ADDENDUM TO MT. WILSON REPLY COMMENTS IN RESPONSE TO NAB REPLY COMMENTS PERTAINING TO LOCAL RADIO OWNERSHIP LIMITS

The Comments and Reply Comments of the National Association of Broadcasters (hereinafter "NAB") propose the reformation of the radio ownership rule limits – presumably justified on the basis of competition from new audio platforms adversely affecting a segment of the NAB membership, group owners. The NAB arguments are supported only by self-serving verbiage. The single exhibit offered in support of reformation (NAB Reply Comments, Attachment B) bears no relevance to the alleged adverse impact on group owners. The primary purpose of this Addendum is to emphasize the folly of NAB Comments/Reply Comments dependent solely on unsupported verbiage and to explicitly make clear that the NAB filings do not represent the interests of the entire NAB membership, do not represent the interests of the independent broadcaster.
I. The NAB Filings are Primarily Noteworthy for the Omission of Relevant Documentation In Support Of the Arguments: for the Failure to Rebut Documentation That Disproves the NAB Unsupported Arguments and for the Failure to Consider New Positive Factors Beneficial to the Radio Industry

A. Failure to provide documentation in support of assumed adverse affect and failure to rebut Mt. Wilson documentation.

The NAB Reply Comments justify the need for the reform of local radio ownership limits and the elimination of AM/FM subcaps on competition, more specifically, the multitude of new audio platforms as follows:

"Local radio stations are competing against a multitude of audio platforms for audiences and advertising revenues and this competition is only increasing." (NAB Reply Comments, p. 19)

The new competition is defined as

"... internet-based audio platforms, podcasting, satellite radio and various mobile audio devices. ..." (NAB Reply Comments, p. 20)

Mt. Wilson FM Broadcasters, Inc. (hereinafter Mt. Wilson”) does not dispute the existence of new competition. Broadcasters (group owners and independent radio owners) have in the past and continue to confront new audio platform competition by various means including licensee utilization of the new audio platforms. The problem with the proposed NAB solution (i.e., eliminate or increase caps/subcaps) is that (1) it benefits only group owners; (2) such solution will further adversely affect the ability of independent broadcasters to compete with group owners; and (3) it will inevitably lead to more consolidation/further decline in radio ownership and the ultimate demise of the independent radio owner. In short, the “cure is worse than the disease.”
The NAB solution assumes that competition from the new audio platforms has adversely affected group owners and, therefore, reform of the multiple ownership rules is necessary. The NAB Comments/Reply Comments (filings) do NOT include documentation supporting the “adversely affected” claim and, further, ignore Mt. Wilson documentation evidencing that the new audio platform/competition is NOT a significant factor adversely affecting group owner competition. Meaningful examples of adverse impact on group owners (attributable to competition from the new audio platforms) such as documentation evidencing revenue losses exceeding revenue profits; documentation reflecting an overall decrease in group owner station consolidation; or documentation reflecting any form of negative financial impact were not provided. Indeed, no documentation reflecting group owner loses and/or financial hardship resulting from new audio platform competition was provided. Contrary to the NAB unsupported verbiage of an adverse impact on group owners from new audio platforms, the Mt. Wilson documentation evidences a robust environment for group owners, as follows:

a. In 2011, radio added 1.4 million weekly listeners (Appendix C, Mt. Wilson Reply Comments);
b. The top ten billing stations in 2010 and in 2011 were group owner stations (Appendix E, Mt. Wilson Reply Comments);
c. CBS, Clear Channel, Cumulus (among other group owners) affirmatively participate in utilizing the new audio platform competition (Appendix I, Mt. Wilson Addendum); and

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1 An example of group ownership use (or misuse) of the new audio platforms is iHeart (created and controlled by Clear Channel). Music formats of Clear Channel and other broadcast entities are streamed on the Internet. While iHeart accommodates group owners such as Cumulus and its 500-plus stations, iHeart also is used to discriminate against independent broadcast owners. Mt. Wilson applied for carriage and was rejected, no reason given (see Mt. Wilson Comments, p. 11). The use of iHeart to...
d. Group owners are operating in the “black” (Appendix E, Mt. Wilson Reply Comments; Appendix II, Mt. Wilson Addendum). Indeed, according to calculations provided by Townsquare Media (a group owner), the top three companies (Clear Channel, CBS, and Cumulus) radio revenue was approximated at $536 billion dollars. The remaining seven companies (including Townsquare) revenues ranged between $179 million to $383 million dollars (Appendix II, Townsquare data, Mt. Wilson Addendum).

The Mt. Wilson documentation reflects that the group owner stations are thriving; that the new audio platform competition has not adversely affected group owners. Ingenuity, innovation, quality leadership and Wall Street are significant factors responsible for group ownership success in competing with the new audio platforms (which includes group ownership participation in and utilization of the new audio platforms) – success measured by the fact that group owners operate in the “black” (Appendix E, Mt. Wilson Reply Comments; Appendix II, Mt. Wilson Addendum).² The NAB failure to provide documentation (other than unsupported verbiage) evidencing adverse impact on group owners, combined with the failure to rebut the Mt. Wilson documentation, confirm that the NAB contrived argument based on new audio platform competition is merely a

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² The Mt. Wilson documentation (Appendix E, Mt. Wilson Reply Comments; Appendix II, Addendum) covers an extended time span – two-to-three years.
subterfuge for the literal reason underlying the NAB filings – Wall Street demand for group owner higher profits (Mt. Wilson Reply Comments, Exhibit 1).³

B. Failure to consider “downsides” of consolidation.

Separate and apart from failing to provide documentation in support of the alleged adverse impact on competition, the NAB filings ignore the multiple “downsides” resulting from group owner consolidation,

1. less diversity of viewpoint ownership (evidenced by substantially fewer radio owners – the 39% decline in radio ownership between 1996 and 2006), which will be further reduced if caps are eliminated, increased or maintained at the existing limits;

2. less meaningful localism (evidenced by out-of-market centrally-located studios serving distant designated areas, Appendix III, Mt. Wilson Addendum);

3. less competition between group owners and independent radio owners (evidenced by the decline in radio ownership). While the number of stations remain relatively constant, the number of radio owners consistently is reduced – the ultimate result, less competition, less diversity;

4. additional layoffs resulting from consolidation (Appendix IV, Mt. Wilson Addendum).

Subsequent to the layoffs referenced in the Mt. Wilson Comments (Appendix D) and the Mt. Wilson Reply Comments (Appendix F), still more layoffs have occurred, specifically, the recent Clear Channel “Traffic” layoffs in Minneapolis, Minnesota (Appendix IV, Mt. Wilson Addendum). The rationale for these layoffs was provided by

³ The logical and reasonable presumption for the NAB omission of providing relevant supporting documentation is that group owners under the existing rules operate in the “black.” There is no documentation of an “adverse affect” on group owners.
Angel Aristone, Vice President/Marketing & Communications, Clear Channel Media + Entertainment (Mt. Wilson Reply Comments, Appendix F),

"We’ve been looking closely at our business to ensure that we are properly staffed and operating as efficiently as possible with the right balance of services and personnel to meet the needs of our listeners/consumers. Like every successful business, our strategy continues to evolve as we move forward as a company and that creates some new jobs, and unfortunately eliminates others."

Factually, considering the Clear Channel layoffs referenced in the Mt. Wilson filings, 22 jobs were eliminated and one new job was created. Factually, the Clear Channel layoffs represent the “efficiency” demanded by group owners/Wall Street – without consideration of or for the public interest, i.e., less consolidation, less layoffs.

C. Failure to consider new positive factors beneficial to the radio industry.

While the NAB filings focus on competition from new audio platforms as the justification for reform, the NAB filings fail to acknowledge or reference significant new positive factors beneficial to the radio industry, beneficial to competition with the new audio platforms – specifically the FM/HD chip that can be installed in cell phones and HD radio. The new chip inserted in the cell phone will allow the cell phone to access local radio on a mobile phone (see Appendix V, Mt. Wilson Addendum), a most significant positive factor for the radio industry.4

4 The significance of the FM/HD chip omission in the NAB filings is that NAB Radio Board Chair Caroline Beasley articulated the benefits of the chip for FM radio while participating on a panel with two FCC Commissioners at the recent NAB Las Vegas convention and that NAB publications highlighted the benefits (Appendix V, Mt. Wilson Addendum). Apparently, such information either was not transmitted to the NAB Comment authors or was rejected as inconsistent with the NAB Quadrennial Review filings.
In addition to ongoing new technology for the radio industry such as the FM/HD chip, a recent J.D. Powers and Associates new Emerging Technologies Study ranked High Definition ("HD") as number one and the "... most likely emerging technology consumers will buy when purchasing a new vehicle" (Appendix V, Mt. Wilson Addendum). The chip, HD radio and new mobile devices are examples of how the radio industry successfully competes with new audio platforms and constitute positive factors for radio in terms of competition with the new audio platforms. Pragmatically, new technology for both radio and the new audio platforms reasonably can be anticipated on an ongoing basis. Considering the fact that NAB was aware of the new FM/HD chip and the potential positive impact, the NAB omission of ongoing new technology for radio is, simply stated, disingenuous.

D. NAB definitions of Commission goals differ from Commission definitions of Commission goals.

The NAB definitions of competition, diversity and localism substantially differ from the Commission definitions. According to the NAB,

a. competition is defined as competition with the new audio platforms (NAB Reply Comments, pp. 19-21), absent any reference to competition with broadcasters;

b. diversity is defined as "a diverse array of programming" and the availability of "a plethora of other stations with different formats" (NAB Reply Comments, p. 21);

c. localism is characterized as "programming decisions... locally-based on the preferences and interests of listeners within a given market" (NAB Reply Comments, p. 22).

The Commission definition of competition contemplates the "focus on promoting competition among broadcast radio stations in local radio listening markets", not
competition with new audio formats, NPRM, 26 FCC Rec 17489, 17513-14, Para. 68. The NAB Comments/Reply Comments ignore competition “among radio broadcast stations in local radio listening markets” (as if the independent radio station owner does not exist) – focusing solely on competition with the new audio platforms. Reducing the caps/subcaps will promote competition (as defined by the Commission) “among radio broadcast stations in local radio listening markets.” Maintaining the existing caps logically will lead to further decline in radio broadcast ownership and a consequent decline in competition among local radio stations, Ibid., p. 17496, Para. 17.

The Commission definition of diversity is defined as “viewpoint diversity,” the purpose, to ensure “a sufficient number of independent radio voices and... preserving a market structure that facilitates and encourages new entry into the local media market”, Ibid., pp. 17511-12, Para. 61. The NAB Comments/Reply Comments’ definition neither address “independent radio voices” nor encourage new entry. The public interest factors, as are reflected by the Policy Goals, conflict with the NAB plea for more consolidation and more profit. In short, consolidation and the objective for more consolidation (more profit) are inherently contrary to “viewpoint diversity and the public interest.”

The Commission definition of localism is “designed to ensure that each station treats the significant needs and issues of the community that it is licensed to serve with the programming that it offers”, Ibid., p. 17495, Para 14. Even if group ownership

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In terms of diversity as logically defined by the Commission, one owner of eight stations does not equate to eight owners of eight stations – unless the Commission accepts the illogical NAB position that diversity is defined by the number of different formats.
distantly removed from the community of license and/or broadcasting from distant studio sites can in fact “treat the significant needs and issues of the community”, such distant broadcast operation will not “encourage new entry into the local media market” or “help to promote localism” (Ibid., pp. 17511-12, Para. 61) as meaningfully as local ownership. Local ownership entails an ongoing relationship with the community of license. Out-of-market ownership is not a substitute for local market ownership.

With respect to diversity, the single document proffered by NAB (in support of eliminating/increasing caps/subcaps) pertains to BIA’s Media Access Pro database for all commercial radio stations in 284 Arbitron-rated markets as of April, 2012 (NAB Reply Comments, Attachment B, Appendix A). The Commission finding of a 39% decrease in the number of radio station owners between 1996 and 2010 irrefutably establishes that eliminating or increasing caps will inevitably lead to more consolidation, less diversity, less competition as defined by the Policy Goals and to the decline of the independent broadcast owner.

With respect to diversity, the NAB provided an exhibit which shows group and independent station ownership in 284 Arbitron-rated markets. The Los Angeles radio market is singled out as an example – allegedly 22 independent owners who own two or less stations, nine group owners who own three or more stations, and four group owners who own six or more stations (total, 72 stations). Documentation submitted by Mt. Wilson in the 2006 Quadrennial Regulatory Review reflected that two group owners dominated the revenue market shares for the years 2001 through 2005 – ranging from 39% to 42%.

Based on the BIA Media Access Pro Database as of March, 2010 (Notice of Inquiry).

The NAB exhibit does not identify the 72 Los Angeles market stations. Whether or not the stations provide full-market coverage is not reflected. Whether or not the stations are full-power stations is not reflected. In the Los Angeles radio market, there is only one stand alone owner station which provides full-market coverage day and night – KSWD (Bonneville). Two other stand alone owners provide full-market coverage – daytime only, KLAA (Los Angeles, Angels Baseball Club) and KMPC Continued...
With respect to the Los Angeles radio market (singled out by the NAB Attachment B), the categories reflecting numerical ownership are as follows:

a. 22 independent broadcasters who own two or less stations in the Los Angeles radio market – collectively owning a total of 28 stations;

b. five group broadcasters who own between three and five stations in the Los Angeles radio market – collectively owning a total of 18 stations;

c. four group broadcasters who own six or more stations in the Los Angeles radio market – collectively owning a total of 26 stations.

Diversity, as defined by the Commission Policy Goals, is based on viewpoint diversity, i.e., the more stations owners (independent and group), the more viewpoint diversity. The number of stations in the market (72 or whatever) will essentially remain constant. If the caps are eliminated or increased, consolidation will further reduce the number of station owners, not the number of stations. Maintaining the existing caps will allow group owners with less than the existing caps to further consolidate – the ultimate result, less station owners, less viewpoint diversity, less competition as those terms are defined by the Policy Goals. Viewpoint diversity, competition among local broadcasters and the public interest (the pinnacles underlying the Policy Goals) all will be adversely affected.

... Continued
(Korean programming). The remaining 13 owners (the NAB exhibit reflects 16 stand alone owners) do not own stations which provide full-market coverage to the Los Angeles radio market. The shortcomings of the NAB exhibit as to the Los Angeles radio market (i.e., the failure to identify stations/the failure to identify stations which provide full-market coverage) are equally applicable to the other radio markets (particularly the larger radio markets). The failure to identify full-market coverage stations effectively nullifies the alleged diversity (irrespective of how “diversity” may be defined).
The NAB position can be deemed valid ONLY if the Commission accepts the NAB definitions of the Policy Goals, definitions which solely serve group owners/Wall Street. The indisputable logic describing the adverse impact on the Los Angeles radio market (more consolidation, less broadcast owners, less viewpoint diversity, less competition) is equally applicable to all radio markets. The NAB definitions are tailored to justify unlimited station ownership, the consequence of which effectively eliminates the Policy Goals.

II. The NAB Trade Press Response to the Mt. Wilson Letter Addressed to Gordon Smith Confirms That the NAB Filings Represent Only the Views of Group Owners/Wall Street

The Mt. Wilson Reply Comments included a copy of the Mt. Wilson March 21, 2012 letter to NAB President Gordon Smith chastising the NAB for filing Comments that represented ONLY the views of group owners/Wall Street – views, which are adverse to the independent radio owner NAB members; for filing Comments without conducting a survey of its membership; and for misleading the Commission into assuming that the entirety of the NAB membership supported the NAB position (Mt. Wilson Reply Comments, Appendix A). The NAB response (on or about March 22, 2012) to the Mt. Wilson letter was a statement to ALL ACCESS (a trade press entity, Appendix VI) from an NAB official (Dennis Wharton, NAB Executive Vice President/Communications) as follows:

"We respect Mr. LEVINE’s position and hope that he remains in membership. NAB’s support for continued relief from restrictive broadcast ownership rules is the longstanding position of our Board of directors, which includes many small and media market radio station operators."
The NAB trade press response constitutes the only reply to the Mt. Wilson letter. Neither the NAB trade press response nor the NAB Reply Comments address or rebut the allegations set forth in the Mt. Wilson letter. Consequently, as the record now stands, the NAB concedes the following:

1. that the NAB did not conduct a survey of its membership;
2. that the NAB Comments represented only the views of group owners/Wall Street;
3. that the NAB Comments gave no consideration to the adverse impact of its Comments on the NAB independent radio owner members and the consequent adverse impact on the public interest;
4. that the NAB Comments were intended to mislead the FCC into assuming that the entirety of NAB supported the NAB position.

Mt. Wilson does not dispute that the NAB trade press response “... relief from restrictive broadcast ownership rules” may be applicable as representing the views of the entire NAB membership in other Commission proceedings but such response is not applicable to the instant Quadrennial Regulatory Review proceeding. Moreover, the fact that Board members include “small and media market radio station operators” does not rebut or contradict either the fact that the NAB Board of Directors is weighted and controlled by group owners or the specific allegations set forth in the Mt. Wilson letter to Gordon Smith. With respect to the Commission evaluation of the NAB filings, the NAB failure to rebut the Mt. Wilson letter unequivocally confirms the allegations in the Mt. Wilson letter.

