schedule and reschedule meetings with a click and a drag. You can set alarms and alerts for hours or days in advance. And DTO is state-of-the-art when it comes to the Windows environment, featuring drag-and-drop scheduling and convenient right-mouse-button access to context-sensitive menus.

To integrate the portability of a paper system with the scheduling and contact-management power of a computer, the Day-Timer Organizer definitely deserves a look.

فأسه

#### SOUND BITES

More Help for Jocks. "I know that you gear SMRN toward the management and sales departments of the small market radio stations around the country, but I'm sure that, like at our station, a lot of the air talent reads SMRN to keep pace with the sales department's ideas.

"With this in mind, I think it would be nice if SMRN included articles directed to the air staff for use in bettering themselves—items like, What to listen for in their air checks; How to market themselves to the listening public and to others; and When is the time to move.

"Just a suggestion that I think would create a larger base of readers to an already fine publication."

-Name withheld by request

New Programs on Satellite from Nelson Creative Radio:

- "Love-Notes with Dionne Warwick" is a two-hour mix of love songs and interviews hosted by the popular singer, weeknights 10 p.m. to Midnight, ET.
- Actress Beverly Todd will host "Talk To Me," a two-hour Saturday-morning call-in show which discusses community issues.

For more information, call Nelson at 310-273-2060.

Better Radio Production. "One of our goals for 1996 is to train and motivate our production staff to produce more creative effective radio ads.

"Any ideas on how to do this?"

-Jerry Papenfuss, KAGE, Winona, MN, 507-452-4000

Editor's Reply: You might want to contact these individuals about what they offer in the way of tapes and seminars:

- ▶ Dennis Daniel, 516-588-5900
- ► Jeffrey Hedquist, 515-472-6708
- ▶ Dan O'Day, 213-479-1767
- ► Jay Trachman, 209-226-0558

Each of them has distinguished himself in the field of creativity, production and/or education.

An equally good source is close at hand: the RAB. In addition to the ads featured in their monthly member packets, they maintain a Copy Bank service. You can have them send you a cassette of sample ads in any product category just by calling their Member Services number, 800-232-3131.

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#### STATION OF THE MONTH

### A Different Kind of Place, A Different Kind of Radio Station

Most listeners in the United States receive 10 or 20 or more radio stations. At Galena, Alaska (population 833), residents get just one radio station. That's one more than they got before 1986.

In the wake of the Alaskan oil boom, the state treasury was overflowing with money. State officials decided much of that windfall would be invested in public facilities to enrich the lives of their population of 600,000 people scattered over a land area two and a half times that of Texas.

A group of citizens in Galena decided that a local radio station would be a public facility of tremendous value to them and the 7,000 people scattered over the wide area around them. There was no other radio station within 150 miles.

The citizens organized themselves into the Big River Public Broadcasting Corporation. They obtained a license for a 5,000w AM station at 910 kHz. The station would be called KIYU.

It took \$1 Million to construct the station. The tower site selected to maximize the station's coverage was not served by an electric utility, so two generating facilities had to be constructed by the station. A handsome two-story building was built near Galena. Another two power generators were installed at the studios. The redundancy of power sources—and all of the station's equipment, for that matter—was an absolute necessity: it can take days or weeks to restore a power outage in the remote town, which is 300 air miles from Anchorage. (Road travel is all but impossible.)

The two-story studio building includes living quarters for one staff member—another necessity. In the severe winters out in "the bush," even the studio location close to town is often inaccessible.

The station was built with a state grant. But the operating expenses had to come from other sources. The vast majority (90% in Galena, 95% in the surrounding area) of the station's 7,500-population coverage area is made up of Native Americans with incomes well under the poverty level.

Even though it had no competition for audience and no debt to service, KIYU got off to a rocky start. Bob Sommer, with a background in commercial and public radio in California, Hawaii and elsewhere in Alaska, became the station's manager about two years after it went on the air. Sommer says, "It may surprise some of my friends in commercial radio, but even a non-profit station has to be run like a business or it won't be in business very long."

Bob quickly managed to bring his station up to an operating surplus, which is invested in station improvements—conversion of much of the operation to digital. The revenue streams include federal and state funds (both of which are declining), listener donations, and program underwriting from area businesses. "About that underwriting," he says, "we give a lot of thought

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to identifying a business with something that makes sense for them. We're careful to stay within the guidelines of underwriting announcements. We could not afford to lose our non-commercial status."

KIYU carries network programming from National Public Radio and Alaska Public Radio, but much of the programming in the 24-hour-a-day schedule is locally originated. Sommer describes it as "old-fashioned block programming," reminiscent of the Forties and Fifties. There's a local talk show and blocks of Pop,-Country, Classical, Jazz, and Religious music. There's even a kids' show targeted to youngsters from kindergarten through elementary school. "I do that myself," Sommer says, "calling myself Uncle Bob."

In an isolated area populated largely by Native Americans, which type of music is most popular? "Country, hands down," Bob says.

The station's most important reason for being, in Sommer's words, is "being the sole communications link for the area. That link is often a lifeline to our listeners during the long, ferocious winters. We also serve visiting hunters and fishers with emergency messages."

With the current friction between commercial and public broadcasters, Bob muses, "There wouldn't be any radio station here if it wasn't for public broadcasting. There are only 20 businesses in our town and maybe another 20 in the entire area. That's not enough to keep any kind of for-profit station on the air."

The small amount of commercial potential is coupled with the very high expense of operating in such a remote place. "For instance, a gallon of gas here costs 2½ times the national average—about \$2.50 a gallon," Sommer says. "We pay our staff of about 10 a little better than living wages." Examples: the operations manager is paid \$30,000 a year. The part-time Sunday morning announcer, a high school girl, is paid \$10 an hour.

In his early Fifties, Sommer, who grew up in crowded Southern California, says, "I'm here to stay." About his work at the station, he notes, "It's all the fun of old-time radio. No two days are alike."

From a personal standpoint, Sommer observes, "Living out here in the bush is not for everybody, but if you like clean air, good hunting and fishing, and a close sense of community, this is great." He says his favorite pastimes are enjoying the fellowship of the town's only bar-restaurant (the manager of that establishment is currently president of Sommer's board). Another diversion is a trip to the airport to watch the single daily commercial flight land. "I spot the newcomers right away. I play a mental game, guessing who will stay here and who will quickly move on. It's taken practice, but, I'm getting pretty good at sizing them up on first sight."

At KIYU, there's no competition and a rather predictable income stream. What's the challenge in such an operation? "The challenge is finding good people who want this lifestyle. And making yourself do a little better every day without a competitor pushing you."

# Small Market Radio Newsletter

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

Publisher & Editor: Jay Mitchell Managing Editor: Pam Kiefer Editor Emeritus: Bob Doll

Published by: Jay Mitchell Associates, Inc. P. O. Box 1285 • Route 2 Tairfield, IA 52556

Phone 515-472-4087 Fax 515-472-6457 E-Mail 73627.2120@ compuserve.com

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IN OUR 13TH YEAR



Bill Taylor KQSS P. O. Box 292 Miami AZ 85539 FIRST CLASS MAIL U.S. POSTAGE PAID Fairfield, IA Permit No. 5

ADDRESS CORRECTION REQUESTED

#### VOLUME XIII • NUMBER 31 • DECEMBER 21, 1995

**CONGRESS PONDERS TIERED OWNERSHIP MINIMUMS.** House Democrats and Republicans seem agreed on a concept that creates three tiers of ownership. According to the proposal, in markets 101 and up, an owner could hold an unlimited number of stations as long as there are a total of at least three separate radio-TV owners in the same market; in markets 26-100, there would have to be at least six owners; and in markets 1-25,

there would have to be at least ten owners. There is no distinction between AM and FM. So far the definition of "market" is not clear, and the FCC would still have the right to deny ownership based on "undue concentration."

NAB DEBUTS NEW SLOGAN. This January, "Radio's All You Need"—with a complete promotion kit (jingles, graphics

and press releases, etc.) shipping to all radio stations in America.

**GRADUATE SCHOOL FOR SALES MANAGEMENT PREMIERS** from noted sales consultant Dave Gifford. A San Francisco session in March launches a 10-city 1996 tour. The course is a "three-day interactive, problem-solving, teaching workshop addressing real-world sales and management problems," designed to produce "World Class" sales managers. For more information, call 1-800-TALK-GIF (825-5443).

**PRIME SPORTS SOLD** to The McMullen Group by Liberty Sports Inc., effective December 31. Prime Sports is a 24-hour satellite-delivered programming service with 42 affiliates.

SW NETWORKS MAKING NOISE by (1) appointing MediaAmerica as exclusive representative for all SW programming except Talk (MediaAmerica already reps Rush); and (2) launching a nationwide promotion, "Country New Year," on "Country's Most Wanted," the twohour weekly show hosted by Carl P. Mayfield.



			AT THE	-CC		
		NE (Applied For)			-	
NEW AZ		DNS (Applied For) St. Johns	⁻ 100000w	984'	KM Communications, Inc.	
	<u> </u>	Merced	3000w	328'	Clock Broadcasting Co., Inc.	
J.A.	74.1	11101000	1250w	725'	KZMS Broadcasting, Inc.	
GA	101.9	Pearson	6000w	328'	KM Communications, Inc.	
GU	102.9	Agana	25000w	533'	Inter-Island Communications	
<u>1</u> 0	102.9	1.5	6000w	954'	Joseph G. Calvo	
			6300w	502'	Sorenson Pacific Broadcasting	
L	97.5	Breese	6050w	328'	Kenneth B. Richter	
MI	93.7	Frankenmuth	6000w	328'	Frankenmuth Broadcasting, Inc.	
.vii	20.1				Jonathan R. & Vicky L. Yinger	
мо	97.1	La Monte	25000w	328'	New Wave Broadcasting, L.L.C.	
	99.9	Macon	4400w	384'	Kanza, Inc.	
MT	96.3	Billings	100000w .	889'	Ebbill, Inc.	
	5 0.0	8-	90500w	1023'	Paul Lucci	
			10000 <b>0</b> w	695'	Sunbrook Communications, Inc.	
			100000w	479'	William Richard Reier, Jr.	
NC	105.3	Fair Bluff	6000w	328'	S.O.S. Broadcasting	
OH	96.9	Wauseon	3000w	328'	Buddy & Carolyn Carr	
			3000w	328'	Christian Faith Broadcast, Inc.	
			3000w	328'	Midwestern Broadcasting Co.	
			2200w	380'	Nobco, Inc.	
			3000w	328'	X L Group, Inc.	
OR	105.5 Depoe Bay		6000w	-216'	Ginna Jones	
	98.1	Seaside	600w	174'	Dave's Broadcasting Company	
PA	92.3	Mansfield	800w	643'	Farm & Home Broadcasting Co.	
TX	104.5	Gregory	6000w	328'	6701 Amsterdam, Inc.	
			6000w	328'	Reding Broadcasting Co., Inc.	
VA	99.5	Emporia	2000w	403'	Jeffrey Lee Stone	
			6000w	328'	William Parker Meacham	
	106.1	Exmore	25000w	305'	Be-More Broadcasting Company	
			25000w	328'	Paul Lucci dba KPD Broadcasting	
NEW	V STATI	ONS (Granted)				
FL	105.9	Englewood	3000w	328'	Sarasota-Charlotte B'casting Corp.	
REP	ORTED	SILENT:			· .	
AR	Camde	n	KAMD-AM	91	10 From Country	
FOR	MERLY	SILENT:				
GA	Thoma	sville	WSTT	73	30 To Black Gospel	
					—Courtesy M Street Journa	
		- 44				