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2 The Mt. Wilson filing of Comments and Reply Comments to the 2010 Notice of Inquiry clearly alerted the NAB to the fact that not all NAB members shared NAB’s views.
letter and, specifically, that the NAB filings represented solely the views of group owners/Wall Street, not the views of all NAB members, not the views of all radio broadcasters.\textsuperscript{10}

**CONCLUSION**

The NAB position that the new audio platforms provide new competition is not in dispute. The NAB assumption, however, that group owners have been adversely affected by the new competition is (1) unsupported by any documentation and (2) affirmatively rebutted by the Mt. Wilson documentation.\textsuperscript{11} The Policy Goals as defined by the Commission differ radically from the definitions suggested by the NAB. Foremost, the Commission definitions are based upon public interest considerations. In contrast, the Policy Goals as defined by the NAB are based upon higher profits (not just profit, higher profit) – the sole beneficiaries being group owners/Wall Street.

NAB failed to provide revenue data supporting the alleged adverse effect of the new audio platforms on group owners. NAB failed to consider the new positive factors beneficial to the radio industry in terms of competition with the new audio platforms. NAB failed to consider the “downside” of consolidation. NAB’s omissions and failures, when evaluated with Mt. Wilson’s unrefuted documentation, patently reflects the

\textsuperscript{10} The fact that the NAB filed Reply Comments (after receipt of the March 21, 2012 letter to Gordon Smith) without acknowledging that the filing did not represent the views of the entire NAB membership is inexplicable. If the NAB Reply Comments had affirmatively acknowledged that the views expressed represented only the views of group owner NAB members, there would have been less reason to file an Addendum.

\textsuperscript{11} The verbiage “decreased revenues” (NAB Comments, p. 34) proffers no support and no documentation – merely a slanted choice of words.
weakness of the NAB filings, filings that rely on unsupported verbiage and irrelevant documentation – documentation that does not evidence an adverse impact on group owners. The benefits of reducing the caps/subcaps (localism, diversity and competition – the primary Commission Policy Goals) are set forth in the Mt. Wilson Comments/Reply Comments – briefly stated, goals intended to benefit the public interest, not Wall Street. Reducing the caps/subcaps would enhance competition between the group owner and the independent radio owner in a positive manner and, further, at least delay the demise of localism and viewpoint diversity. With respect to group owners, reducing the caps would adversely impact the trend toward more/unlimited consolidation, and would support the Commission Policy Goals underlying the purpose of caps/subcaps. The documentation (specifically Appendix II, Mt. Wilson Addendum; Appendix E, Mt. Wilson Reply Comments) definitively demonstrates that competition from the new audio platforms has not adversely affected group owner revenue; that group owner revenue in fact continues to increase; and that the NAB cry for group owner help is nothing more than the proverbial “cry wolf” alarm.

Insofar as Commission consideration to be accorded to the NAB filings directed to the radio multiple ownership rules, the unrefuted circumstances underlying the NAB filings are (1) no survey of the NAB membership was conducted; (2) the NAB filings represented solely the views of group owners/Wall Street; (3) the NAB filings gave no consideration to the adverse impact on NAB independent radio owner NAB members; and (4) that the NAB filing was intended to mislead the Commission into assuming that
the entirety of the NAB membership supported NAB’s position. These aforesaid factors should be considered by the Commission in evaluating the NAB filings in terms of recognizing the precise parties for whom the Comments/Reply Comments were filed, i.e., group owners, NOT the entire NAB membership, NOT the radio industry.

Respectfully submitted

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Date: July 3, 2012

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12 As previously noted, the NAB was aware of Mt. Wilson’s views prior to the filings of Comments and Reply Comments.
APPENDIX I

TRADE PRESS ARTICLES EVIDENCING GROUP OWNERSHIP PARTICIPATION IN NEW AUDIO PLATFORMS
June 25, 2012

Radio TechCheck

The Weekly NAB Newsletter for Radio Broadcast Engineers

New Study on Smartphone Ownership and Usage Has Insights for Media Consumption Trends

On June 21 2012 Edison Research released results of a survey conducted in partnership with Arbitron examining how Americans use smartphones. The study is based upon a national, representative sample of 2,020 Americans age 12 and older. Conducted by telephone in January/February 2012, the study examines demographics, usage and other aspects related to smartphone ownership and mobile behaviors. Below are some media-related aspects of the study of interest to broadcasters.

Smartphones are now mainstream—the study shows 44% of consumers now own smartphones (up from 31% in 2011), 44% own non-smartphone cell phones, and 12% of consumers do not own a cell phone. Demographics for ownership are shown below. More than half of smartphone owners are between the ages of 12 and 34 and 25% are between 45 and 64.
The study is primarily of interest to broadcasters when smartphones are considered as a potential platform for media providers (or conversely as a competitive platform for traditional media). Looking at radio listening at work, 20% of those who listen to radio at work now do so via a smartphone:

"Thinking about how you listen to the radio while at work, do you most often listen...?"

Online radio listening in general is much more popular among smartphone owners than non-smartphone owners. While 45% of smartphone owners reported listening to online radio in the last week, only 16% of non-smartphone owners did so:
% Listening to Online Radio (AM/FM Streams & Internet-Only) in Last Week

Yes 16%  
No 84%

Do Not Own a Smartphone

Yes 45%  
No 55%

Own a Smartphone

Internet radio listening in the car via smartphones is also significant:

"Have you ever listened to Internet Radio in a car by listening to the stream from a cell phone that you connected to a car stereo?"

Base: Own a Smartphone

Yes 29%  
No 71%

Television viewing is also examined between those that have smartphones and those that don't. In the chart below, smartphone users are shown to spend as much time daily on the Internet as they do watching television. Note that non-smartphone owners spend more time watching television on a daily basis. The small amount of time reading newspapers shows a stark contrast with time spent with other media:
Television viewing on a smartphone is a growing trend. Almost one in five smartphone owners have watched TV programming through their phone:

- % Watching TV Programming by Streaming or
- Downloading Shows to be Viewed on a Cell Phone...

There is a significant amount of other interesting information in the study as well about smartphone users, including more granular demographic data, interest in advanced features such as voice commands and use of social media. In any case, the notion of smartphones as a platform for radio and TV programming is informed by the data in the study. Copies of the full presentation can be downloaded here.

**Participate in the Radio Show!**
The Radio Show is the ultimate venue for connecting with radio. There's no better place to interact one-on-one with thousands of radio professionals - from station management to CEOs, sales managers to digital and marketing directors, engineers to program directors. Formulate your marketing plan to take advantage of this audience by contacting NAB Advertising for more information. Exhibit, sponsorship and advertising opportunities are available!

**Hilton Anatole - Dallas, Texas - September 19-21**

This year's all new technology program covers issues that are important to all radio engineers. Change is occurring very quickly and impacting the ways we conduct business and generate revenue. "It's not your father's radio station anymore..." is more appropriate today than ever. Technology is moving consumers to new platforms and generating competition for our products.

The three-day program centers around thought provoking sessions and discussions led by radio professionals and
developed specifically for radio professionals who need to keep up with regulatory issues, HD radio developments, disaster preparedness and new Hybrid Radio technologies. The Technology Program will offer ample time to network with peers and meet with Radio Show exhibitors who can assist with technical challenges and offer fresh insights and solutions. Registration details and more are available online at www.radioshowweb.com. See you in September!

Hear What's on the Horizon for Radio

Announcing the Newest NAB Member Benefit

Agility Recovery
Disaster Recovery • Space • Connectivity • Power

AXIS PRO®
Professional- Media- Technology

Protect against the devastating impact of lawsuits with AXIS PRO, the leader in media liability insurance.

The June 25, 2012 Radio TechCheck is also available in an Adobe Acrobat file. Please click here to read the Adobe Acrobat version of Radio TechCheck.

The next issue of Radio TechCheck will be published on July 9.

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Channel Media and Entertainment announced that its iHeartRadio digital radio platform has reached 10 million registered users in eight months—faster than Facebook, Twitter, Pandora, Spotify and Instagram. CC Media notes that registered users are only a percentage of iHeartRadio’s overall listeners, since registration is only required for the Custom Station feature.

The iHeartRadio digital platform brings incremental listening to Clear Channel’s 237 million monthly listeners. The entire iHeartRadio network had more than 45 million monthly digital uniques in April.

“iHeartRadio has demonstrated incredibly rapid adoption, more than two times faster than other leading entertainment services—it’s mind-blowing. We are thrilled with the consumer reaction and feedback,” said Brian Lakamp, President of Digital for Clear Channel Media and Entertainment.

RBR-TVBR observation: Goes to show you the power of radio for promotions. CC Media has been hyping the heck out of iHeartRadio on its stations and websites continuously—and the iHeartRadio concerts in Las Vegas and iHeartRadio Pool Party in Miami Beach as well. With the addition of Cumulus, Greater Media and other broadcast groups’ stations, the thought is still out there that iHeartRadio will have its own IPO someday—as soon as this year.
Clear Channel Media's iHeartRadio digital platform will get Cox Media Group and Emmis Communications radio stations under an agreement among the companies, they said Tuesday. Cox will add 86 stations from 19 markets, and Emmis 20 stations from six markets, and those stations "will promote iHeartRadio on-air" as well, they said. The stations will continue to be streamed from Cox and Emmis websites apart from iHeartRadio. Clear Channel said iHeartRadio reached 10 million registered users in May, "a milestone reached in only eight months" and "faster than all other popular entertainment and communication platforms, including Facebook, Twitter, Pandora, Spotify and Instagram."

LOAD-DATE: June 26, 2012
NEWS

Congress proposes six-month study on FM chips in cell phones. One of broadcasters’ core arguments for why an FM chipset should be installed and activated in cell phones is the valuable life-saving information radio provides during disasters and emergencies. Now Congress is weighing in, with a two-sentence provision tucked into the House Department of Homeland Security budget to study the idea. Pointing to its concern over the “availability and sustained operability of communications during emergencies,” the House Appropriations Committee has put into its budget a requirement that Homeland Security work with the FCC and the National Institute of Standards and Technology. Together they’ll “explore existing methods and technologies to sustain communications during disasters, including the potential benefits of using broadcast radio chips in mobile devices.” Lawmakers would give the federal agencies six months to report back their findings. The National Association of Broadcasters sees radio as a “proven lifeline” in times of crisis. “NAB strongly supports the study proposal,” spokesman Dennis Wharton says. “From a public safety perspective alone, it makes perfect sense for cellphone carriers to voluntarily include and activate radio chips in their mobile devices.” The provision was tucked into the budget by Rep. Jesse Jackson Jr. (D-IL). The $39.1 billion spending bill still needs approval by the full House as well as the Senate. CTIA-The Wireless Association VP of government affairs Jot Carpenter sees the move as confirmation that broadcasters are angling for a requirement that all mobile phones have FM capabilities. “Despite NAB [president Gordon] Smith repeatedly stating that they do not want to require a mandate, this was clearly a step toward a government mandate,” Carpenter says. “As we have said many times before, there are wireless devices available today that have FM chips in them, so this is an issue that should be left to the market to handle, not the government.” The issue has the attention of equipment makers as well. When Motorola filed a lobbying disclosure form in April announcing it had hired the OB-C Group it specifically cited the “FM chip mandate” as one of its tasks. The firm also works for AT&T, T-Mobile parent Deutsche Telekom, and CTIA.

Now playing on iHeartRadio: Scores of Cumulus Media stations. From Los Angeles to Buffalo, Clear Channel has begun the laborious task of putting all 570 Cumulus station streams on its digital radio platform. Cumulus is the ast and largest of four major content providers to announce it will work with the online radio aggregator to widen their distribution, following Univation, Greater Media and Educational Media Foundation. Major market Cumulus stations — like New York’s WPLJ and WABC, L.A.’s KLOS and KABC, and WLS and WLS-FM in Chicago — are now accessible via iHeart. Clear Channel is putting the Cumulus streams up in batches in an ongoing process. While numerous stations in major markets are now streaming on the service, stations in smaller Cumulus markets like Lubbock, Amarillo and Colorado Springs are not. In Detroit, WDVD is up but news/talk WJR and adult hits “Doug’s M” WDRQ are not. Atlanta’s a mixed bag, too, with country “Kicks 101-5” WKHX streaming on iHeart but not HR “Q100” WWWQ. Buffalo and Allentown are live but Dallas is still on the launch pad. Clear Channel president of digital Brian Lakamp says the Cumulus stations “will be added over time in batches...as fast as technology will allow us to.” Partnering with companies it otherwise competes with puts Clear Channel in the aggregation business, rives streaming traffic and may open additional monetization opportunities. For Cumulus, the tradeoff is getting
Clear Channel’s muscle behind its Sweet Jack ecommerce platform while strengthening an area that it has not been a leader in. “We view iHeart as a large cable system — it’s an aggregator and distributor,” Cumulus CEO Lew Dickey said on a recent quarterly results call. “Having [the iHeartRadio] app on devices and in cars, it just makes it more accessible,” Dickey says Cumulus hasn’t successfully monetized streaming. “We have virtually no money coming in right now because we haven’t had the technology in terms of standards or consistent platform in which to stream this and take audio ads to market and even traffic them effectively.”

*** SPONSOR NEWS ***

RadioFido.com can help potential customers find you online. First, it’s an online hub for radio vendors, where anyone who wants to do business with radio can search and find exactly the right programming, product, service, t-shirt, transmitter, training — you name it. We dig radio. LEARN MORE.

Not streaming on iHeartRadio? Search engine finds a suitable Clear Channel alternative. As Clear Channel builds what Cumulus CEO Lew Dickey calls “a giant cable system,” a destination where consumers go to find radio stations, it’s using a new search engine to direct iHeartRadio users to its own stations. Search for a mainstream or rhythmic CHR that Clear Channel doesn’t own or stream — Emmis Communications “Power 106” KPWR in Los Angeles, for example — and the search engine returns powerhouse Clear Channel CHRs “Z100” WHTZ, New York; KIIS-FM, L.A.; and WKSC, Chicago. Type in a non-participating urban station’s call letters and you’ll get CC’s “Power 105.1” WWPR, New York and its urban stations in Chicago: WGCI and “V103” WVAZ. Looking for Entercom’s KOIT, San Francisco? How about New York’s WLTW, L.A.’s KOST or Houston’s “Sunny 99.1” KODA instead? If Clear Channel can’t stream every radio station in the nation, it hopes to fulfill user requests with a suitable alternative and keep them from straying elsewhere. It fits with CEO Bob Pittman’s oft-stated mantra of “being everywhere our listeners are, with the products and services they expect.” And it’s made possible by a new unified search engine that makes finding stations, artists and songs simple and speedy. It even works for stations in markets as small as Albany, GA and Lafayette, LA.

Internet radio has a new Madison Avenue advocate. John Rosso, best known for a long stretch in senior management positions at network radio, has joined Triton Digital as president of market development. In a newly created position, Rosso will evangelize web radio, both broadcast streams and pureplays, to marketers and ad agencies. He’ll also promote Triton’s web radio tools and datasets, working to ensure they remain the primary digital audio metrics for media buyers — even as Arbitron prepares to re-enter streaming audio measurement. As president of the former Citadel Media networks — he left October 31, six weeks after it was acquired by Cumulus Media — Rosso is no stranger to the ad buying community. Now he’ll pivot off those relationships to help “raise the tide that will lift all boats,” he says. Calling growth in web radio listening “just astonishing,” he points to a nearly 40% compound annual growth rate in listening hours over the last few years. “With growing smartphone adoption and digital connectivity in the dashboard, there’s only one way to go and that’s up,” he says. The biggest hurdle to monetization has been a lagging sales effort, Rosso contends. “There are buyers very willing to buy the inventory but it’s been a little bit tough sometimes for them to buy it,” he says adding that there are scale issues in some instances. “There seem to be people willing to spend money on digital audio, and it’s just a matter of getting sales forces focused on moving it.” Rosso also held the positions of SVP of digital for Citadel Broadcasting, and SVP of affiliate relations and VP of engineering operations at ABC Radio Networks. “John’s combination of broadcast and digital experience makes him a great choice for this important new position at Triton,” Triton Media Group COO Mike Agovino says.

Genachowski says radio may be next for online political file. The National Association of Broadcasters has gone to court to block the FCC’s new requirement that television stations post political files online. If that effort proves unsuccessful, it’s increasingly clear the agency may expand the rule to radio. Chairman Julius Genachowski says Congress has specifically required TV operators to disclose their public file, but in a still-open rulemaking has sought comment on whether to require similar disclosures for radio. The proceeding says a decision on that will come “at a later date” with a requirement on cable operators also under consideration. Only top 50 market “big four” TV network affiliates will be required to comply with online disclosures this year, with the rest of TV stations phased in by 2014.

In letters to Reps. John Dingell (D-MI) and Gene Green (D-TX), Genachowski says besides the law it makes sense to
From: "BREAKING NEWS FROM RADIO INK"<radioheadlines@radioink.com>
Date: May 11, 2012 1:06:51 PM PDT
To: "Saul Levine" <105@mountwilsoninc.com>
Subject: Cumulus Chooses Triton
CUMULUS CHOOSES TRITON FOR ALL 530 RADIO STATIONS

Over the next four to six weeks, Cumulus Media will be transferring all of its radio stations to the Triton Digital platform to take advantage of the suite of services Triton has to offer, and to move the process along for getting the Cumulus stations onto iHeartRadio.

Cumulus CEO Lew Dickey tells Radio Ink a standard platform was needed for the 530-plus radio stations in the Cumulus stable before they could all be launched on iHeart, which is why there's been a delay in getting them onto the Clear Channel platform; the partnership between Clear Channel and Cumulus was announced last year.