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#### MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$

## Last-Minute January Promotions

Check out these promotions courtesy of Broadcast Programming, 800-426-9082. The name following each bit is the BP staff member who dreamed it up (or "borrowed" it).

National Diet Month. January is National Diet month. Have one of your station's air personalities see how much weight he or she can lose between January 1 and January 31. Have daily weigh-ins on the air. This could be sponsored by a local weight-loss or fitness center. To involve your audience, find a listener to compete with the air personality to see who can lose the most weight. [Dennis Soapes]

Elvis's Birthday. The King's birthday is January 8. To celebrate, find someone who is willing to dress up like Elvis. Hire a red-and-white limo and take "Elvis" around to your area shopping centers and downtowns. Let your listeners know that Elvis has been spotted in the area, and the first person to call the station and report a sighting wins. The prize package can include such crooner faves as donuts and peanut-butter-and-banana sandwiches. [L. J. Smith]

Alternate idea: Turn your Elvis into a "Hit-Man," giving prizes to people who can identify him with your station's call letters.

Snow Patrol. On heavy snowfall days, have members of your station's team go out and plow listeners' driveways. Invite listeners to call or fax in their addresses (and directions!). This also helps build your listener database. Potential sponsors include snow-plowing companies or individuals, four-wheel-drive vehicle dealerships, and stores selling snow-removal equipment. *[Thor Kolner]* 

**Bowls & Bowling.** At the end of the football season, hold a bowl-a-thon at a local bowling alley during a bowl game, sponsored by local merchants. If you're in a college town, encourage students to form teams with their dorms, fraternities or sororities. If you're not in a college town, or want to appeal to an older audience, have people form family teams or teams from their workplace. Each team must pay an entry fee, and prizes are awarded to winners. The money raised from this event can go to a local charity or food bank. *[Leslie Cohan]* 

MLK Jr.'s Birthday. In honor of the birthday of Martin Luther King, Jr. (January 15), air short bits from his famous speeches, followed by, "WXXX remembers Martin Luther King, Jr." This idea can be used as well for other famous contemporary American figures, like John F. Kennedy and Malcolm X. Sell sponsorships to accompany the promos. [Mike Bettelli]

**Kazoo Day.** In honor of National Kazoo Day, January 28, hold a contest for listeners to call in and play their kazoo accompanied by songs you play on the air. Air personalities can judge the entries and choose a winner. A great prize for this contest is an autographed cassette or CD containing the song the contestant kazoo'd to. *[Dave Newton]* 

#### \$ALE\$

#### "I Tried Radio Once, Never Again!"

Honesty or Autopsy-what will it be? In overcoming the objection, "I tried radio once, never again," there are two options you might consider.

The Autopsy Comeback. I call it that because it's made up of 50 probing questions designed to uncover why a given prospect's advertising *died* on the radio. What questions?

- 1. When did you have this bad experience?
- 2. What were the goals and objectives of the campaign?
- 3. How do you measure results?
- 4. How much money did you spend on radio during the campaign?
- -5. -Were any of those monies co-op and/or -- vendor support dollars? .
- 6. In general, how consistent was your advertising before your radio campaign?
- 7. Did you support your radio schedule with other media? (If yes, which?)
- 8. Did you give the campaign any promotional support?
- 9. Did you give the campaign any merchandising support?
- 10. What is your primary target?
- 11. What is your secondary target?
- 12. What station(s) did you use?
- 13. How many weeks (or months) were you on the air?
- 14. How many ads did you run weekly?
- 15. How many days per week were you on?
- 16. How many ads did you run per day?
- 17. Which days? How were the commercials distributed per day?
- 18. What dayparts did you use?
- 19. What reach & frequency levels did the radio campaign achieve?
- 20. What was the seasonal and/or the productusage timing of the campaign?
- 21. How attractive and/or persuasive was your message or offer to the listener?
- 22. What length of ads did you use?
- 23. How good was the creative execution of the commercials?
- 24. Did the copy create a sense of urgency to

try, buy, inquire or shop?

- 25. Is your business category-over-stored?
- 26. Where do you rank on the local share-ofmarket ladder for what you sell?
- 27. In the opinion of most consumers, which of your competitors' businesses enjoy a better reputation than yours?
- 28. What advantages do your chief competitors have over you?
- 29. To most local people, what does your business stand for? What is your "consumer identity?"
- 30. Why should our listeners shop here rather than at [most hated competitor]?
- 31. Which of your competitors advertise more than you?
- 32. How much competitive activity was there
- = during your campaign?
- 33. Which competitors ran sales during the campaign?
- 34. Which competitors out-spent and/or outpromoted you during the campaign?
- 35. What were the weather conditions like during the campaign?
- 36. What impact did the campaign have on advertised items?
- 37. Did you have enough stock on hand to handle the demand?
- 38. What impact did the campaign have on double-dividend (spillover) sales?
- 39. What impact did the campaign have on departmental sales?
- 40. What impact did the campaign have on storewide sales?
- 41. What impact did the campaign have on attracting new customers?

42.	What impact did the campaign have on	47.	What impact did the campaign have on -
	attracting repeat customers?	-	employee morale?
43.	What impact did the campaign have on zip-	48.	How would you characterize the quality of
	code penetration?		service you received, prior to the campaign,
44.	What was your average ticket sale before		from your agency and/or the radio
	the campaign?	-	salespeople who sold you?
45.	What was your average ticket sale after the	49.	Do you get the feeling there must be a better
	campaign?		way to advertise on radio?
<u>_46.</u>	What was the residual effect on sales,	50.	Should you decide to use radio again, what
	-following the campaign?		would you do differently?
	· · ·	-	-
37	Contract Det dass is seed 0.0 Constitute V		all a superstanting to the state of a superstanting to the

Very professional. But does it work? Sometimes. When? When the questioning is that thorough and, closer to the truth, when the moon is in the right place.

The Honesty Comeback. Now let's take a look at my Honesty Comeback. Here is the real-world speech that goes with it:

"You used radio once and got lousy results. Well, that doesn't surprise me one bit. If fact, I'd be more surprised if you told me you got good results on radio, because the truth is, the history of selling radio around here is the history of local stations ripping off retailers like you, taking the money and running.

"Look, I don't know how much money you wasted, but I do know how it happened. Some young, brighteyed, bushy-tailed salesperson—badly-trained radio salesperson—talked you into buying a schedule that didn't have a prayer of succeeding from day one. You got lousy results. You never wanted to see that salesperson again. You never wanted to hear their call letters again. And, logically, you came to the conclusion that radio doesn't work—am I right?

"Well, here's my advice: Never buy radio that way again! Invest in the 'WXXX System for Getting Results' instead—a proven system designed to increase your store traffic, move your merchandise, turn over your inventories and increase your cash flow. Here's how it works. . ."

Radical, right? Radical only if you believe that telling the truth is radical.

Face it, every radio station in this country has ripped off its "unfair share" of local advertisers, because every radio station in this country is guilty of having written bad copy, accepting bad copy, producing or accepting badly-produced commercials, allowing advertisers to make their listeners offers they could easily refuse, and by selling too few ads to get the job done. And that all adds up to a zillion advertising failures on radio, per market, per station. As far as the victim is concerned ("Perception is reality!"), we ripped them off. That is the truth to them, period.

Lesson: you cannot close a sale until you first open a sale. And in telling the truth, suddenly you're back in the game because you just earned yourself instant credibility. Therefore, everything you say *after* you make that speech, they will believe!—with the result that you are now positioned (if you still need it) to make the Autopsy Comeback pay off big.

Now, all you have to do is create and develop something similar to my "System for Getting Results," right? —© 1994 Dave Gifford, Dave Gifford International, 800-TALK-GIF Reprinted by permission of *Radio Ink* 

SMALL MARKET RADIO NEWSLETTER

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#### ENGINEERING

#### Cover Your Bases in an LMA

If your station is involved in an LMA, make sure you cover your bases. I speak from experience, having just been fined \$7,500 by the FCC for the premature transfer of control of one of our stations, WOHT-FM.

When we signed the contract to purchase the station, we intended to take over a week later, pursuant to an LMA contract. However, before the LMA could be executed, the station owner came to town, fired his entire staff, told the power company to take the power out of his name, and handed me the keys.

Not wanting the station to go dark, we hurriedly made arrangements to keep the power turned on and began simulcasting our existing FM—giving us, we thought, a few days or weeks to get all the pieces put together.

When the LMA contract arrived from our Washington attorney, the station owner made page after page of changes, reducing the validity of the agreement. When the attorney told him the contract had to be drafted so that it met FCC requirements, he refused to sign. And so began a stalemate that went on for over a year, during which time we continued operating the station, doing business as usual.

Bad mistake!

The FCC finally approved the transfer of license to our company, but we were fined for assuming premature control of the station.

Looking back on the situation, I should never have taken over operation of the station until such time as I had a valid LMA agreement signed by both parties. I thought I was doing the right thing by keeping the station from going dark, but the FCC didn't see it that way.

We could have been fined as much as \$250,000. Our Washington attorney tells me that \$7,500 is little more than a slap on the wrist. We are appealing.

If you have any questions about how not to do an LMA, call me.