Dickey says Triton was chosen because it was the most efficient and economical solution for Cumulus and will include the StreamTheWorld platform for streaming, along with measurement, e-mail, and loyalty and contesting tools. "Triton gave us maximum flexibility," Dickey says, "and the technology they have was the best solution for us."

The Cumulus stations should be up and running on iHeartRadio in about 45 to 60 days.

HAVE BREAKING NEWS? SEND TO

EDRYANTHEEDITOR@GMAIL.COM
April 23, 2012

Radio TechCheck

The Weekly NAB Newsletter for Radio Broadcast Engineers

HD Radio in Smartphone Introduced at 2012 NAB Show

The 2012 NAB Show, held last week in Las Vegas, Nev., brought the broadcasting industry together like no other event can, offering attendees a glimpse of numerous exciting and groundbreaking technology developments. One of the highlights of this year's show was the rollout of HD Radio in smartphone technology, announced at a jam-packed press conference (see photo at right) in the HD Radio booth on the show floor on Monday April 16. Speakers at this press conference included NAB EVP and CTO Kevin Gage, iBiquity President and CEO Bob Struble, Emmis Communications President and CEO Jeff Smulyan, and Emmis Interactive Co-President Rey Mena.

This technology is the result of an NAB Labs project (started in 2011 under the NAB FASTROAD technology advocacy program) with the project team of Emmis Interactive, iBiquity Digital Corporation and Intel, and project management by BIA/Kelsey. Created in 2012, NAB Labs is an NAB program that provides a platform for innovation, for forging partnerships and testing new technology, and educational events to create awareness about over-the-air radio and television technology initiatives.

Key pieces of the HD Radio smartphone "ecosystem" developed under this project were on display in the HD Radio booth all week in a live demonstration, including an Android smartphone with an embedded HD Radio receiver "chip" (by Intel), an HD Radio Android "app" (developed by Emmis Interactive) running on the smartphone, and the Emmis Interactive TagStation broadcast content insertion system. TagStation supports Artist Experience (the iBiquity-developed approach for broadcasting album art and station logo images to HD Radio receivers) and in addition, it can now deliver an enhanced HD Radio ad experience which leverages the power of the HD Radio data capability with a smartphone's data channel to deliver truly interactive advertising that features a variety of ad units including: couponing, geo-mapping, SMS texting integration, rich media, and many other advanced capabilities.
Many of the interactive features provided by this HD Radio on smartphone technology were being demonstrated in the booth and are depicted in the smartphone screenshot sequences included here. The first sequence shows how a user can share information about a song being received on the phone's embedded HD Radio receiver chip. The leftmost screenshot in this sequence shows the receiver "home page," including an Artist Experience album art image as well as the song title and artist Program Associated Data (PAD), all being delivered to the device using the data portion of the HD Radio signal. When the "action button" (highlighted by the yellow circle in the leftmost screenshot) is touched, various actions are made available including the ability to share information about the song being listened to via Twitter, Facebook or email. The final screenshot in this sequence shows the email message which is automatically composed for this song, ready for sending to the recipient of the user's choice.

Shown in the second sequence are some interactive features that can be associated with an advertisement using the HD Radio smartphone receiver and the Emmis Interactive TagStation. A Home Depot ad image is shown in the leftmost image in the sequence along with the action button (highlighted by the yellow circle). This ad image is synchronized with the audio portion of the ad being broadcast over the HD Radio signal and is delivered using the HD Radio data channel in a manner similar to that used to deliver album art. The second screenshot shows the various action options for this ad are shown, and the third, fourth and fifth screenshots show the results for selecting QR code, view map and visit website, respectively.

Broadcasters who are interested in learning about the capabilities of the TagStation broadcast content insertion system can visit Emmis Interactive website.

Some of the other exciting HD Radio-related announcements at the Show included the following:

- iBiquity announced that Chevrolet, GMC and Buick will be the first American automotive brands to offer the HD Radio "Artist Experience" feature standard on the new Traverse, Acadia and Enclave crossover utility vehicles. Also, information about the roll of HD Radio in Mexico was revealed. Several of Mexico's most important radio broadcasters have officially started transmissions with HD Radio technology. Stations from Grupo Radio Imagen, Instituto Mexicano de la Radio and Universidad Iberoamericana are among the first to broadcast, and other major groups will gradually join in Mexico City and the rest of the country. Additionally, the new Web page www.hdradio.mx has launched, created specifically for the Mexican market.

- In a paper at the 2012 NAB Broadcast Engineering Conference (BEC), Electronics Research Inc. described a new device - a "high efficiency FM
analog/IBOC diplexer" - that promises to allow FM IBOC broadcasters who are using the high power combiner method of IBOC signal generation to more easily and cost effectively increase their digital power above -20 dBc. This is an exciting development because until now, the high power combiner facilities have faced more significant modifications in attempting to take advantage of the FCC's higher digital power authorization. The BEC paper is included in the 2012 NAB Broadcast Engineering Conference Proceedings, which will be available online from the NAB Store soon. More information on this new ERI device is also available on the ERI Web site.

**IEEE Broadcast Technology Society Issues Call for Papers**

A Call for Papers has been issued for the 2012 IEEE Broadcast Symposium, to be held October 17-19, 2012, in Alexandria, Va. The Symposium Committee seeks timely and relevant technical papers relating to all aspects of broadcast technology, in particular on the following topics:

- Digital radio and television systems: terrestrial, cable, satellite, Internet, wireless
- Mobile DTV systems (all aspects, both transmission and reception)
- Technical issues associated with the termination of analog television broadcasting
- Transmission, propagation, reception, re-distribution of broadcast signals
- AM, FM, and TV transmitter and antenna systems
- Tests and measurements
- Cable and satellite interconnection with terrestrial broadcasters
- Transport stream issues - ancillary services
- Unlicensed device operation in TV white spaces
- Advanced technologies and systems for emerging broadcasting applications
- DTV and IBOC reception issues and new technologies
- ATSC and other broadcast standards developments
- Broadcast spectrum issues - re-packing, sharing

The submission deadline for abstracts is May 15, 2012. Visit [http://bts.ieee.org/images/files/2012_IEEE_BS_Call_for_papers.pdf](http://bts.ieee.org/images/files/2012_IEEE_BS_Call_for_papers.pdf) for additional information. This Symposium is produce by the IEEE Broadcast Technology Society.

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The April 23, 2012 Radio TechCheck is also available in an Adobe Acrobat file. Please click here to read the Adobe Acrobat version of Radio TechCheck.
CBS Going Mobile; Joins MCV, Mobile500

By Staff
TVNewsCheck, April 16, 2012 9:43 AM EDT

Through the participation of four of its stations, CBS will join broadcasting's two mobile DTV initiatives, which are working to bring live broadcast television to viewers on their smartphone and tablets.

KTVT Dallas, WFOR Miami and KCAL Los Angeles will participate in the Dyle mobile TV service.

Dyle is operated by Mobile Content Venture (MCV), a joint venture of 12 major broadcast groups including Belo Corp., Cox Media Group, E.W. Scripps Co., Gannett Broadcasting, Hearst Television, Media General, Meredith Corp., Post-Newsweek Stations and Raycom Media, all of which are part of an independent entity known as Pearl LLC, as well as Fox, Ion Television and NBC.

KSTW Seattle will join the Mobile500 Alliance, which represents 50 TV groups with 437 stations, including Fisher, Hubbard, LIN and Sinclair Broadcasting. The Mobile500 Alliance stations reach 94% of U.S. TV households.

"The advent of digital television has been great for viewers and we are pleased to support these initiatives with the hope that they will help us to do an even better job of serving our audience through the delivery of our broadcasts to mobile devices," said Peter Dunn, president, CBS Television Stations.

"Given CBS's leadership in advocating for broadcast network television, we are pleased to support these ventures, both of which are led in large part by our affiliate partners," said Diana Wilkin, president, CBS affiliate relations.

Copyright 2012 NewsCheckMedia LLC. All rights reserved. This article can be found online at: http://www.tvnewscheck.com/article/2012/04/16/58760/cbs-going-mobile-joins-mcv-mobile500.
Study: Similar playlists produce dissimilar ratings results. Exclusive. A new study of stations in PPM markets shows top performers share remarkably similar musical characteristics with average stations in the same format. The study both reinforces the importance of playing the hits to build a ratings foundation while demonstrating how non-music programming components separate ratings winners from also-rans. The percentage of airplay devoted to the most played songs in individual formats is largely the same—whether a station is ranked first in its target demo or not. For example, nearly one in three spins (30%) on CHR stations are from the format’s ten most played songs and nearly seven in ten are from songs in the top 50—regardless of the station’s 18-34 rank. While slower current music rotations mean country devotes a lower percentage of spins to songs in the top 10, the percentages hardly vary whether the station is No. 1 in 25-54 (18% of spins) ranked No. 2 - No. 5 (17%) or ranked No. 6 - No. 10 (16%). The findings of the study were largely consistent across six major contemporary music formats. Arbitron and Mediabase—in conjunction with Inside Radio—tracked stations in PPM markets from April-June for the study, which will be presented next week at the Arbitron Client Conference in Baltimore. Inside Radio will exclusively preview results from the study in a series of reports beginning today.

“Shut up and play the hits” isn’t a winning formula for PPM ratings success. The combination of ratings based on actual listener behavior with widely available airplay monitoring data is contributing to similar playlists at stations in the same format, programmers and researchers say. “The transparency of behavior-based methodology may have forced some programmers into more hit-based thinking,” says Jimmy Steal, Emmis VP of programming and “Power 106” KPWR, Los Angeles PD. More than ever, programmers are keeping tabs on other similarly formatted stations and attempting to musically emulate them. “Folks that have access to the data have a keen sense of what their peers are doing around the country and therefore are coming up with similar lists,” Arbitron manager of programming services Jenny Tsao says. But a new study from Arbitron, Mediabase and Inside Radio shows that playing the hits is the programming equivalent of table stakes and that much more is required to dominate a target demo. In a world where virtually anyone can create a playlist of the most popular songs, Steal says other intangibles bond audiences with stations, such as packaging, promotions and personalities. Much like the difference between Pepsi and Coke is more in the branding and marketing than the actual ingredients used to make the cola, winning radio stations are based on a total package, not just on how frequently they play the hits. “It’s something that others over time have called stationality: how you wrap the music around the branding elements and the things you do in between the records that make the station stand out,” Arbitron SVP of marketing Bill Rose says.

Country — radio’s most programmed format — exhibits few variances in selecting top songs. No matter whether ranked first or tenth in 25-54, country stations appear to be spinning and rotating the same current songs at the same levels across PPM markets. So says a new study conducted by Arbitron and Mediabase in conjunction with Inside Radio. One out of six country radio spins are for songs in the format’s top 10; two in five are for songs in the top 50. Albright & O’Malley partner Jaye Albright chalks up the musical similarities to two factors. First, country needs a demographically balanced audience to succeed, which means hit records tend to be the same from market to market.
market, where the ethnicity, gender and age of the target audience are largely the same. Second, since many country music fans continue to purchase music on physical CDs as opposed to digital downloads, record labels strive to keep stations in sync on current songs. That maximizes retail sales in Wal-Mart and Target, where music shelf space is limited and where a high percentage of country albums are sold. “The distribution, merchandising and radio promotion are all driven to maximize retail sales,” Albright says. But country stations in PPM markets allocate more than half of their spins to songs outside the top 50 and that’s where differences in the format are more evident. Top-ranked 25-54 country stations are playing, on average, 200 more titles than lower ranked country stations: 681 active titles for top-ranked stations, 484 for stations ranked No. 2 - No. 5 and 480 for stations ranked No.6 - No.10. Bigger libraries and slower current rotations are one of the hallmarks of a format long on Time Spent Exposed and light on cum. “If a country station increases its rotations too high, TSE generally declines,” Albright says. “That’s the steel sword country has: a very loyal, passionate core that listens for a long time.” How other formats stack up in tomorrow’s Inside Radio.

Clear Channel up 22% in new internet radio ratings. October’s internet radio ratings provide an initial peek at the impact of upheaval on the streaming radio landscape. On the strength of a relaunched iHeartRadio heavily promoted on-air and through a high profile, two-day Las Vegas concert, Clear Channel pulled ahead of CBS Radio to rank second among all measured webcasters in Triton Digital’s October Webcast Metrics. Clear Channel increased its Average Active Sessions (AAS) by 22% in one month in the primetime Monday-Friday, 6am-8pm daypart. CBS Radio lost nearly 10,000 AAS, about the same number gained by Slacker, which lured AOL Radio’s 200+ stations away from CBS. CBS ranked third with 126,538 AAS. But the AOL spike wasn’t enough to move Slacker into No. 4. That position, previously occupied by Citadel, is now held by Cumulus Streaming Network (69,761) in the first month to reflect the combined streaming audience of Citadel and Cumulus. (Citadel contributed the lion’s share.) Despite Clear Channel’s growth — fueled in part by the addition of Pandora-like customization functionality — Pandora grew its sessions by 10% to nearly 975,564 as it closes in on the one-million AAS mark. Read the latest Triton Digital rankings HERE.

Slacker expands ABC News partnership — and gets a slot in Ford’s Sync dashboard system. With ABC News content and an ESPN Radio station, Slacker has offered a slice of over-the-air radio to users of its streaming service. It’s growing that spoken word content under an expanded arrangement with ABC News. Early next year lifestyle stations will be added to its line-up, allowing users to pull audio content from a variety of sources including ABC-TV’s “Good Morning America” and ABC’s other content partners. “This unique radio offering will allow listeners to enjoy lifestyle content whenever and wherever they want,” ABC News Radio VP/general manager Steve Jones says. Available topics will include such things as healthy living, relationships, employment, fashion, technology, religion and consumer news. Listeners will be able to skip segments similar to the ability to jump over a song on music stations for a more personalized experience. Subscribers will be given a greater ability to customize stations. “We can give our listeners the unique ability to select and hear talk radio featuring programming that is most important, interesting and relevant to their daily lives,” Slacker SVP of marketing Jonathan Sasse says. Under its deal with Ford, those channels will now get another entry point into car models featuring the Sync system. Ford says it will enable drivers linking their smartphones to access Slacker. The app also features 150 curated music channels and the ability to create custom music stations. “With its huge music library, Slacker Radio dramatically increases the content options for Ford drivers,” Ford Connected Services director Doug VanDagens says. Sync also includes Pandora.

Media advocacy groups put fresh focus on ownership review. It’s widely expected that the FCC will propose some form of limited broadcast-newspaper cross-ownership in the biggest markets when it releases its media review proposal draft. But activist groups hope it won’t be in the final rules. Free Press says allowing cross-ownership would be “harmful and unjustified” and Congress rightfully attacked such a rules relaxation after former chairman Kevin Martin pushed the change through in 2007. “The FCC should be promoting competitive, diverse and independent local media — not wasting time trying to revive bad policies of the Bush years,” Free Press president Craig Aaron says. The FCC voted four years ago to allow broadcast-newspaper combinations in the top 20 markets but the U.S. Court of Appeals threw out the change last summer, ruling it wasn’t properly justified. Free Press argues against allowing any new media consolidation in a letter to current chair Julius Genachowski, and points to a study it did that found cross-ownership tends to limit the amount of local news coverage. Opponents of allowing new media combinations have some support in Congress, but their biggest ally may reside on the other side of the capital. Then-

11/29/2011
Radio Computing Services
From Wikipedia, the free encyclopedia

Radio Computing Services, also known as RCS Inc., is a provider of scheduling and broadcast software for radio, Internet and television stations. The company was established in 1979 by Dr. Andrew Economos. On January 26, 2006, Clear Channel Communications purchased RCS as a subsidiary company.[1][2]

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2 Studio Automation Software
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Music scheduling software

Selector

The first product developed by RCS was Selector, a music scheduling system. The original Selector was developed on a PDP-11/03 under RT-11 and was programmed in Fortran and FMS-11. The goal of Selector is to help music directors of radio stations to handle day-to-day operations such as daily schedule generation, maintenance of music library and format hours (also known as clocks). Over 9000 radio stations worldwide use Selector to create their music logs.

Linker

RCS also provides a scheduling system for non-musical elements (jingles, promos, etc.) called Linker, a digital automation system for broadcasting from PC called Master Control, a commercial (spot) trafficking system known as Airwaves and software for radio newsrooms called RCSnews. As of 2007 RCS has approximately 9,000 clients worldwide and due to its widespread use is considered as the leader in the radio software industry. [citation needed]

GSelector

In April 2006, RCS introduced new music scheduling software for radio, satellite, DAB, HD and internet stations called GSelector. The original Selector system used Rules to determine what songs can be scheduled at given schedule positions: do not play two rock songs in a row (Sound Code rule); do not play a Beatles song in less than 2 hours (Artist Separation rule); do not play certain songs in the morning (Daypart Restriction rule) and many more. In GSelector, music director sets goals (hence the GSelector name) of what should happen; instead of rules the system

provides a set of controls allowing to easily adjust (increase/decrease) balance and demand of a variety of music attributes: tempo, energy, mood, artist occurrence, etc.

Apart from goal-based scheduling GSselector also offers a new approach to music libraries. Unlike the previous system which maintains one library per database (whereas database usually refers to a single station), GSselector allows to operate individual stations (with individual schedules) that share one music library within a single database.