-Larry G. Fuss, Delta Radio, Inc. & Contemporary Communications, 601-846-1787

FCC DATA ON THE INTERNET. The FCC Mass Media Bureau's AM and FM Engineering databases are now available on the Internet. AM information includes call signs, licenses, CPs and engineering parameters (power, frequency, class and antenna height). FM info includes stations, translators, boosters, and directional antenna information for certain FM stations. Weekly updated versions of these databases will be available every Friday after Noon. The Internet address is **ftp.fcc.gov**; log on with the user ID "anonymous" and give your e-mail address as the password.

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#### TELEMARKETING

#### Crime Prevention Week (February 5-11)

During Crime Prevention Week, ______ reminds you that respect for the law not only means obeying the law yourself, but supporting good police protection in your area. ______ believes that fighting crime is everybody's business.

____ During Crime Prevention Week, ______ reminds young people that big crimes and small ones ______ have one thing in common: a conviction can follow you for a lifetime. That record for shoplifting or drug use can keep you from getting a job or promotion later in life. ______ reminds you that it doesn't take a life of crime—only a small mistake can mess up your life permanently.

It's a shame, but it's a fact—most crimes are never reported. ______ believes that too many people think nothing can be done, so they simply accept what happens to them. ______ says, if you're the victim of a crime, report it to the police immediately. During National Crime Prevention Week, ______ urges you to be alert and help fight crime.

reminds you that shoplifting is a crime—and it is prosecuted in this community. Shoplifting hurts everybody, because prices have to be raised to cover the cost of stolen merchandise. Insist on strict prosecution of shoplifters. Report shoplifting when you see it. urges you to fight shoplifting. It's a crime!

During National Crime Prevention Week, ______ reminds you that shoplifting is a multibillion dollar business expense. It drives up the cost of doing business, and that drives up the cost of the things you want and need. During National Crime Prevention Week, ______ urges you to join the fight against shoplifting. Report it when you see it. Encourage strict prosecution of shoplifters.

During Crime Prevention Week, ______ reminds you that children need and want moral guidance from their parents. Too many children are not taught the importance of law, and end up as lawbreakers. ______ urges you to tell your children about the law and its meaning in their lives.

wants you to know that crime is not only growing in big cities—it's actually growing faster in smaller towns and suburbs. What can you do? ______ says, you can insist on good, professional local law enforcement. Support programs that upgrade police standards. During Crime Prevention Week, ______ reminds you that the fight against crime depends on everyday people who really want to win.

In observance of National Crime Prevention Week, ______ urges you to get involved in efforts to make our community crime free. Support local law enforcement, and teach your kids to respect the law. Report shoplifting when you see it. Work to prevent drug abuse. And if you're the victim of a crime, report it! These crime-prevention reminders courtesy of _____.

#### FROM OUR READERS

**AP Increases Justified?** "We also received the AP notice of rate increase, and I have written a letter to both the Director of Broadcast Services and the Chairman of the Associated Press asking what improvements in service to small market stations AP has made to justify this increase.

"In view of the fact that it is small market stations who pay for the AP services, we ought to see some improvements in services to justify an increase.

"I encourage all small market operators who are unhappy with the AP's assessment increase to let them know how you feel. After all, there are a number of other news service providers available today. Perhaps if the base of AP's business (namely us) begins to erode, they will think twice before voting for another automatic rate increase."

-Hal S. Widsten, KWED, Seguin, TX, 210-379-2234

*Editor's Reply:* Greetings to the station in Bob & Barb Doll's home town! From what broadcasters are telling us, AP's business *has* begun to erode due to their aggressive pricing and inflexible terms. As Hal writes, the competition in the news provider arena is heating up!

Wal-Mart Woes & New Business Ways. "Enjoyed your interesting article about Wal-Mart. Yes, I know they are a problem. However, as I see it, all chain stores are a problem for local radio. They don't use us, and if they do, it's like a spit in an empty bucket.

"Recently a Wal-Mart Super Center opened here. They've been open about two months. Their only advertising was a half-page ad in the local paper. NO RADIO!!!.

"When I called on the local manager, he told me, 'We won't be buying any local radio,' and hinted that I was wasting his valuable time.

"We know the problem; now what is the solution? Look elsewhere for advertising. The one answer I've heard is to go after non-traditional radio advertisers. There are lots of categories we ignore. How about some success stories on how radio did a good job for them? One category could be attorneys. We don't get anything out of them, but they're in *love* with the Yellow Pages.

"Please—let's concentrate on solutions."

-John Frew, WYXC, Cartersville, GA, 770-382-1270

*Editor's Reply:* It's too bad, John, that you drew that kind of Wal-Mart manager. We seem to be hearing about more and more store managers who are loosening their purse-strings and giving radio a shot. It's well known that Wal-Mart turned away from radio once because of our inability to give them the service (like timely billing) they needed and deserved. Sure, right now it's nickels and dimes, but I for one am optimistic that if radio doesn't blow it again, we might see this relationship grow. Incidentally, we all owe a debt of thanks to Gary Fries and his RAB team for their missionary work in Bentonville.