**Studio Automation Software**

**NexGen**

NexGen is a digital automation system originally developed by Prophet Systems, Inc. Prophet Systems was founded in 1989 by Ray & Kevin Lockhart of Ogallala, Nebraska to develop a system that would run their radio stations. Prophet Systems went on to become a subsidiary of Clear Channel Communications in 1997. On January 19, 2007, Prophet Systems and RCS merged.[3]

NexGen allows for voice tracking, remote control; and complete station automation; as well as dual redundancy, an emergency control room system, and satellite control. Alongside many other media organizations, Sirius Satellite Radio uses Nexgen to manage some of its programming.[4]

Introduced in 2011, RCS Remote for NexGen is the latest application in the RCS/NexGen platform of products. RCS Remote for NexGen is the first application developed by RCS for the iOS platform to allow for remote control of a station in a NexGen system. The application is designed for the iPhone, iPod Touch, iPad, and iPad2.

**Master Control**

Master Control is a automation playout system used in over 100 countries worldwide. Master Control integrates with RCS's other products, such as Selector music scheduling and Linker promo scheduling.

**Zetta**

RCS's most recent automation system is Zetta, utilizing the latest technology. Zetta's interface features floating module options and offers the best of NexGen and Master Control to provide a truly unique user experience.

**News/Production**

**RCSNews**

RCS News is a state-of-the-art radio newsroom system. The software was first released in 2004. After the merge with RCS, the product was officially renamed to RCS News. Since that time, RCS News has become common in newsroom around the world. RCS News allows for a seamless transition for file transfers to NexGen, Zetta, and Master Control. One of the unique features of RCS News is the robustness of the wire copy process, where sources such as HTTP, FTP, RSS, and Email are supported.

**New Media**

**RCS iPush**

RCS iPush is the first application developed by RCS for the iOS platform. The application provides for audio recording with the unique ability to send the audio to NexGen, Zetta, or RCS News. Many users have found iPush to be useful for
References


External links

- Official website (http://www.rcsworks.com/)

Categories: Companies based in White Plains, New York | Software companies of the United States

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Clear Channel Radio Fact Sheet

Management Team:
- John Hogan, President & CEO, Clear Channel Radio
- Mitch Goldstein, Chief Financial and Administrative Officer
- Charlie Rahilly, President, National Advertiser Platforms
- Susan Karls, EVPO Western Region
- Mark Kopelman – EVPO, Mid Major NSW
- Tom Schurr, EVPO Eastern Region
- George Toulas – EVPO, Mid Major East
- Tom Thon – SVP, Regional N&E
- Stu Olds, CEO, Katz Media
- Greg Glenday, President, National Advertiser Development
- Julie Talbott, President, Content & Affiliate Relations, Premiere Radio Networks

Operating Divisions:
- Evan Harrison, EVP, Clear Channel Radio Digital
- Jeff Littlejohn, EVP, Distribution Development
- Tom Owens, EVP, Content/Programming

Radio Division Facts:
- Operates over 800 radio stations with an audience of more than 110 million listeners each week.
- Serves approximately 150 U.S. markets, including 89 of the top 100 markets.
- Reaches 45% of all people ages 18-49 in the U.S. on daily basis.
- Programming decisions are based on local research into the needs of communities, broadcasting in approximately 50 listening formats across the U.S.
- Represents approximately 9% of all radio stations (including non-profit).
- 22 Million people visit Clear Channel Radio Online every month, with more than 750 stations streaming online... the #1 destination for on-demand music and radio content during the crucial workday daypart.
- 3 Million listeners have downloaded Clear Channel Radio's iheartradio application.

√ On BlackBerry, iheartradio app reached #1 and is now consistently in the top 10. On iPhone, iheartradio is a top five free music app and is consistently in the top 100 app, out of 25K apps.
- Produces and distributes entirely new types of content, including location-based services, subscription content, and real-time traffic to millions of people each week, and coverage in 125 North American Markets. Subscription content includes ESPN over HD Radio.

Clear Channel Radio is a leading radio company focused on serving local communities across the U.S. with an audience of more than 110 million listeners choosing Clear Channel Radio programming each week. The company's content can be heard on AM/FM stations, HD digital radio channels, on the Internet, at iheartradio.com and on the iheartradio mobile application on iPods and smart phones, and used via navigation systems from TomTom, Garmin and others.

✓ Partnered with leading radio broadcasters to bring FM song tagging to everyone. Microsoft Zune player with integrated FM radio tuner is first device to instantly retrieve tagged songs. Song tagging is available from more than 450 radio stations.

✓ Delivers exciting and unique content across all devices, online, VOIP hubs, mobile phones, in-dash, portables, and desktops.


Premiere Radio Networks syndicates 90 radio programs and services to more than 5,000 radio stations affiliations reaching over 190 million listeners a week.

Premiere syndicates popular programs including Rush Limbaugh, Ryan Seacrest, Steve Harvey, Delilah, Jim Rome and Fox Sports Radio. Premiere is based in Sherman Oaks, California, with 13 offices nationwide.

The Katz Media Group is the largest media representation firm in the U.S. representing more than 2,500 radio stations and 400 television stations.

Katz Media Group consists of the Katz Radio Group, Katz Marketing Solutions, Katz Online Network, Clear Channel Radio Sales, Katz Advantage and the Katz Television Group. The company is headquartered in New York City with 19 regional offices nationwide.

Katz Online Network delivers the largest network benefiting advertisers, combining resources of 1200 CCR and Katz affiliates, along with independent Internet stations... and now Pandora.

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Contextual Radio Ads: Clear Channel's New Pitch to National Marketers

Can Match Ads Not Just to Songs or Artists but Even to Other Spots

by Andrew Hamson
Published: January 15, 2010

LOS ANGELES (AdAge.com) -- When radio listeners heard ads last fall for AC/DC's "Black Ice" album, sold exclusively at Wal-Mart, right after an AC/DC song played on 106 different rock stations, it was no coincidence.

It was part of Clear Channel Radio's yearlong preliminary introduction of a new service that can automatically insert radio commercials immediately after specific programming or certain kinds of content -- including other ads. Clear Channel and MediaVast, Wal-Mart's media agency, put the program together to promote the new AC/DC record. Now Clear Channel is offering the service to all its national advertisers.

Radio's always been attractive for local businesses, but those national advertisers needed a more innovative platform, said Jeff Howard, Clear Channel's president of radio sales. The first-of-its-kind contextual ad platform was that solution, he said, attracting Wal-Mart, Geico and Visa as launch advertisers.

"Over the years we've really built up the proper systems to speak in one voice with programmers and automate these programs for advertisers," Mr. Howard said. "This has put us in an advantageous position to be able to do things on a large scale with large, national

Jeff Howard, president of radio sales

RELATD CONTENT
- Enlargement A-List No. 4: Clear Channel
- Clear Channel Integrates Digital With Radio Ads
- Clear Channel to Sell Ads for Pandora
- 'Less Is More' as Clear Channel Cuts More Jobs
- More...
has offered a contextual ad platform at this scale, although CBS Radio has the capabilities to activate similar opportunities across its 200-station footprint.

Aligning radio ads with relevant content can still take time to execute. A contextual campaign for Geico took close to six months to put together, said Lauren Russo, senior VP-managing director of local audio at Horizon Media. The campaign was admittedly tricky; Geico wanted to illustrate its “save 15%” brand message in different ways, including airing 15-second spots after ads for cars, motorcycles, or RVs, running ads at 15 minutes past the hour during morning drive time and airing a 60-second Geico commercial with the customized 15-second spot. But after all the preparation, the campaign resulted in strong engagement metrics, a high volume of positive buzz and the award for Radio Plan of the Year from Media Magazine.

"We’re thrilled with the campaign and are always looking for innovative ways to showcase our client’s ideas," Ms. Russo said. "This is definitely something we would entertain in the future on behalf of any of our clients."

Visa’s contextual experiment matched its 15-second spots with more than 25,000 ad messages from retailers in 120 markets, all to make sure its credit card was top of mind when consumers were making purchases. The marketer and its media agency, OMD, allocated dollars from TV to fund the campaign, garnering a 10% rise in short-term purchase activity using Visa cards compared with the year prior.

Mr. Howard said several dozen advertisers have already experimented with the contextual platform, with Geico in talks to renew for 2010.

Broader radio resurgence?

Renewed faith in radio among those advertisers seems to be contributing to some of the surprise growth in radio ad spending during the first months of 2010, with spot buys in major markets up as much as 30% from the year prior. Retail, finance, entertainment and telecom marketers are all posting double-digit spending increases on radio during the first quarter, signs that the Industry could post its biggest resurgence since 2002.

"Over the last decade radio has really put itself in a strong position to aggregate audiences between the mobile and all things digital from deeper diving with Ando metrics and [Arbitron’s] PPM and hyper-focusing mobile applications," Mr. Howard said. "The economy has responded, advertisers are back and new advertisers coming to radio. I'm optimistic about 2010, and we'll see where it settles."

3 Comments

By lwkatherine | LITTLE ROCK, AR January 15, 2010 05:10:37 pm:

"It would be interesting to see how Clear Channel gets past this being a program-length commercial. The FCC might not appreciate this technique."

By CHRIS | CAPE CORAL, FL January 15, 2010 05:49:08 pm:

"The traffic technology has made this possible for years—not easy, but possible, and certainly if the advertiser is willing to pay for the precision."

Maybe terrestrial radio will survive another month or two...

By Indycolts87 | Boston, MA January 18, 2010 10:53:37 am:

"I enjoy watching the NFL but I like to listen during Limbaugh from..."
APPENDIX II

OVERALL RADIO INDUSTRY REVENUE STATUS AND SPECIFIC GROUP OWNER REVENUE STATUS
OVERALL RADIO REVENUE STATUS
Radio keeps streak alive with Q1 revenue gain

By Dave Seyler on May 18, 2012 with Comments 0

The number the RAB is reporting to measure radio’s Q1 revenue performance isn’t a big one, but it has a plus in front of it rather than a minus, and gets to be written in black ink. And the 1% gain represents a third straight Q1 gain.

According to the Radio Advertising Bureau and Miller, Kaplan, Arase & Co., the radio industry brought in $3.814B this quarter. That is a 1% gain over 2011, when it scored $3.783B. It also beats the $3.687B earned in Q1 2010 and the $3.430B earned in Q1 2009.

Here’s how Q1 results broke down:
$3.047B Spot (flat)
$282M Network (+8%)
$165M Digital (+10%)
$320M Off-air (+3%)
$3.184B Grand Total (+1%)

RAB’s Erica Farber commented, “Q1 2012 results confirm that Radio commands a solid position in brands’ total marketing plans. While advertisers continue to capitalize on Radio’s Spot and Network efficiencies, they’re increasingly utilizing local digital capabilities and audience engagement that this medium affords.”

Automotive was radio top category overall, and it brought in more cash than during Q1 2011, but the increase was but a modest 1% to $352.9M. The biggest gain came from home furnishings/floor coverings, up 30% to $113.6M, making it the #4 category for radio during the quarter.

#2 was grocery/convenience, up 11% to $192.5M; #3 was casinos/lottery, up 7% to $122.5M; and #5 was department/discount stores/shopping centers, up 1% to $75M.

Comcast/Xfinity was radio’s best customer for the quarter. The top ten included:
1. Comcast Xfinity Cable – $89.7M
2. McDonald’s – $87.6M  
3. Safeway – $59.3M  
4. Verizon Wireless – $48.5M  
5. GEICO – $46M  
6. AT&T – $45.5M  
7. T-Mobile – $42.2M  
8. Toyota Dealer Association – $41.7M  
9. Fox TV Network – $39.6M  
10. Honda Dealer Association – $32M

RAB provided some color on automotive. The good news is that Japanese brands are back after the massive turmoil they endured after last year’s earthquake/tsunami disaster. Toyota was up 10% in the quarter to $41.7M, and Honda was up a blistering 64% to $32M.

Results from Chrysler were mixed – corporate decreased spending 22% to $21.8M, but dealers almost picked up the slack with a 39% increase to $17.6M.

Political isn’t there yet for radio – it accounted for only $6.9M. 55% came from PACs, led by one supporting Newt Gingrich ($724K) and trailed by another supporting Mitt Romney ($538K).

**RBR-TVBR observation**: Gains are good, and we’ve heard the gains may pick up as 2012 continues. High demand in the political category later this year should give radio a nice spillover bonus both from political organizations and displaced traditional advertisers.
Analyst sees radio revenue upswing

By Dave Seyler on May, 15 2012 with Comments 0

Second quarter business is said to be picking up, and is being driven by local revenues. Buys are still coming in late, but visibility is said to be improving, and the magic words “pre-recession levels” were even used.

The report comes from Marci Ryvicker of Wells Fargo, who said that the info comes from a large private radio company – which remains anonymous. Ryvicker came away with a great deal of illuminating information.

* Q2 is pacing better than Q1, and the gains are coming on the local side. Moreover, the company is trying to de-emphasize national, a move Ryvicker believes may be an industry thing rather than an individual company thing. Local is said to account for 75% of all business.

* Visibility is better – May is 80% booked, 65% of June is spoken for and July booking stands at 40%.

* Ad categories: Health, financial and soft drinks are strong; auto, travel/tourism, theme parks and beer are up; home improvement and telecommunications are weak.

* Local cable, not internet-based competitors, is the biggest concern at the local level. Local TV is doing OK, and a lot of the money moving from one media to others is bleeding away from newspapers.

* Pandora may be making noise and headlines, but it isn’t doing much at the local level. However, Ryvicker thinks an assessment of Pandora’s ultimate impact is premature.

* This particular operator is selling solutions rather than “spots and dots” and has managed to boost digital earnings to 15% of the total, a percentage that is growing. Ryvicker believes this company is unique and “gets it.”

* The positive Q2 assessment is coming without any particular help from the political category. Radio is expected to get the most political benefit on the back end of the election.
RBR-TVBR observation: We have a very simple, easy-to-understand blueprint for success, giving the underpinnings of a stable-to-improving economy:

The ingredients are strong local content, integrated campaigns that make maximum utilization of both a station’s broadcast and internet assets, and the use of the local newspaper as a primary lead sheet.

Filed Under Broadcast News Radio News
Breaking Down Radio's Top Revenue Generators

4-13-2012

The big money in yesterday's BIA report was dominated by Hubbard, CBS and Clear Channel. In all, the highest billing stations for 2011 generated $477 million, which was an increase over 2010 of $32 million. CBS owns half the signals in the top ten, Clear Channel had four and Hubbard had one, the top biller, all-news WTOP. Of the $477 million, CBS had nearly half that revenue with $220 million with WBBM-AM in Chicago ($48.1) and WCBS-AM in New York ($47.5) neck and neck. Clear Channel's KIIS-FM increased revenue by $14 million according to BIA going from $43 to $57 million. The biggest drop goes to KROQ, a CBS owned alternative station in LA, which was down $3 million.
RADAR Report: Radio Listening Holds Steady

Minority Audience Grows

March 13, 2012 at 11:19 AM (PT)

Over 241 Million Listeners Heard

ARBITRON's MARCH 2012 RADAR® 112 National Radio Listening Report found that radio's 12+ audience remains steady with 241.2 million people, representing approximately 93% of the population.

The teen audience (listeners 12-17) remaining flat at 22.7 million weekly listeners, while the 18-34 demo remained nearly unchanged compared to RADAR March 2011 data at 66.4 million.

Higher up the demo scale, Radio attracted 126.2 million 18-49 adults and 119.4 million 25-43 adults on a weekly basis.

Minority listenership is on the rise, as The MARCH 2012 RADAR report found that the 12+ Hispanic audience grew by nearly 2 million, reaching 95% of that audience, with 18-49 Hispanics growing the most -- up one million over the previous year. Black listeners gained 391,000 weekly 12+ listeners, reaching approximately 93% of that population.

x see more Net News
Did you know 241.2 million persons age 12+ tune to radio each week? Well, this and other data was released 3/13 as part of highlights from Arbitron’s March 2012 RADAR 112 National Radio Listening Report. The report shows the number represents some 93% of the population.

In addition to maintaining its audience of persons aged 12+, young radio listeners continue to hold steady year over year with persons aged 12 to 17 remaining flat at 22.7 million weekly listeners. Adults aged 18 to 34 also remained nearly unchanged compared to RADAR March 2011 data. There are currently 66.4 million adults aged 18-34 tuning in to radio on a weekly basis. Radio continues to attract 126.2 million adults aged 18-49 and 119.4 million adults aged 25-54 on a weekly basis.

Radio’s diverse listener base continues to grow, with the number of weekly listeners increasing among Black (non-Hispanic) and Hispanic persons aged 12+.

- The report shows a significant increase in Hispanic listeners. Radio’s Hispanic audience aged 12 and older grew by nearly 2 million versus the March 2011 report. Radio reaches 95% of Hispanics aged 12+.

- Hispanic Adults aged 18-49 increased the most over the past year, adding nearly 1 million weekly listeners.

- Black (non-Hispanic) listeners also grew year over year, gaining 391,000 weekly listeners aged 12 and older. Radio reaches approximately 93% of the Black (non-Hispanic) population.

The latest RADAR also illustrates radio’s ability to attract affluent, educated consumers. More than 71 million adults aged 18-49 with a household income of $75K or more tune in to radio on a
weekly basis. And, 26 million adults aged 25-54 with a household income of $75K and a college education tune into radio weekly. Arbitron notes that some fluctuation in the data is due to the inclusion of 2010 Census population estimates projected to 2012.

RADAR networks include those from American Urban Radio Networks, Crystal Media Networks, Cumulus Media Networks, Dial Global, Premiere Radio Networks and United Stations Radio Networks.