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# Small Market Radio Newsletter

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

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Published by: Jay Mitchell Associates, Inc. P. O. Box 1285 • Route 2 Fairfield, IA 52556

Phone 515-472-4087 Fax 515-472-6457 E-Mail 73627.2120@ compuserve.com

 Subscription Rates:

 One Year
 \$119

 26 Weeks
 \$64

 13 Weeks
 \$37

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IN OUR 13TH YEAR



BILL TAYLOR KQSS P. O. BOX 292 MIAMI AZ 85539

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#### VOLUME XIII • NUMBER 32 • DECEMBER 28, 1995

**"BROADCASTERS ARE THE PROBLEM"** with the Telcom bill, according to Conference Committee Chairman Senator Larry Pressler (R-SD). "They really are asking for too much here." But late word is that the conference *has* agreed to a bill, with only "some tweaking of non-broadcast issues" (according to an NAB Government Relations spokesperson) to be

worked out before signing. At this point it is unlikely any further action will be taken before the end of the year.

"WE ARE DELIGHTED," says NAB President/ CEO Eddie Fritts, "that the telecommunications reform package includes critical regulatory reforms that will help broadcasters compete in the 21st Century marketplace. We are especially pleased that provisions eliminating the national cap and substantially relaxing the local cap on radio ownership will ensure that radio broadcasters can remain an important and competitive player in the new telecommunications world." Fritts concludes,



Happy New Year from all of us at SMRN!

"We look forward to the completion of the conference report and will actively work for its rapid enactment."

SONNY'S SON SELLS OUT DAD. Paul Bloch, 28, former VP of Independent Broadcasters Network and the son of jailed talker Sonny Bloch, pleaded guilty last week to one count of fraud and agreed to help federal officials with their case against Dad. The younger Bloch admitted helping to defraud investors in companies set up by his father to buy several radio properties.

**DAB TESTS BEGIN JANUARY 31.** The Electronic Industries Association (EIA) is set to begin the first round of field tests of the Eureka 147 DAB system in San Francisco. The second round of tests is to begin April 30; results should be available at the end of July. Earlier, the testing was held up by FAA opposition concerning frequency interference to aircraft and aerospace flight testing. That opposition was withdrawn after the EIA agreed to new safeguards.

#### AT THE FCC **NEW STATIONS (Applied For)** 663' Christian Broadcasting, Inc. AK 93.7 Anchorage 27000w South Seas Broadcasting Pago Pago 500w 325' AS 93.1 96.3 Susanville 328' Sunbelt Broadcasting Company CA 25000w Guam Radio Services, Inc. GU 102.9 Agana 5000w 830' Connoisseur Communications of Flint М 93.7 Frankenmuth 6000w 328' Martin Doorn & George Clark 328' 6000w Fatima Response, Inc. 105.7 Merrill 6000w 289' OR Wildcat Broadcasting Gregory 6000w 328' TX 104.5 Stamford 50000w 492' Blue Plains Broadcasting Company 92.1 **NEW STATIONS (Granted) UBIK** Corporation 262' 92.1 3000w AK Houston EBT Broadcasting, L.L.C. NM 99.9 Taos 10000w 2768' **REPORTED SILENT:** Talk KY Louisa **WVKY** 1270 VA Suffolk (Tidewater) WLPM 1450 Gospel Country WA Bellevue **KBLV** 1540 Enumclaw 1330 Country KENU KTOL 1280 Country Lacey FORMERLY SILENT: 97.7 AC AR Augusta KABK 03 5 Tuscola WFRX Alternative ("The Weh")

IL	Tuscola	WEBX	93.5	Alternative ("The Web")
МІ	Jackson	WIBM	1450	Oldies
NM	Milan	KCIB	1130	Classic Rock
SC	Charleston	WUJM	1450	Talk (WQNT)

---Courtesy M Street Journal

**CONVENTION NEWS.** Dr. Sean Joyce has been signed to lead two in-depth forum-length sessions on the subject of negotiating at the 1996 RAB Marketing Leadership Conference, February 15-18 in Dallas. For more information, call the RAB at 1-800-232-3131.

Charles Osgood, host of CBS Radio's "The Osgood Files," will keynote the NAB Radio Luncheon, Tuesday, April 16, 1996 during NAB '96 in Las Vegas. For more information, call the NAB at 202-429-5420.

#### MONEY PAGE - \$ALE\$ & PROMOTION IDEA\$

#### **Ongoing Contests**

Regular contest features are a great way to "benchmark" your station and to draw people into specific dayparts. This is usually done in morning drive, but why ignore your other personalities?

Here are a few ideas to get you thinking:

The Name Game—Variation 1. Read a letter of the alphabet on the air. If that letter is in a listener's name, he or she has a half hour to call in. [Scott Slaven, KVRY, Phoenix, AZ]

The Name Game—Variation 2. Give a last name on the air. The first person who calls with that last name wins.

The Name Game—Variation 3. Give a last name on the air. Encourage your listeners to call anyone they know with that last name and have them call the station. If a listener's friend calls and wins, the listener who notifies the winner gets a prize, too.

On the Street Where You Live. Give a street on the air, and announce that you have a specific address selected on that street. Take the *n*th caller; if he or she lives on the street, he or she gets a small prize. If he or she lives in the same block as the address you've selected, he or she gets a bigger prize. If he or she lives *at* the address you've selected, he or she gets the grand prize.

**Dollar Bill Game.** Read out a string of numbers and ask listeners to call if they have a dollar bill with that particular sequence on it. There are endless variations—don't forget to work your frequency into many of the sequences called out—with prize values geared to the rarity of the combination called for.

**Cash Call.** Arguably the oldest "benchmark" contest in radio, and it still works. Establish an escalating jackpot and have listeners call in to guess the current jackpot amount. If they miss it, add to the jackpot. Many stations mix things up by adding different amounts at different times, and by "spontaneously" adding bonus amounts from time to time.

House Plants & Flowers. These are great prizes for a midday contest. The means of entry is up to you—point of purchase registration, call-in, mail-in, fax-in, random or response to a question.

At-Work Network. This is an umbrella concept for a series of events your station can feature to capture workplace listening. Have listeners send a fax from their workplace. These faxes are used for contest entries, casual greetings on the air ("Good morning to KXXX At-Work Network member John Smith, who's listening over at Prudential Insurance"), song requests—and let's not forget the database-marketing possibilities!

Trivia. How could a roundup of successful ongoing radio contests not include Trivia!

#### \$ALE\$

### New Year's Selling Resolutions

*Editor's Note:* This article appeared in our year-end issue last year. So many readers commented favorably that we're presenting it again.

It's a new year, and time for a new (or renewed) attitude about what selling radio is all about.

Here are some resolutions to ponder:

- I resolve always to put the customer and the radio station first, understanding that long-term success comes only if both win.
- ► I resolve to help my customers with their business problems instead of selling them ads.
- I resolve to make more and better use of the RAB and other tools available to me, to learn more about my customers' businesses so I can offer them more help.
- I resolve to see each and every one of my customers every week, because I know my competitors are doing it. Even if the customer says he/she doesn't need to see me, I'll find some excuse for casually dropping by.
- I resolve always to look the part of the successful professional, taking more care about my clothing, hygiene and general appearance.
- ▶ I resolve to balance my selling day to make at least four qualified sales calls, four telephone calls to set up appointments for future sales calls, and four service calls.
- I resolve to become a sales professional instead of peddler—by planning my activities ahead, tracking and monitoring my activities each day, and self-diagnosing my activities versus my results.
- I resolve to bring my selling skills back into the station with me, to offer genuine appreciation to the production and traffic people for their help in giving my clients the very best service. When internal challenges arise, I will keep my head and use my sales abilities to resolve them.
- I resolve to make my SM or GM my partner, sharing with him/her what I am doing and the results of my actions, knowing that he/she is in a position to help me improve my selling skills and success ratio.
- I resolve to take advantage of all possible opportunities to get more education and training in my chosen field, even if it means I have to foot the bill. After all, it is my future that is at stake!

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#### **BUSINESS & ECONOMY**

#### Six Keys to Small Town Survival

As the world enters the 21st Century, what will be the keys to survival for small towns? Cliff Clark, a professor at Carleton College in Northfield, MN, cites six characteristics shared by towns he feels will be most likely to thrive in the next century.

- 1. Adequate size. While there may not be a single ideal size for a small town, those large enough to sustain a significant level of commerce and interaction are more likely to survive on a long-term basis. Clark points to his own community of Northfield, with a population of 15,000, as being less vulnerable to economic change than very small towns.
  - 2. Intellectual vigor. Towns playing host to colleges, museums or other knowledge-based institutions hold a definite advantage. Not only do schools add to the cultural life of a community, they also contribute to the local economy.
  - 3. The right location. A town's location, especially in comparison to the nearest large city, is another key to long-range survival. If it's too close to a metropolitan area, a town risks being swallowed up by suburban sprawl. Too far, and it will remain inconveniently distant to big-city assets.
  - 4. A diverse economic base. Those towns depending on a single industry face greater risks than those with diverse economies. Ideally, according to Clark, a town should feature both basic manufacturing and high technology. Major employers in Northfield, for instance, include a cereal manufacturer, a firm that makes circuit panels for the automotive industry, and a company that plates glass with microscopic levels of metals to increase insulating power.
  - 5. A distinct identity. In the long term, maintaining its own distinct identity is important for any town's survival. Too often, communities become bedroom suburbs of larger cities, losing their identities in the process. Measures such as celebrations of historical events can help towns maintain their distinct characters while also putting them on the map and attracting visitors.
  - 6. A viable downtown area. Even small towns need a viable downtown area, Clark notes. Usually this involves a focused, concerted effort by the town's residents. In Northfield, residents have filled the business area with restored storefronts, inns, restaurants and bookstores.

Certainly, a given town need not exhibit all these characteristics to thrive. A community's lessthan-favorable location, for instance, may be offset by other factors. But in looking to the future, those towns demonstrating a majority of the keys noted by Clark seem the best bets for survival. —Mark Rowh, "Small Towns Respond to a Changing World," *The Rotarian*, January 1996

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#### INDUSTRY NEWS

#### NAB Radio Board Nominations Completed

The NAB has announced the candidates for the Radio Board seats for 1996. Ballots will be mailed to member radio stations January 5. Completed ballots are due back January 26.