The sample size for the RADAR March 2012 Report is 395,561 persons aged 12+. This large sample is designed to provide more stability for key demographic estimates, dayparts, and Market-by-Market Analysis reports, which report all individual DMAs. The report includes data from all 48 Arbitron PPM markets. The survey dates for RADAR 112 were from January 6, 2011 to December 7, 2011.
With its financial performance tied to the industry it measures, Arbitron's top management is keenly aware of what's happening in radio. In his quarterly conference call with Wall Street analysts while reporting Q1 results Arbitron CEO Bill Kerr gave his assessment of where radio revenues are heading this year.

"We are reiterating our full year guidance for 2011. We continue to expect revenue growth of 6-8% and earnings per share, diluted, of $1.90-2.05," Kerr said of what Wall Street should expect of Arbitron this year.

"In terms of the radio industry as a whole," he continued, "we continue to see the 2010 rebound in radio ad revenue extended into the first quarter of 2011. It does appear, however, to be at a slower rate than in the fourth quarter of 2010. After a very good fourth quarter with ad spending growing at 6-7% 2010 wrapped up with annual ad sales up around 5-6%. In the first quarter of 2011 preliminary estimates by outside analysts indicate radio advertising revenue grew in the low single digits, which is in line with their expectations for the full year 2011. This is consistent with our view of the radio industry, and while we welcome the continued upturn in ad revenue, we are still seeing signs of caution among our radio station customers," Kerr told the analysts.

Have an opinion on this article? Post your comment below.

Townsquare 7th-Largest Radio Company By Revenue

It hasn't taken Steven Price long to steer Townsquare Media toward the top of the radio revenue charts. In just under two years, the private company backed by Oaktree Capital has experienced phenomenal station - and revenue - growth, rivaled only by Cumulus. For the first year, Price kept Townsquare very much under the radar, shunning publicity while picking up some of radio’s broken pieces and standing them back up. Townsquare now has 244 stations in small markets all over the United States; only Cumulus and Clear Channel have more. And perhaps, if Clear Channel were in a financial position to shed some of its smaller market stations, Townsquare would have more. It has more Oaktree money to spend and it's no secret the company is continually looking to grow.

Tomorrow, Townsquare will celebrate its second birthday and, with its recent 55-station pickup from Cumulus, will do so as the 7th-largest radio company by revenue at approximately $240 million. As we reported in the 2011 "40 Most Powerful People In Radio" issue last July, (where Price debuted at number 17), Townsquare was ranked 12th in revenue with $133 million. At $240 million, Townsquare now generates more revenue than the radio assets of Radio One, Hubbard, Greater Media Salem, and Emmis, all of whom were ahead of it only 10 months ago, according to 2011 BIA numbers. And just an FYI: The 2012 "40 Most Powerful People In Radio" issue is only two months away.

According to our calculations based on public financial documents, research, information from analysts, and other estimates provided to us over the past few weeks, here is how radio's top 10 companies are now aligned in terms of revenue (these numbers are our best guesstimates involving radio assets only):

1) Clear Channel - 2.88 billion
2) CBS - $1.34 billion
3) Cumulus - $1.14 billion
4) Entercom - $383 million
5) Cox - $375 million
6) Univision $323 million
7) Townsquare $240 million
8) Radio One - $221 million
9) Hubbard $182 million
10) Salem - $179 million

Read our cover story interview with Steven Price from April 2011

(5/2/2012 5:03:08 PM)
Radio Ink reveals that the top three radio conglomerates have annual revenue of five point three six billion dollars.

Yet the NAB and Clear Channel (The USA NO. 1 biller) plead severe economic hardship and turbulent times ahead (from that Juke Box Pandora) as the basis for unlimited radio ownership in every market in the USA, plus the right to dump AM for additional FM stations in each Market. Have they no shame? Both Clear Channel and CBS sit on the NAB Board. How is that for self-serving?

- saul Levine

(5/2/2012 1:25:58 PM)
Thanks, Radio Ink, for freely sharing the Cover Story!

- Scott Mearns
GROUP OWNER REVENUE STATUS
Viacom ups dividend

By Dave Seyler on May, 23 2012 with Comments 0

Sumner Redstone’s Viacom Inc., which provides entertainment for millions over a multitude of media platforms, is adding the sum of two-and-a-half cents to its upcoming quarterly dividend, sending out $0.275 per share to shareholders of record.

For those of you who do not have your calculators handy, the previous distribution was for a quarter per share. It is payable to holders of Class A and B common stock. It will be paid 7/2/12 to shareholders of record as of 6/15/12.

Viacom President and CEO Philippe Dauman said, “We are pleased that our consistently strong cash flows and solid balance sheet have allowed us to increase our dividend rate for the second time in the two years of our dividend program. Returning value to our shareholders is a priority for Viacom, both in our dividend policy and our stock buyback program, which we maintain alongside our ongoing and robust investment in our leading global brands.”

Marci Ryvicker of Wells Fargo said the 10% increase was nice and expected but overdue and below expectations – they were looking for an increase more along the lines of 20%. Still, she called the move a “mild positive.”

Filed Under Broadcast News Media News the HOT List
Viacom Reports Higher Profits in Second Quarter

Domestic ad revenues up 1%

By Jon Lafayette – Broadcasting & Cable, May 3, 2012

Viacom reported higher earnings in its fiscal second quarter, with its media networks turning single-digit revenue increases into double-digit gains in operating income.

Net income was $585 million or $1.07 a share, up 56% from $376 million, or 63 cents a share, a year ago.

Revenues rose 2% to $3.3 billion.

"In the second quarter, Viacom continued its steady growth and delivered notably higher profitability, driven by relentless investment in our exceptional brands, and an ongoing focus on operational excellence," CEO Philippe Dauman said in a statement. "Driven by our popular programming, Viacom's media networks are also forging new and lucrative opportunities in digital distribution, while continuing to create increasing value with our traditional affiliate partners."

Viacom's Media Networks group, which includes MTV, Nickelodeon and Comedy Central, reported operating income of $893 million, up 11% from a year ago. Revenues were up 5% to $2.19 billion as domestic affiliate revenues increased 15% and worldwide affiliate revenues grew 17%. Those gains were offset by a decrease in ancillary revenues.

Advertising sales did not grow as fast, with domestic ad revenues up 1% and worldwide ad revenues flat.

Ratings were down 19% at MTV among adults 18 to 34 and Nickelodeon's viewership issues continued with ratings down 27% among kids 6 to 11. In the fourth quarter, a sudden drop in kids viewing meant providing make-good ads to sponsors cutting into ad sales during the key holiday season.
common shares, believes that by selling a majority stake to a bigger media company, SBS could use the proceeds to lower its debt, strengthen its balance sheet and eventually return some capital to shareholders. The investment firm also wants the SBS board to separate the roles of chief executive and chairman to improve corporate governance. Both roles are currently held by Raul Alarcon. Attiva delivered a similar message to SBS last August. Its suggestion were noted and rejected, although SBS did begin holding quarterly earnings calls with investors — something that Attiva says it’s pleased to see. But Alarcon holds all of the Class B shares, giving him 83% of the total voting powe in SBS. So even if Attiva enlists other shareholders in its quest, there’s no guarantee the board will go along. In a regulatory filing the investment firm says it is “in discussions with management and the board” about its ideas and t future of the company. It also believes the company should institute a stock buyback to take advantage of what it se as “historical low prices.” SBS shares closed down 6% in Wednesday trading.

*** SPONSOR NEWS ***

RadioFido.com can help potential customers find you online. First, it’s an online hub for radio vendors, where anyone who wants to do business with radio can search and find exactly the right programming, product, service, t-shirt, transmitter, training -- you name it. We dig radio. LEARN MORE.

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✓ CBS has its eye on “steady and stable” second quarter. Despite a choppy April and May, CBS CFO Joe Ianniello says second quarter revenue at CBS Radio remains on track to be up low-single digits as predicted earlier this month. “Steady and stable is what we’re seeing,” he told the Bank of America Merrill Lynch media conference yesterday. Ianniello says local advertisers are still leading the way, telling analysts its local radio and TV ad sales wi track with the overall growth of the U.S. economy. “I’d love a faster pace of the recovery, but there is clearly a recovery going on,” he said. “Any time we have positive growth in GDP, it’s fine for those local businesses.” Pointing to its recent $50 million five-station spin-off of radio stations in West Palm Beach as an example, Ianniello reaffirmed CBS is “probably a net seller” rather than a buyer of more media assets.

Univision creates national news-talk network for its AMs. In a move designed to leverage Univision’s national platform, the company is re-launching its news-talk radio stations under the new, national network to be called “Univision America.” The network, which launches on the Fourth of July, will replace existing locally-produced formats in nine markets. Stations will still produce local news and talk programming in some dayparts, but in others the national network will take over. Univision says the move will give some of its most successful air personalities a national platform. New hosts are also expected to also be brought onboard. Details of the new network are still being finalized. Univision America will initially be available in Miami, Chicago, Houston, Dallas, McAllen, El Paso, San Antonio, Las Vegas and Los Angeles, with the company planning to syndicate the format as well. Absent from the list of debut affiliates is WADO, New York (1280). In Miami where Univision owns two news-talk stations, Univision American will air on WQBA (1140) with “Radio Mambí” WAKI (710) remaining locally-focused. “Univision America reinforces our commitment to continue empowering the Hispanic community by offering listeners unparalleled access to local, national and international news and information,” Univision Radio president Jose Valle says in a statement. The move in radio mirrors what Univision has been doing in other parts of the company. Since March it has launched three new cable channels focused on news, sports and novellas.

Miami move-in proposed. Dean Goodman’s Palm Beach Broadcasting won’t need to spin-off one of the five station he’s buying from CBS Radio if the FCC approves a proposal to move the station to the Miami market. It would give WEAT-FM (104.3) the new city of license of Miramar and a spot on the American Tower-owned tower currently used by Univision’s WAMI-DT (channel 47). Engineers say the move would increase the station’s coverage of the Miami market from its current 55% to 67% (using a 70 dBu contour). That would cover an additional 1,145,119 persons in South Florida, an increase in part due to the fact that some of the lost coverage area was over water. The proposal creates a short-spacing issue with Ocean Reef Public Radio’s low-power station WORZ-LP, Key Largo (104.3). But the public broadcaster says it has reached a deal with Palm Beach Broadcasting to move to a new spot or the dial in exchange for an unspecified amount of money. The move-in would also require a pending new station licensed to Islamorada, FL to move from 104.5 to 93.5 FM to avoid short-spacing issues. Goodman hasn’t yet closed on his $50 million purchase of the five CBS Radio stations in West Palm Beach, but he told Inside Radio in April that once he does, he plans to move WEAT-FM’s “Sunny” format to the frequency currently occupied by CHR “Now

6/1/2012
Barclays Capital analyst Anthony DiClemente had a few comments to make about the prospects for CBS after hearing its CFO Joe Ianniello at its Global TMT conference. In a word, things look good for the Eye Network.

For starters, he noted that CBS expects to be the upfront winner, which he said is in line with his own company’s guidance of 10% growth in CPM for its primetime availabilities. It is also looking forward to a gangbusters Q1, with the Super Bowl, the AFC Championship Game and the Grammy Awards all on the network within a four-week span.

Syndication is said to be good for $1B in revenue and will get a shot in the arm with the introduction of The Good Wife and NCIS: Los Angeles into its menu of offerings. The dollar total takes international sales into account.

Deals with the likes of Netflix are expected to help grow CBS digital distribution.

Gains are expected to continue in two areas: reverse compensation at the network level and retransmission consent fees at the station level. It is expected that the company will be able to beat its earlier prediction of $225M in reverse compensation fees.

Finally, it is expected that the company will continue to invest in its own stock on the open market.
Revenues were up 12% to $3.92 billion in Q1 for CBS Corporation, with Executive Chairman Sumner Redstone and CEO Les Moonves hailing it as a record quarter for the company. Entertainment, including the CBS Television Network, and Cable Networks led the charge.

Operating income before depreciation and amortization (OIBDA) shot up 34% to $733 million. Net earnings were $307 million, or 54 cents per share, up from $202 million, or 29 cents per share, a year earlier.

But while it was a big quarter for the company’s national TV platforms, performance was less impressive for the local TV stations and CBS Radio.

“Local Broadcasting revenues of $622 million in the first quarter of 2012 remained flat compared with the same prior-year period. Increased spending by automotive manufacturers and retailers as well as higher retransmission revenues were offset by lower advertising spending from the utilities and service industries. For the first quarter of 2012, CBS Television Stations revenues increased 2% from the same quarter last year, while CBS Radio revenues decreased 2%,” the company reported. “Local Broadcasting OIBDA before impairment charges for the first quarter of 2012 increased 1% to $171 million from OIBDA of $169 million for the same prior-year period, primarily driven by the revenue growth. OIBDA before impairment charges excludes a first quarter 2012 impairment charge of $11 million related to radio station divestitures.”

Entertainment revenues grew 16% to $2.32 billion, “principally driven by the licensing of television programming for digital streaming and syndication, higher advertising revenues, and increases in retransmission revenues. Advertising revenue grew 8%, with four of the percentage points from the timing of the semifinals of the NCAA Tournament.” OIBDA for the division increased 53% to $411 million.

Cable Networks revenues were up 15% to $452 million, with OIBDA up 37% to $209 million.

**Filed Under** Broadcast News Media News the HOT List

**Tags:** CBS

**About The Author:** RBR-TVBR Executive Editor Jack Messmer. Before joining Radio Business Report in 1995 Jack was Washington Bureau Chief of Radio & Records. He spent many years in news (mostly) and sales (not so much) at radio stations in the Midwest and New England before eight years at the Associated Press in New York and Washington.

**The HOT List**

<http://rbr.com/record-q1-results-for-cbs-corporation/>
Analyst: CBS poised for strong Q4, 2012 visibility murky

Lack of visibility has been a problem for broadcasters for a number of years at this point, but at least one group — CBS — says it’s insight into Q4 is not only clear, it’s also pretty good. TV is going to be up, if you pull last year’s political out of the equation, and radio is looking good as well, according to Wells Fargo analyst Marci Ryvicker.

CBS television is expecting to have a strong finish to 2011 as long as it can maintain ratings — it says the spot market is very strong. The radio group is looking at a +2% Q3 according to Ryvicker, and also seems to be in a growth pattern.

When it comes to managing its finances, it is expected that the company will favor stock buybacks over dividend distributions.

Netflix has been in the news lately, but at the CBS inventory store, it’s been at the cash register — it bought about 7% of the company’s content library. It is estimated by CBS that as much as 40%-50% of its library may have value to online video distributors.

Another source of income that still is waiting to be fully tapped is reverse compensation from the company’s network affiliates. According to Ryvicker, most of the deals done so far have been in smaller DMAs, with large market stations generally coming to bat sometime in 2014. Ryvicker noted that CBS has not as yet played hardball like its competitors over at Fox, but noted that the term “yet” was used by exec Leslie Moonves, as in CBS hasn’t pulled an affiliation out from under anybody “yet.” So things could get interesting a little over two years from now on that front.

In a final note, Ryvicker said that CBS Outdoor is performing well and is not for sale.

RBR-TVBR observation: There are few media groups quite like CBS, with strong O&Os in big markets on both the television and radio side, not to mention one of the major television networks. Given its big market presence, if we were oddsmakers, we’d like CBS’s chances for growth in a strong political year.

Have an opinion on this article? Post your comment below.
CBS sees Q3 gains after strong Q2 results

After beating expectations for Q2, CBS Corporation is looking for growth to continue in Q3 for its local radio and TV groups. And looking further down the road, CEO Les Moonves (pictured) is telling Wall Street to expect retransmission consent and fees from TV affiliates to become really big numbers.

CFO Joe Ianniello said that, excluding political, local TV revenues are pacing up in the low single digits in Q3. Of course, this is a non-election year and political was strong last year. Moonves is already predicting that political will begin to heat up in Q4 ahead of next year’s big presidential election. For this year, auto, particularly domestic, is still driving growth, despite the problems with the auto supply chain from Japan’s earthquake and tsunami earlier in the year.

For radio the Q3 story is much the same. Radio is pacing up in the low single digits, Ianniello said.

During his call, Moonves focused on how some of the revenue streams now growing are nearly all dropping to the bottom line. Advertising sales growth, once commissions are paid, is all profit. Also, retransmission consent payments and reverse comp from affiliates are basically all dollars that go 100% to profits.

Moonves is really bullish on retrans. He’s already predicted that CBS will get close to $250 million in 2012 – and that’s hardly the end of the story, as detailed in this audio excerpt.

And while reverse comp is a growth area, Moonves dismissed any notion of affiliates trying to band together to fight the networks. He insisted that while some deals have been tougher than others to reach, CBS has had good negotiations with its affiliates over the payments.

**RBR-TVBR observation:** Sumner Redstone began the call by repeatedly calling Moonves a genius. The CEO was gracious in accepting the praise without appearing to claim the title. What is clear is that CBS weathered the recession and is now a cash flow machine. That’s resulted in repeated dividend increases and stock buybacks – with no sign of any slowdown. The company’s biggest shareholder, Redstone, is certainly doing well as a result.

**Have an opinion on this article? Post your comment below.**
Earnings rise, dividend doubled at CBS

Revenues were essentially flat in Q1, despite the lack of the Super Bowl this year, but profits shot skyward for CBS Corporation. The company's board of directors had more good news for shareholders: the quarterly dividend has been doubled.