Here are the nominees (* indicates incumbent):

District 2 (NY, NJ) Randall D. Bongarten, WAXQ, New York, NY David S. Gingold, WHLI/WKJY, Hempstead, NY Andrew A. Langston, WDKX, Rochester, NY William O'Shaughnessy, WVOX/WRTN, New Rochelle, NY

District 4 (DE, DC, MD, VA) E. B. Hawkins, WILM, Wilmington, DE Rick Mack, WBIG, Rockville, MD William Poole, WFLS AM/FM, Fredericksburg, VA David R. Roederer, WPSK, Radford, VA

District 6 (NC, SC) Gary Brobst, WSOC/WSSS, Charlotte, NC William McElveen, WTCB/WOMG/WISW, Columbia, SC

District 8 (LA, MS) Stephen C. Davenport, WYMX/WKXG, Jackson, MS Bill Hickman, WMFM, Hattiesburg, MS Judy Karst-Campbell, KRRV AM/FM, Alexandria, LA

District 10 (IN) Steve Avellone, WFWI, Fort Wayne, IN *Kenneth S. Coe, WLOI/WCOE, La Porte, IN District 12 (MO, KS) *Curt Brown, KTTS AM/FM, Springfield, MO John T. Lynch, Noble Broadcast Group, St. Louis, MO

District 14 (IA, WI)
Mark Hedberg, KRIB/KLSS, Mason City, IA
J. D. Lumanog, KRNL, Mt. Vernon, IA
Mary Quass, KHAK/KTOF/KDAT, Cedar Rapids, IA
Thomas A. Walker, Mid-West Family Broadcast Group, Madison, WI

District 16 (CO, NE) Dick Maynard, KEKB/KBKL, Grand Junction, CO

District 18 (S. TX) *John W. Barger, KRIO, San Antonio, TX

District 20 (MT, ID, WY) *Larry Roberts, Sunbrook Communications, Spokane, WA

District 22 (AZ, NV, NM, UT) *Jeff Lyon, KSNM, Las Cruces, NM

District 24 (S. CA, GU, AS, HI) *Howard B. Anderson, KHWY, Los Angeles, CA Gene A. Pietragallo, Jr., KPSL, Palm Springs, CA

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#### TELEMARKETING

#### Boy Scout Week (February 4-10)

Almost five and a half million Boy Scouts do "good deeds" every day. Who benefits? Individuals and whole communities. This week is Boy Scout Week. ______ wants to say "Thank you" to Boy Scouts and Scout leaders. They know (town) is a better place to live because Scouting is alive, strong and growing here. ______ hopes you'll join them in saluting the Boy Scouts.

Five and a half million Boy Scouts are sharing the Boy Scout experience—designed to build character, train civic responsibility, and develop personal fitness. ______ knows America and our community are better places to live because of the Boy Scouts. To all Boy Scouts and their leaders, thank you from _____.

During the anniversary of the Boy Scouts, _____ pays tribute to them and their leaders. Over the years, the Boy Scouts have touched millions—including athletes, business people, actors, political leaders—leaders in every walk of life. This week, _____ is proud to salute all Boy Scouts and their leaders for their many good deeds.

Boy Scouts everywhere make the world a better place for everyone by doing good deeds. During Boy Scout Week, ______says "Thank you" to all Boy Scouts for those acts of assistance which touch so many people's lives. _____ salutes the Boy Scout's tradition of "a good deed every day."

extends best wishes to the Boy Scouts and their leaders during Boy Scout Week. For over 85 years, it has been the purpose of the Boy Scouts to build the responsibility of participating citizenship, and to develop personal fitness. _____ knows that this community is a better place to live because of the Boy Scouts.

This is Boy Scout Week, and ______ is happy to salute the Boy Scouts and their leaders. The values and skills acquired in the "Boy Scout experience" will last a lifetime. The good deeds for which the Boy Scouts are famous make communities better places in which to live. Good luck and thank you, Boy Scouts, from _____.

During Boy Scout Week, _______ salutes Scouts worldwide and right here in our area for their "good deeds." We also salute all those who give of their time and energy to make Scouting so rewarding. Best wishes for Boy Scout Week from ______.

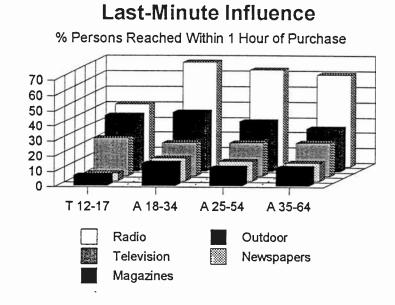
reminds us that for citizenship, leadership and physical fitness, nothing beats the Boy Scout experience for young men. During Boy Scout Week, ______ recognizes our Scouts and Scout leaders for keeping these values alive.

#### SOUND BITES

More TV Clutter Ammo. "Prime time TV averages 20 commercials per hour. Daytime TV averages 37!"

-Julian H. Breen, Breen Broadcast, 609-730-0070

Radio Talks to Consumers Just Prior to Purchase. No matter what the demo, radio is the medium that reaches consumers closest to the time they make purchasing decisions, according to RAB's and Arbitron's *Media Targeting 2000*.



-Adapted from New York Market Radio Update, NYMRAD, 212-808-4330

#### THE LAST WORD

I don't want the year to end without expressing my deepest gratitude to you, dear reader, for making **SMRN** the small-market resource it has become. Your suggestions and your contributions are what shape each issue and our editorial direction in general.

I also want again to thank Lori Morgan, our former Managing Editor, for her assistance over the years—and Pam Kiefer, our new ME, for becoming so helpful so quickly.

And, as always, the biggest debt of gratitude goes to our Editor Emeritus, SMRN founder Bob Doll, who, with wife Barb's help, put in the long hours and lean years to make this newsletter possible in the first place. . .and whose guidance continues to make this a better publication.

To all our readers, supporters and friends, may the coming year bring you all the best!