The new quarterly dividend is 10 cents per share, up from a nickel, to be paid July 1st to shareholders of record on June 10th.

"CBS's first quarter performance demonstrates the extraordinary momentum we have created in our businesses," said Sumner Redstone, Executive Chairman, CBS Corporation. "Our industry-leading content and multi-platform distribution continue to provide a competitive advantage that fuels our ongoing success. Going forward, I am very confident that the strategies employed by our management team will propel us to even greater heights throughout the rest of the year and beyond."

"Across the board, this was an exceptionally strong quarter for CBS, giving us a tremendous start in 2011," said CEO Les Moonves. "Our first quarter performance was driven by strong underlying advertising revenue growth and increases in non-advertising revenue streams, as we continue to maximize the value of CBS's world-class content. In addition, the strategic actions taken to strengthen our business model, including CBS Television's new NCAA agreement, have helped deliver yet another consecutive quarter of year-over-year margin expansion. We are particularly pleased with our substantial free cash flow generation, and we remain committed to returning a substantial portion of this cash to shareholders through the combination of share repurchases and dividends. Looking ahead, we have great momentum heading into this year's Upfront marketplace, and we continue to enter into lucrative retransmission, syndication and online distribution deals. As we increasingly capitalize on these opportunities, we are confident that we will drive growth over the long term by focusing on our strategy to drive higher recurring revenue streams and diversify our businesses while delivering value to our shareholders," he added.

Revenues in Q1 were down less than 1% to $3.51 billion, but operating income before depreciation and amortization (OIBDA) shot up 64% to $576 million. Free cash flow was up 29% to $853 million.

Local broadcasting revenues rose 2% to $621 million. Despite the lack of the Super Bowl, revenues were up 1% for the TV O&O group, while CBS Radio revenues rose 4%. Local broadcasting OIBDA rose 26% to $169 million.

For Q2, the company says the TV group is pacing up in the low single digits, led by national advertising, and radio is up in the mid single digits, led by automotive and retail.

Entertainment revenues (including the CBS network, syndication and studios) were down 4% to $1.99 billion,
Earnings rise, dividend doubled at CBS - Radio & Television Business Report

reflecting the lack of the Super Bowl and a new NCAA deal that put some of the games on Turner's cable nets. Entertainment OIBDA shot up 85% to $268 million. That was attributed to higher margins for primetime advertising and the more profitable NCAA deal.

RBR-TVBR observation: Business is about profits and it looks like CBS is doing a good job of increasing profits on the bottom line, regardless of what's happening on the top line. When CBS and Viacom separated the CBS side was touted as a dividend play for investors, so the big dividend increase should be welcome news on Wall Street.

Have an opinion on this article? Post your comment below.

Today's Broadcasting News

RBR - Radio News
Clear Channel Radio revenues up 3%
FCC fills its paddy wagon with FM pirates
 Arbitron watching participation levels in disaster areas
 Jelli to launch social radio stations
 Bob Pittman explains radio to the LA Times
 Radio callers: What you say may be used against you
 Sirius XM soars after Q1 earnings
 PBS announces Summer 2011 lineup
 Mel Karmazin likes subscription model (audio)
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WYBN-TV Albany enters construction phase
NBC plans to run out the Trump schedule despite White House designs
Super Bowl gave News Corp. big TV boost for quarter
Moody's turns positive on Belo

CLEAR CHANNEL
Clear Channel parent reports an up quarter

By Jack Messmer on May, 4 2012 with Comments 0

CC Media Holdings reported that Q1 revenues increased 3% to $1.36 billion. The biggest gain was by the radio division, Clear Channel Media + Entertainment (CCME), but that 6% gain to $671.5 million included revenues from the addition of Metro Traffic. Without that, how did the quarter come in?

CCME revenues were up $38.5 million from Q1 a year ago. But the company said $32 million of that came from Metro, which it acquired from the former Westwood One. Excluding that, RBR-TVBR calculates that CCME’s revenues were up about 1% for the quarter.

Revenue increases came from “national advertising across various markets and advertising categories, including financial services, political and retail,” the company reported."In addition, revenue from the Company’s digital radio services rose as a result of higher volume,” it added in a release ahead of the quarterly conference call with Wall Street analysts.

“Operating expenses grew $46 million during the first quarter of 2012 compared to the same period of 2011, resulting mainly from a $35 million increase related to the Company’s Traffic acquisition, including severance costs associated with the integration of the business. The Company’s digital initiatives led to higher expenses in connection with the February 2011 purchase of a cloud-based music technology business that has enabled the Company to accelerate the development and growth of the next generation of iHeartRadio digital products, including the iHeartRadio Player,” the company said of its 11% increase in operating expenses.

Operating income before depreciation, amortization and non-cash compensation (OIBDAN) for CCME declined 3% in Q1 to $215.4 million.

For the Clear Channel Outdoor business, US revenues rose 4% to $280.2 million and OIBDAN declined 1% to $85.1 million. International outdoor revenues were down 2% to $371.1 million and OIBDAN plunged 58% to $22.1 million.
All in for CC Media, consolidated revenues rose 3% to $1.36 billion. Operating expenses increased 9% to $1.03 billion. Consolidated OIBDAN, including the impact of corporate overhead, declined 17% to $26.4 million.

“Since the start of 2012, we have continued to invest in our rapidly growing digital products and services, while strengthening our operations to better serve our marketing partners and our consumers,” said CEO Bob Pittman. “We have enhanced our ability to help our partners take advantage of the unique size and scale of our media, entertainment and outdoor assets, with a particular focus on multi-platform solutions that no other company is able to deliver,” he added.

“Despite the slow advertising recovery, we generated growth of 3% in revenues during our traditionally slow first quarter,” noted CFO Tom Casey. “As a result of a successful debt offering by a subsidiary of Clear Channel Outdoor Holdings, Inc., we were able to apply the special cash dividend proceeds received to enhance our debt maturity profile and liquidity by paying down debt due in 2014. During the remainder of 2012, we plan to continue to invest strategically in our infrastructure, while closely managing our costs.”
Looking ahead at Clear Channel (audio)

By Jack Messmer on May 4, 2012 with Comments 0

After reporting Q1 results that were up a bit, Wall Street analysts are now focused on pacings for Clear Channel’s radio and outdoor businesses going forward. The company did provide some guidance.

For Clear Channel Media + Entertainment, the radio division under parent CC Media Holdings, Q1 revenues were up 1% after backing out the impact of acquiring Metro Traffic. But CRT Capital analyst Lance Vitanza noted that pacings for Q1 had been stronger than that when the company reported its Q4 results.

In this exchange with CC Media CFO Tom Casey (pictured), Vitanza wanted to know about the impact of political advertising and whether to expect actual performance to be weaker than early pacings this year.

As things stand now, radio is pacing up 2% in Q2. For the billboard business, US outdoor is up 1%, but international is down 1%.
More Stories

Clear Channel’s Q1: up 3%.

Despite the slow advertising recovery Clear Channel reports first quarter rose 3% to $1.36 billion. Core radio revenue climbed 1% as national advertising increased along with digital ad sales. CFO Tom Casey says second quarter is currently pacing up 2%.

During the first quarter Clear Channel says it also repaid $2.1 billion of debt due in 2014, funded mostly by the special cash dividend proceeds from the outdoor division’s debt offering. "During the remainder of 2012, we plan to continue to invest strategically in our infrastructure, while closely managing our costs," Casey says.

Clear Channel reports the iHeartRadio app has now been downloaded 75 million times and the app reached 107 million total listening hours in March – up 104% compared to a year earlier "Since the start of 2012, we have continued to invest in our rapidly growing digital products and services, while strengthening our operations to better serve our marketing partners and our consumers," CEO Bob Pittman says in a statement. "We have enhanced our ability to help our partners take advantage of the unique size and scale of our media, entertainment and outdoor assets, with a particular focus on multi-platform solutions that no other company is able to deliver."
CC Media Holdings, the parent company of Clear Channel Communications, reported that Q4 revenues increased 1% to $1.65 billion. The biggest unit, Clear Channel Media & Entertainment (the former CC Radio) grew revenues 2% to $790.8 million.

The revenue growth for the radio division (CCME) was credited to the acquisition of Metro Traffic and revenue growth in digital radio services, partially offset by lower political advertising spend.

Clear Channel Outdoor saw domestic revenues decline 1% to $359.2 million, but international increased 6% to $456.8 million.

CCME operating income before depreciation, amortization and non-cash charges (OIBDAN) improved 11% in Q4 to $326.7 million. For the entire company OIBDAN rose 7% to $537.4 million.

Full year revenues for the entire company rose 5% to $6.16 billion. CCME revenues gained 4% to $2.99 billion. For Outdoor, domestic was up 4% to $1.34 billion and international 11% $1.67 billion.

OIBDAN for the entire company gained 10% in 2011 to $1.83 billion. CCME saw OIBDAN rise 5% to $1.16 billion.

"By executing our strategy, we delivered a solid 5% increase in revenues for the full year," said CFO Tom Casey ahead of the company's Wall Street conference call. "Combining this revenue performance with effective cost management initiatives enabled us to improve our overall operating profit margin in 2011 despite a sluggish economy. We also continued to invest strategically in the Company, while successfully managing our debt maturity profile and liquidity. In the coming year, we will stay focused on leveraging the global diversification of our portfolio and our industry-leading..."
Q4 radio revenues up 2% for Clear Channel - Radio & Television Business Report

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Now that we know the results for Q4, the more immediate question for Clear Channel Communications is how are pacings for Q1? It's the old "What have you done for me lately?" question from Wall Street. There is good news on that front.

In his conference call with analysts, CC Media Holdings CFO Tom Casey (pictured) said Q1 is pacing up 1% for Clear Channel Media & Entertainment (CCME, the former Clear Channel Radio) excluding Metro Networks, which wasn't part of the company a year earlier.

That's an improvement from Q4. Although CCME revenues had been up 2% for the quarter, that would have been a decline of 3% excluding Metro, but about flat if you also exclude the impact of political advertising. Political revenue in Q4 of 2011 was only $7 million, compared to $32 million a year earlier.

Strong categories for radio in Q4 were financial services, retail and restaurants, while there were declines in telecommunications, travel & tourism and, of course, political, Casey told analysts.

Digital revenues continue to grow. iHeartRadio claimed more than 48 million downloads of its app and CCME reported about 37 million monthly unique visitors across its digital platform.

Noting that the custom radio portion of iHeartRadio is still commercial free, one analyst wanted to know when the company plans to begin to monetize that investment. But Casey wouldn't tip his hand as to when iHeart might stop going ad-free against ad-supported rival Pandora. Rather, he said, digital revenues are growing nicely from streaming Clear Channel radio stations via the iHeart platform and from display advertising.

"Moving ahead, while the economic recovery has been slower than expected, we are optimistic about
growth trends we are seeing so far in 2012 and believe our businesses are well positioned to continue to deliver strong OIBDAN and cash flow," Casey said about the current outlook for CC Media and its subsidiaries.

The 1% decline in Q4 domestic outdoor revenues had been a surprise for Wall Street, with most analysts projecting modest growth. The miss certainly explains the recent management shake-up at Clear Channel Outdoor. Casey said Tuesday (2/21) that domestic outdoor is pacing up 5% for Q1.

As he had indicated in the Q3 conference call, new CEO Bob Pittman left the quarterly discussion session to Casey. He did, however, provide a pithy quote for the company's earnings release:

"We are pleased with our business performance in the quarter and throughout 2011. In the last year, we have made great strides: putting our leadership team and strategic plans in place, strengthening our relationships with consumers globally and developing new strategies to better serve our advertising and marketing partners. I believe we are well positioned for new successes in 2012, as we continue working toward realizing the full potential of our businesses. We are continuing to build on the strengths of our national radio and digital content platform, including iHeartRadio, and further developing and executing new strategies for our outdoor businesses around the world, especially our unique digital products," said Pittman.

RBR-TVBR observation: Thus far having the custom music channels on iHeartRadio commercial free doesn't seem to have slowed subscriber growth for Pandora, where users have to listen to spots to receive the non-subscription service. But Clear Channel is able to generate digital revenues from streaming its AM & FM stations and those of other broadcasters on the iHeart platform to cover those crippling royalty payments to SoundExchange, while Pandora has no such supplemental revenue streams. We'll be interested to find out in two weeks whether Pandora managed to turn cash flow positive for the year.

Have an opinion on this article? Post your comment below.
Clear Channel Radio revenues up 3%

CC Media Holdings, the parent company of Clear Channel Communications, reported Friday (5/6) that Q1 revenues grew 5% to $1.32 billion. Outdoor led the way, but all divisions, including CC Radio, had an up quarter.

Radio revenue increased 3% to $640.4 million and radio operating income before depreciation, amortization and non-cash compensation (OIBDAN) shot up 15% to $223.1 million as expenses decreased by 3%.

Domestic outdoor revenues rose 7% to $289.3 million and OIBDAN rose 5% to $93.6 million.

International outdoor revenues were up 7% to $360.9 million, with OIBDAN up 41% to $45.1 million.

For the entire company, Q1 OIBDAN rose 20% to $314 million.

Have an opinion on this article? Post your comment below.
CUMULUS
Q2 revenues gained 2.7% for Cumulus Media

16 May, 2011 10:33:00

As Cumulus Media waits to acquire two other radio groups and become a $4 billion-plus company it has been growing revenues and cash flow on its home turf. Q1 revenues were up 2.7% to $57.9 million.

Within that number, broadcast revenues were up 2.5% to $56.7 million for the radio stations – generally in medium and small markets – already owned by Cumulus Media. The rest of the gain came from management fees that Cumulus Media received from Cumulus Media Partners (CMP), up 12.5% to over $1.1 million. Cumulus Media, which owns only a minority stake in CMP, has a deal pending to acquire full ownership of the large market radio group.

Station operating expenses were down 5.9% in Q1 to $37.6 million, so station operating income (SOI seems to be replacing broadcast cash flow, BCF, as the preferred term) shot up 23.6% to $20.3 million. Free cash flow ballooned by 90.8% to $1.7 million.

CEO Lew Dickey later told analysts that EBITDA at CMP was up 4% for Q1, excluding one-time legal expenses, most related to the pending merger.

Cumulus Media also has a deal pending to acquire Citadel Broadcasting. To finance the two big acquisitions Cumulus Media just last week sold $610 million in bonds. The company says it has commitments for up to $500 million in new equity, as well as $2.525 billion in senior financing.

Click here to see details of how Cumulus Media plans to finance a company worth over $4 billion.

RBR-TVBR observation: Certainly a better Q1 than at Citadel Broadcasting, where revenues were down. Lew Dickey and his team must be champing at the bit to take over Citadel, but that’s still months away.
Cumulus accumulates massive growth

By Dave Seyler on May, 7 2012 with Comments 0

When you assimilate a large number of large-market stations into your portfolio, the affect on a broadcast company’s bottom line is downright gaudy. Such is the case of Cumulus Media Inc., which recently brought both Citadel Broadcasting Corp. and Cumulus Media Partners into its fold.

Net revenues for Q1 2012 came home at $245.3M. Pro forma revenues were $254.2M, resulting in a decline of 3.5%. But the new total compares to the as-reported figure of $57.6M, and constitutes an increase of 324%.

The pro forma results were considerably better in the EBITDA category. It came home at $76.9M, a 12.2% increase of the pro forma total of $68.5M and 502.2% better than the as-reported total of 502.2%.

Free cash flow numbers were through the roof in both categories. $37M was the take, a 94.5% improvement over the pro forma total of $19M and 1865.7% better than the as-reported total of $1.9M.

Lew Dickey, Chairman & CEO stated, “The first quarter of 2012 was marked by significant progress in our integration of Citadel as we build Cumulus into a robust platform company that strategically monetizes content, distribution and technology. Complementing this progress was the continued deleveraging of our balance sheet, as well as strategic portfolio management that will enable us tremendous financial flexibility going forward.”

Citadel said it picked up a $2.4M increase in political advertising over the same quarter in 2011, but lost other revenues, including money it made for management services for Cumulus Media Partners stations that are now part of the group.

Lew Dickey said there was a slight decline in earnings toward the end of the quarter. It was partly due to the loss of income suffered by Rush Limbaugh after actions against him in the wake of his Sandra Fluke comments. He said Limbaugh is a fixture on many of the former ABC Radio
stations that are now part of the Cumulus portfolio, which created a significant exposure for the group. The whole thing was said to have cost about $2M in Q1 and another $2M in Q2.

Dickey is the latest exec to note the continued return of the automotive category.

The assimilation of Citadel stations was said to be just about completed.

He said the company has financial flexibility and no need to seek credit in the near future. Revenue for Q2 is placing flat, but much of this can be laid at the doorstep of the company’s relationship with the Los Angeles Dodgers and KABC, which has been discontinued. Meanwhile, it is expecting to bring in $30M in political advertising by year’s end.

The SweetJack daily deals platform is expected to be a player in the space. It’s part of the digital platform that gives the company a high degree of upside potential. And even though Cumulus expects to start seeing success with it this year, its main focus is to point it to an even bigger future down the road.

Cumulus Media Networks: Mike Huckabee is up to 200 affiliates, and Right Now Traffic is exceeding expectations.

On M&A, Dickey said the strategic station swap with Townsquare allows concentration of larger market consolidation and deleveraging of the balance sheet.

Dickey preached a sermon on the ongoing value of radio — the one to many format is great for branding, and radio remains one of the very few media that provide that model. Add on the relatively low production costs and it remains an attractive medium with which to operate.
OTHER GROUP OWNERS

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Spanish Broadcasting System’s net revenue was $32.1 million compared to $30.8 million for Q1 2011—an increase of $1.3 million or 4%. Radio net revenue increased $1.3 million or 5%, primarily due to local sales, special event revenue and barter sales, offset by decreases in national and network sales. The increase in local sales happened in their New York, LA and San Francisco markets. The increase in special event revenue occurred mainly in their Puerto Rico and Miami markets.

Listen to the audio, below:

The increase in barter sales occurred throughout most SBS markets. The decrease in national and network sales occurred in all of our markets. Our television segment net revenues were flat, primarily as a result of increases in paid-programming, other revenues, and barter sales, offset by decreases in local spot sales and integrated sales.

Radio station operating expenses increased mainly due to increases in special events expenses, barter expense, local commissions and compensation and benefits, offset by decreases in legal settlements and music license fees. The television segment decreased $1.0 million or 54%, primarily due to the decrease in station operating expenses of $1.0 million.

Television station operating expenses decreased primarily related to decreases in originally produced programming, broadcasting rights fees, professional fees and advertising and promotions. Our corporate expenses increased by $0.4 million or 22%, primarily a result of an increase in compensation and benefits related to bonuses for the successful 2012 refinancing of our senior credit facility, offset by a decrease in professional fees.

Operating income totaled $4.8 million compared to $4.1 million for the same prior year period, representing an increase of $0.7 million or 17%. This increase was primarily attributed to the increase in net revenues.

“Our first quarter financial results improved considerably over the prior year,” commented Raul Alarcon, Jr., Chairman and CEO. “Moreover, we have continued to strengthen our operations
through strategic investments in our content, marketing and digital resources. We remain committed to employing a disciplined approach to managing our operations, with the goal of driving improved financial results."

Looking ahead, Alarcon says the advertising market remains volatile, but our brands remain strong across our market footprint and we are continuing to build on our revitalized sales force. We remain very optimistic about our long-term outlook given the ongoing dramatic growth of the Hispanic population and the increasing need for advertisers to pursue this important and influential audience.
Radio One turns the corner

By Jack Messmer on May 3, 2012 with Comments 0

Radio revenues were up in Q1 for Radio One, reversing the decline in Q4. With TV One consolidated, now that Radio One is the majority owner, Q1 revenues shot up 58.5% to $103 million.

“Our core radio business was up 6.4% and out-performed the markets in which we operate by 480 basis points, led by a recovery in our mid-west markets, continued strong ratings related growth in Atlanta and our newly revamped Detroit cluster. National revenues in larger markets continue to be weak, and I expect that trend to continue until we see some lift from political revenues

http://rbr.com/radio-one-turns-the-corner/
later in the year. Second quarter core radio revenue is currently pacing up double digits, and we anticipate high single digit revenue growth for the quarter. The growth in our Internet Division revenue and EBITDA is particularly pleasing, and represents a significant improvement from the same period last year. TV One continues to provide robust EBITDA growth and our move towards increased original programming hours should favorably impact ratings in the second half of the year,” said CEO Alfred Liggins in a statement ahead of his conference call with Wall Street analysts.

The strongest revenue growth markets were Atlanta, Cincinnati, Cleveland, Detroit and Raleigh.

Net revenues for Reach Media declined 8%, but Internet revenues jumped 64.6%.

Filed Under Broadcast News Radio News the HOT List

Tags: Radio One

About The Author: RBR-TVBR Executive Editor Jack Messmer. Before joining Radio Business Report in 1995 Jack was Washington Bureau Chief of Radio & Records. He spent many years in news (mostly) and sales (not so much) at radio stations in the Midwest and New England before eight years at the Associated Press in New York and Washington.

The HOT List

- LIN scores New Vision Group
- HD Radio is top emerging tech for new car buyers
- FCC rejects Liberty’s request to control Sirius XM
- Looking ahead at Clear Channel (audio)
Saga Q1 revenue up 4.3%

By Carl Marcucci on May, 8 2012 with Comments 0

Saga reported Q1 free cash flow increased 23.8% to $4.0 million compared to the $3.2 million for the same period last year. Net operating revenue for the quarter increased 4.3% to $29.9 million from $28.7 million for the comparable period in 2011.

Operating income increased 24.4% to $5.0 million while station operating expense increased 1.0% to $23.0 million (station operating expense includes depreciation and amortization attributable to the stations). Net income for the period was $2.7 million ($0.64 per fully diluted share) compared to net income of $1.7 million ($0.39 per fully diluted share) for the same period last year.

Saga continues to maintain a solid balance sheet with $6.7 million in cash at the end of the quarter. As 3/31, the company’s outstanding bank debt was $60.0 million with leverage ratio calculated as a multiple of EBITDA of 1.8 times.

Capital expenditures in the Q1 were $1.2 million compared to $1.1 million for the same period last year. Saga currently expects to spend approximately $4-4.5 million for capital expenditures during 2012.

See the transcript of the call, below:

Ed Christian – President and CEO

Sam Bush – Senior Vice President, Treasurer and CFO

S. Bush The year started off positive with free cash flow growing 23.8% to $4.0 million in the First Quarter. Net revenue for the quarter increased 4.3% to $29.0 million. For the quarter, we had $511,000 in gross political revenue compared to $99,000 for the same period last year. This broke out with radio, which we include the networks at $404,000 this quarter of gross revenue.
political revenue compared to $98,000 for the same period last year. TV’s was $107,000 during the quarter this year compared to $1000 last year.

National accounted for approximately 13% of gross revenue for the quarter compared to 14% for the same period last year. Our networks net revenue of $785,000 for the quarter compares to $755,000 for the same period last year. We had $176,000 of gross political revenue for the quarter this year, while we had none last year. Station operating expense increased one percent for the quarter this year, and we expect it to be up somewhere between 1.5 to 2% for the overall year.

In the other income or expense area, you will see that we saw a nice reduction in our interest expense for the quarter. This year, we paid $528,000 while last year, it was almost $1.2 million. This is primarily due to the continued reduction in the level of our outstanding debt, a meaningful reduction in the interest rate we are paying, and a reduction in the amortization in bank fees. We paid down $7.75 million in bank debt so far this year and still have $7 million in cash on hand.

Now that our total long-term debt, including current maturities to trailing 12-month consolidated EBITDA is below two times, we have no more required debt repayments. A $750,000 quarterly payment on our outstanding term debt will kick back in if our leverage ratio increases back above two times. Our outstanding bank debt is currently $60 million.

As reported in the press release, capital expenditures in the quarter were $1.2 million, which is approximately the same as last year. We are planning to spend between $4 and $4.5 million in capex in 2012. For 2011, we expect interest expense for the year to be between $2.3 and $2.6 million. Our anticipated total tax rate going forward will be 39 to 40%. We anticipate deferred taxes for 2012 to be between $3 million and $3.5 million. Current taxes will vary based on the income in each quarter.

Subsequent to the end of the quarter, we entered into an agreement to sell our Greenville, Mississippi TV station to H3 Communications. This sale will not have a material impact on our financial statements. The sale is subject to FCC approval and is expected to close during the Third Quarter.

Once again, this quarter we ask for your questions to be submitted via e-mail prior to the call. Ed and I will respond to those questions that we feel we can appropriately respond to later in the call. Ed, I’ll turn it back over to you.

E. Christian Thanks, Sam. One of the things I’ll just add right here is the Greenville TV station, WXVT-TV, as he mentioned; we are still happy with television. We look for other opportunities there. This was an asset that we look at where it could be placed in the best advantage for the TV station. But, in terms of our other markets, we’re extremely pleased to be there.

The interesting thing about the First Quarter is that our share of national went down from 14 to 13. That’s fine, because that again, as I’ve said many times, is really business that we don’t control. It either is or is not. If it does come in, it’s almost like a reverse auction where you raise
your paddle, and every person that raises their paddle, the rates go down for the next person that raises their paddle until the rate is accepted.

We’re refocusing more on controlling our own destiny. It was nice that national was up. We think we’re going to have a very good national year because we’re in certain states that are becoming hot buttons right now, such as Ohio, Virginia, Iowa, Wisconsin, Missouri, Michigan, and New Hampshire. So, that bodes pretty well for us. Those are just the hot states and doesn’t mention the other action that’s going on in the states.

So, we think that this is going to be a good year and it was off to a good start in the First Quarter. I’m pleased about that. Again, I’m pleased that even with national being down as it was that our local was up. We did some things there, not … in the real sales or anything else like that, but really just a basic concentration in our core competency to do that.

Well, actually, we did have one thing. We had a kind of sales contest. But, when we do the sales contests, they’re more for a camaraderie building function within the sales departments. This time, we shared the information across our entire platforms so that other stations were able to see what all the other markets were doing on a weekly basis. It was a simple contest basically. It was new business that had not been on the air for a year that we concentrated on. It was very successful for us.

Again, it shows something that I’ve always said about our business. That is we sit here and we talk about doing a good job. But, I’ve always felt that if I took the entire sales staff of a station and put them on like one of those little airport busses and drove around and said who’s going on this account, who’s going on this account, who’s going on this account, we’d find out a lot of businesses that are still not being covered. That’s our responsibility to try and do that and look and see where we go to make more business.

We’ve said this a number of times, and I think it’s pretty true…said it could just be off or whatever. But, I think each year a station will lose 15 to 20% of its basic business through closures, media plan changes, whatever it might be, by going out of business, who knows what it might be, the sector is no longer deciding to do that. So, you always have to replace it. It’s the old thing from Glengarry Glen Ross, “ABC” – always be closing and always be selling. Not that I’m using that type of thing as a role model, but always a line that we try to emulate. Certainly we’re not selling land. We’re selling something else.

There was also an increase in retransmission consents in our…contracts kicked in, which is proving very good for us, so I think we follow any other companies. You’ll notice that there is a TV company that there are some lucrative areas appearing in retransmission money as a result of resetting the values up from their contracts from several years ago.

Boy, oh, boy. What else can I really bring everybody up to speed on? Well, you know in getting back to the idea of the direct selling and what we do. Saga’s a little different. We’ve always said that.
We don’t create stories and we really don’t seek industry press. We don’t do magic. By that I mean you can’t hide your tricks in radio or TV. We don’t have any black background or hidden mirrors that we can use to create an illusion of whatever might be. You’ve got to come right out in the open and do it.

So, our whole thing is if you’ve got to do it that way, do competent radio. I’ve said it time and time again. Radio really hasn’t changed in terms of the implementation of the real nugget of the business. There is no real secret sauce because we have to have all of our tricks available to everybody else. It’s just the basics over and over again. It’s finding the right salespeople, keeping them; the right management, keeping them; incenting people to do good creating an environment where people can grow; and they can feel good about coming in and doing their jobs.

I’ve always felt if you have somewhat of an entrepreneurial spirit, then just at the station levels where the management is empowered to really try to run and grow their business and do things and attract competent people, that those are the keys to success. It’s proven well for us and we don’t really envision changing our formula at all. We make no apologies. We are a radio and TV company with some networks.

We know what we are. We don’t hide behind anything else and it always is somewhat amusing to me when I see a number of companies trying to deny what they are and by changing their names to we are a new media company. We are an interactive company, that by the way we have radio stations that are going to that we use to promote our art interactively. Now, we’re radio and TV. We’re just kind of the traditional model.

I think that that’s our view of things in terms of looking at how our interactive folds into it. The answer is successful in interactive. We’re also evaluating it. I’ll be candid when I tell you that we’re looking at streaming and saying with the sound exchange rates that we…and in our small markets, we pay about close to $400,000 a year to Sound Exchange for the rights to stream. You add CSEC on top of that, you add the bandwidth that we have to buy and everything else and you look at what the profit percentage is on that, and what the streaming count really is and you have to evaluate it.

Jerry Lee has been very … with WBEB in Philadelphia for years without straining. So, we are looking at what is the bright line test and where do we do this. It also, when you get into streaming and a lot of people hype this, splits the seller’s concentration from…based core competency on the product of radio and TV. It’s not to say we’re banning interactive, because we do very well with our web sites and our platform and being on line. But, we’re just reevaluating the streaming component as to where it will stream and what place it will hold in our radio stations.

If we want to continue trying to monetize the stream, or just use the stream as an add on benefit for the regular advertisers that were on. We’ll have more on that probably in another couple of months. That’s just something we’re evaluating right now. We don’t stand there and say that we are not a broadcast company and I don’t click my heals with my ruby slippers and say three times that we are a new media company, we are a new media company, we are a new media
company and then wake up and say suddenly I guess we are. We’re not and we don’t make any apologies for being what we do and do the best on it.

We plan to continue growing the company and we intend to look at a number of different things. We’ll get into that on Q&A.

With that, Sam, I think we’re going to brief today.

S. Bush We are.

E. Christian We have some questions there.

S. Bush This comes from R.C. and Daniel at Wachovia, Wells Fargo now, excuse me. “How is Q2 pacing?”

E. Christian Q2 is, and I think you’ll see this in every call that comes up. It’s kind of like the yellow flag is out there. It’s not the red flag; it’s not the green flag. But, drivers have reduced their speed. One month is up; the next month is down. It’s really kind of difficult to get a handle on.

That’s why I’m glad that we can have more control over our overall destiny in terms of creating business rather than waiting for business to come in. That’s something that works well for us. But, we’ll tell you it’s month by month and if anybody tells you that everything is going tickety-boo, they’re not reading the tea leaves correctly.

But, will we be fine? Yes. Will we get through it? Sure. Is it something that Q2 is right now making me feel giddy and euphoric? No. But, I know that we have the determination to get through it somehow. Is that guidance? I guess it is.

S. Bush Yes, kind of, in a nice way. “Can you characterize the M&A environment?”

E. Christian M&A’s getting really interesting. Now, that’s I think it. We have seen in the last several months a lot of companies which were inactive by their private equity owners or whatever, solidly slip themselves into the market place and putting their toes in the water to see what type of pricing they can get. We’ve seen that on a number of levels where I can just...they offered. But, we’re not exactly the highest of the food chain in terms of getting the offerings. Well, actually, we are because of our balance sheet and our financial capabilities.

But, I will tell you that I think this is going to be a good year. Some of the people who are in the representation businesses, brokers, are also feeling this and are beginning to change where they’ve been sitting around and feeling kind of isolated for years, their...by this.

We’ve seen a lot of transactions in television, a lot of group transactions. We’re going to be seeing group transactions in radio and readjustment of portfolios. I think that it’s a good opportunity that we still have the disconnect between expectations and reality values because there has been a reset in that. But, in terms of where we are, I’m buoyed by some of the
opportunities we’re seeing. We’re a very picky buyer. But, nevertheless, I think that we will find some truffles in this basket as we progress through the year.

S. Bush Thank you. You mentioned balance, our capital balance, the capital debt and so forth in talking about M&A, because we do have a good balance sheet. I’ve mentioned in my comments that we were at a bank debt of roughly $60 million right now.

E. Christian Can we find out from $130 when was our high?

S. Bush Yes, higher than $130, we were in the mid-$130s back in 2009 before we started the pay downs.

E. Christian Yes, thank you...thank you, Sam.

S. Bush It’s pretty good. But, the next question is “How do you think about your balance sheet specifically at this point with such low leverage?”

My comments, I mentioned that because we were below two times, we were no longer required to make any sort of debt reduction.

E. Christian Well, I’ve said this before and I think that every company has to have a certain amount of debt. It’s healthy. I think having zero debt is not really the particular way to go. I think where we are right now at 1.8 times EBITDA; we’re really in pretty good stead. I think that we’re down to where we should be and remain in terms of doing it.

Also, sitting in cash is not something that I really want to do. We are certainly not one of those companies that retains huge amounts of money. So, we have to look at what’s the best use of this and we’ve had discussions. In fact, we’re going to be having...discussion coming up at our board meeting pretty soon, either retain money for acquisitions because the company does have to grow.

Possibly look at dividends for the first time; it certainly is something that we’re doing. We’ve done stock buy backs in the past. It’s not out of the question, but it’s something we’re not leaning toward; again, retaining a certain amount of money to operate the company. Then the other is dependent upon the circumstances. I think we’ll probably let it grow for a little bit just to see in case there are some opportunities that break for us.

I used to say..., and Sam would correct me that I could buy a free station each year because we’ve got line an extra $10 million. Then, I go, oh, goody, I can spend $10 million and it won’t affect anything. I’m almost feeling that way again, but we haven’t seen the opportunities.

So, again, it’s a measure of response. The Board will look at it. I’ll look at it and we’ll find the best use of how we can apply our excess of cash.
S. Bush Very good. There’s one final question. “There’s a perception that local advertising is shifting to non-traditional mediums, specifically mobile. Are you seeing this take place with your local ad buyers?”

E. Christian You know, I just got a text on my phone the other day from like Wal-Mart. I’m going how did that happen? I’m not sure. We’re finding, we’ve just got a very successful texting contest and we’re building a huge data base both in e-mail and text. I think that we’re trying to find good ways to monetize that. I saw the figures on some contests we’ve run where we’ve captured e-mail addresses and some texting in numbers. They’re really pretty impressive and it allows us to look at possible using them ourselves.

I haven’t seen any business really say well, we’re going to use texting rather than radio. What I’ve seen are claims that Pandora is now trying to gather a big sales effort and create that. Then again, people say Pandora’s not going to run commercials on it.

I think that we’re seeing people looking at Facebook advertising and things like that. I wouldn’t say there’s been an erosion away from radio. I think that there has just been a re-evaluation and that again goes back to my comments earlier that there is a fiduciary responsibility if you have your company to continually look for new avenues and find new ways to recruit new businesses.

I can give you an example. I was listening to WINA, our AM station in Charlottesville, news talk station there. I heard them advertising for a camp, a summer camp for kids to the parents. Obviously, when you’re talking to a news talk audience, you’re talking to an older audience, parents and grandparents and using the radio advertising to try and recruit campers.

I thought okay. Here’s something that we as an industry probably go, well of course they’re out there. They’re working for people and they’re using radio for the first time to try and do this. That’s just one example of the types of things that are going to happen and types of things you can do.
Revenues and cash flow grew for Saga in Q1

Saga Communications had an up quarter to start 2010, with Q1 revenues up 2.6% to $28.7 million. Operating income increased 13.7% to $4 million and free cash flow shot up 42% to $3.2 million.

Saga’s radio division, which accounts for most of the company, grew Q1 revenues by 1.5% to $24.5 million. Broadcast cash flow (BCF) rose 6.2% to $5.2 million.

Television BCF ballooned 47% to $744K.

In announcing its results (with a Wall Street conference call later in the day), Saga management pointed with pride to the company’s balance sheet, with $13.8 million of cash on hand and outstanding bank debt on March 31 of $92.1 million. Saga’s trailing 12 month leverage ratio was only 2.5 times EBITDA.

Have an opinion on this article? Post your comment below.
Townsquare 7th-Largest Radio Company By Revenue

It hasn’t taken Steven Price long to steer Townsquare Media toward the top of the radio revenue charts. In just under two years, the private company backed by Oaktree Capital has experienced phenomenal station - and revenue - growth, rivaled only by Cumulus. For the first year, Price kept Townsquare very much under the radar, shunning publicity while picking up some of radio’s broken pieces and standing them back up. Townsquare now has 244 stations in small markets all over the United States; only Cumulus and Clear Channel have more. And perhaps, if Clear Channel were in a financial position to shed some of its smaller market stations, Townsquare would have more. It has more Oaktree money to spend and it’s no secret the company is continually looking to grow.

Tomorrow, Townsquare will celebrate its second birthday and, with its recent 55-station pickup from Cumulus, will do so as the 7th-largest radio company by revenue at approximately $240 million. As we reported in the 2011 “40 Most Powerful People In Radio” issue last July, (where Price debuted at number 17), Townsquare was ranked 12th in revenue with $133 million. At $240 million, Townsquare now generates more revenue than the radio assets of Radio One, Hubbard, Greater Media Salem, and Emmis, all of whom were ahead of it only 10 months ago, according to 2011 BIA numbers. And just an FYI: The 2012 “40 Most Powerful People In Radio” issue is only two months away.

According to our calculations based on public financial documents, research, information from analysts, and other estimates provided to us over the past few weeks, here is how radio’s top 10 companies are now aligned in terms of revenue (these numbers are our best guesstimates involving radio assets only):

1) Clear Channel - 2.88 billion
2) CBS - $1.34 billion
3) Cumulus - $1.14 billion
4) Entercom - $383 million
5) Cox - $375 million
6) Univision $323 million
7) Townsquare $240 million
8) Radio One - $221 million
9) Hubbard $182 million
10) Salem - $179 million

Read our cover story interview with Steven Price from April 2011

(5/2/2012 5:03:08 PM)
Radio Ink reveals that the top three radio conglomerates have annual revenue of five point three six billion dollars.

Yet the NAB and Clear Channel (The USA NO. 1 biller) plead severe economic hardship and turbulent times ahead (from that Juke Box Pandora) as the basis for unlimited radio ownership in every market in the USA, plus the right to dump AM for additional FM stations in each Market. Have they no shame? Both Clear Channel and CBS sit on the NAB Board. How is that for self-serving?

- saul Levine

(5/2/2012 1:25:58 PM)
Thanks, Radio Ink, for freely sharing the Cover Story!

- Scott Mearns
Revenues up 2% for Entercom in Q1

Entercom Communications reported that Q1 revenues rose 2% to $82.5 million. However, excluding political and having a hometown team for one cluster in the Super Bowl last year, it was an even better quarter.

"Same-station revenue growth, excluding political and the impact of last year's New Orleans Saints Super Bowl run, increased 4% in the first quarter. In addition, we gained significant revenue share during the quarter, outpacing our peers in 16 of our 22 reporting markets. We bolstered our competitive position by reformatting five of our stations in San Francisco, Kansas City and Buffalo and continued to enhance our digital capabilities, driving strong growth in our key digital metrics. Finally, we are pleased to note that radio listening trends remain outstanding as the total number of local radio listeners continues to grow and is now at an all-time record level. In addition, local radio holds well over a 90% share of total radio listening vs. satellite and internet," said CEO David Field, pictured.

Net revenues in Q1 were up 2% to $82.5 million. Station operating income was down 4% to $20.7 million.

Have an opinion on this article? Post your comment below.
Radio was up 4.3% for the Emmis fiscal year

Emmis Communications hasn’t yet put out a summary of its fiscal Q4 (December-February), but it has filed full year results with the SEC. Total net revenues were up 3.6% to $251.3 million. Radio revenues were up 4.3% to $185.2 million. Publishing revenues gained 1.7% to $66.1 million.

Operating income, excluding significant impairment charges both years, improved from $9.2 million to $26.2 million in the most recent fiscal year.

Emmis will likely provide a lot more detail when it issues Q4 results. The annual filing with the SEC said revenues for the domestic radio stations were up 5.2% in Miller Kaplan reported markets, while the markets were up 5.2%. Strength in the middle markets — St. Louis, Indianapolis and Austin — offset weakness in Los Angeles and Chicago.

Have an opinion on this article? Post your comment below.

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Today's Broadcasting News

RBR - Radio News
Family Radio apocalyptic countdown winding down
Clear Channel powers down 106.3 NYC translator
British radio listening hits a new high Q2 slowing for Radio One

TVBR - TV/Cable News
Growth quarter for TV One
Maxine Waters slams merger of Comcast and FCC commissioner
New star for "Two and a Half Men" to be

http://www.rbr.com/radio/radio-was-up-4-3-for-the-emmis-fiscal-year.html?print

5/12/2011
Journal has down Q3 with radio in the black

Publishing was down, television was down, but would have had growth were it not a political off-year and radio was in the black as Journal Communications posted an overall 4.4% loss to $87.8M in Q3 revenue. Looking ahead, it sees a murky future that is better on the broadcast side, but only low single-digit better.

"Journal Communications remained focused on growing our local market revenue share in a soft economic environment in the third quarter," said Steven Smith, Chairman of the Board and Chief Executive Officer of Journal Communications. "While total Broadcast revenue was down, core revenue, excluding political and issue advertising, was up. On the Publishing side, a challenging advertising revenue environment was offset by improved circulation revenue and a solid increase in commercial print and distribution revenue.

The broadcast revenue total of $46.9M was down from $48.5M, but almost all of that traced to political, which fell from $4.7M Q3 2010 to $2.2M – a number that was surprisingly good in its own right for an off-year. Without the political category put aside, broadcast revenue increased 2.2%.

The political category benefitted from recall elections in Wisconsin and a mayoral race in Las Vegas NV; the impact of the loss in political was felt primarily on the television rather than the radio side.

TV revenue was $27.9M, down 6.8% YOY. It would have been a 1.6% increase without the political category, which fell from $4.3M to $1.8M. Local advertising was up 2.5%, but national fell 10.5%, mainly due to automotive decreases.

Retransmission was a bright spot, increase from $1.7M to $2.2M in income. During the Q&A portion of the company's conference call, it noted that there are no major contracts with any MVPDs in the queue until late 2012.

Radio was up 2.7%, increasing from $18.5M to $19M. Political revenue was flat at $400K, a very impressive achievement in an off-year. One station in particular – Milwaukee icon WTMJ-AM, had a trifecta of benefits – excellent performances from the NFL Green Bay Packers and MLB Milwaukee Brewers, added to the testy political year that gripped Wisconsin during the year.

Smith said the company, as always, is on the lookout for sensible broadcast acquisitions, but if nothing appears on its radar screen that makes sense, then Journal will continue to pay down debt instead.

The newspaper side of the business continued to be a challenge. Publishing revenue decreased 5.9% to $40.9 million, and that side of the business took a $1.3M hit for workforce reduction, which nevertheless was less than the $3.1M hit it took the previous year.

Smith said that looking ahead, he expected low-single digit increases for both sides of the broadcast business, and continued losses in print. Although the pace of business picked up as Q3 proceeded, he said the advertising environment remains highly challenging and visibility continued to be murky.

“We continue to position Journal Communications for growth in our markets by expanding our relevant local content, investing in interactive media and providing an enhanced value proposition for our advertising customers,” Smith concluded.

Here is the Journal-selected highlight list for the quarter:
* Revenue of $87.8 million, down 4.4%; Core broadcast revenue, excluding political and issue advertising revenue, up 2.2%
* Operating earnings of $8.1 million, down 26.9%
* Pre-tax workforce reduction charge of $1.3 million
* Sold remaining community newspapers and shoppers in Florida
* Diluted EPS of $0.07, or $0.08 excluding workforce reduction charge and gain on sale of remaining Florida operations; down from $0.11
* Repurchased 603,200 class A shares for $2.1 million
* Funded debt ratio of 0.75-to-1

Have an opinion on this article? Post your comment below.
Salem sees revenue up in Q3 after gaining in Q2

Radio revenues were down slightly in Q2 for Salem Communications, but Internet revenues soared, so total revenues were up 5.7% to $56.1 million. The company says it expects Q3 to be up as well.

Broadcasting net revenue was down 0.1% to $45.4 million, with same station revenues down 0.7%. Station operating income (SOI) decreased 0.8% to $16.4 million – a drop of 0.2% on a same station basis.

Meanwhile, Internet revenues shot up 60.9% to $7.6 million. Internet operating income gained 85.9% to $1.4 million.

Salem’s smallest division, publishing, saw Q2 revenues increase 6.9% to $3.1 million. Publishing operating income more than doubled (up 140.6%) to $400K.

“For the second quarter of 2011, Salem is projecting total revenue to increase 4% to 6% over third quarter 2010 total revenue of $51.4 million. Salem is also projecting operating expenses before gain or loss on disposal of assets, terminated transaction costs and abandoned license upgrades and impairments to increase 3% to 6% as compared to the third quarter of 2010 operating expenses of $43.2 million,” the company said in its guidance to Wall Street.

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Today's Broadcasting News

RBR - Radio News
Cumulus taps Dennis Green from Westwood; Krasny replaces

TVBR - TV/Cable News
Lionsgate swings to profit, may launch cable
Entravision says Q2 was up 9-10%

Entravision says Q2 revenues were up in a range of 9-10%. The early peek at the financials was made as the radio/TV group operator announced plans to refinance its debt.

According to preliminary estimates, Entravision said Monday that Q2 revenues were in a range of $53.3-53.5 million, up 9-10% from $48.7 million for the same period of 2009. The revenue figure is for radio and television combined.

Entravision announced that it plans to offer $385 million in new senior secured notes due 2017. The private offering to qualified institutional buyers is expected to close on or about July 27th. The company also plans to enter a new revolving credit facility of up to $50 million.

The proceeds from the refi will be used to repay in full Entravision's outstanding indebtedness under its existing syndicated bank credit facility, with any excess going to "general corporate purposes."

At the end of Q1 Entravision reported long-term debt of $359.5 million.

Have an opinion on this article? Post your comment below.

Today's Broadcasting News

RBR - Radio News
- Battle for KTEK in multiple courts
- Dick Buckley dead at 85
- Bob Sprague dead at 71
- Q2 up double digits for Debut
- Yet another lawsuit over Emmis trying to go private
- Alpha Broadcasting stations to paint Portland clean
- Ralph Schoenleben dead at 94
- Houston’s KTEK-AM in two-step transfer
- Nielsen reports stability in 2nd year radio ratings
- Uecker to return to the booth

TVBR - TV/Cable News
- Strong showing for TV at McGraw-Hill
- Wisconsin flooding knocks WDJT-TV off air
- Qualcomm debating future for FLO TV
- LIN CEO: Comcast-NBCU merger good for broadcasting
- RFD TV got “Bullet” as well as “Trigger”
- LIN Q2 revenues up 21% and Q3 even stronger
- Surprise ad buy for Connecticut stations
- Granite Broadcasting raising relief funds for Darfur
- Television powers growth at Media General
- Lionsgate swaps debt, dilutes Icahn

APPENDIX III

OUT-OF-MARKET STUDIOS SERVING DISTANT DESIGNATED AREAS
Live music recordings

In 2004, Clear Channel acquired a key patent in the process of producing Instant Live recordings, in which a live performance is recorded directly from the sound engineer's console during the show, and then rapidly burned on CD so that audience members can buy copies of the show as they are leaving the venue. This had been intended to provide additional revenue to the artist, venue, and promoter, as well as stifle the demand for unauthorized bootleg concert recordings made by audience members. However, some media critics, as well as smaller business rivals, believed that Clear Channel is using the patent (on the process of adding cues to the beginning and ending of tracks during recording, so that the concert is not burned as a single enormous track) to drive competitors out of business or force them to pay licensing fees, even if they do not use precisely the same process. The patent was transferred to Live Nation when Clear Channel Entertainment was spun off, but the patent was revoked on March 13, 2007,[31] after it was found that this patent infringed on a prior patent granted for Telex.

Indecency zero tolerance

During the nationwide crackdown on indecent material following the 2004 Super Bowl, Clear Channel launched a "self-policing" effort, and declared that there would be no "indecent" material allowed on the air.[27] This led to the company's dismissal of several of their own employees, including popular and high-profile hosts in a number of cities. Free-speech advocates cried foul. During this same period, Howard Stern was dropped from six Clear Channel owned stations in Florida, California, Pennsylvania, New York and Kentucky. By mid-year, rival Viacom (through radio division Infinity Broadcasting) brought Stern's show back to those six markets. In June, 2004, Viacom/Infinity Broadcasting Inc./One Twelve Inc. filed a $10 million lawsuit against Clear Channel for breaking of contracts and non-payment of licensing fees due to the dropping of Stern's show. (Viacom was Howard Stern's employer at the time, though he has since moved to Sirius Satellite Radio). The following July, Clear Channel filed a countersuit of $3 million. [32]

Concerts

In the early 2000s, Clear Channel settled a lawsuit with a Denver, Colorado concert promoter, Nobody In Particular Presents (NIPP).[27] In the lawsuit, NIPP alleged that Clear Channel halted airplay on its local stations for (NIPP) clients, and that Clear Channel would not allow NIPP to publicize its concerts on the air. The lawsuit was settled in 2004 when Clear Channel agreed to pay NIPP a confidential sum.

Reluctance to produce local programming

Clear Channel uses the Prophet Nex-Gen automation system throughout their properties. Like most contemporary automation systems, Nex-Gen allows a DJ from anywhere in the country to sound as if he or she is broadcasting from anywhere else in the country, on any other station.[33] A technological outgrowth of earlier, tape-based automation systems dating back to the 1960s, this method — known as voice-tracking — allows for smaller market stations to be partially or completely staffed by "cyber-jocks" who may never have visited the town from which they are broadcasting. This practice may also result in local on-air positions being reduced or eliminated. It has been stated the Clear Channel maintains a majority of its staff in hourly-paid, part-time positions. Not all radio stations use Prophet; there are other systems available for broadcasters, especially when satellite-based programming is used.

Lack of local staff during emergency

Main article: Minot Train Derailment

Clear Channel was criticized for a situation that occurred in Minot, North Dakota on the morning of January 18, 2002. At around 2:30 a.m., a Canadian Pacific Railway train derailed and leaked 240,000 US gallons (910,000 L) of toxic anhydrous ammonia, releasing a cloud of caustic, poisonous gas over the city.[34] At the time, Clear Channel owned all six commercial radio stations out of nine in the Minot area. City officials attempted to contact the local Clear Channel.

Voice-tracking
From Wikipedia, the free encyclopedia

Voice tracking, also called cyber jocking and referred to sometimes colloquially as a robojock, is a technique employed by some radio stations to produce the illusion of a live disc jockey or announcer sitting in the studios of the station when one is not actually present.

Contents
- 1 Background
- 2 Variations
- 3 Formatics
- 4 Controversy

Background

Strictly speaking, "voice tracking" refers to the process of a disc jockey prerecording his or her on-air "patter." It is then combined with songs, commercials, and other elements in order to produce a product that sounds like an ordinary live air shift.

The process goes back decades and was very common on FM stations in the 1970s. At the time, elements were recorded on reel-to-reel tapes and cartridges and played by specialized equipment. It has become more controversial recently as computer technology permits the process to be more flexible and cheaper, allowing for fewer station employees and an effective illusion of live, local programming.

Most contemporary radio automation systems at music stations effectively function as high-tech jukeboxes. Pieces of audio are digitized as computer files and saved on one or more hard drives. Station personnel create "program logs" which list exactly what is supposed to be on the air and in what order. The computer follows the instructions set out in the logs.

Variations

In some cases, voice tracking is done in order to give station employees the flexibility to carry out other responsibilities. For example, a DJ may also have managerial duties as a program director or general manager. Voice tracking allows that person to record a three-hour air shift in under a half-hour, freeing him or her up to do office work. Alternatively, a popular live weekday morning host can record voice tracks for a Saturday show, allowing him or her to be on the air six days a week without actually spending extra time at the station. This can also be used if a DJ is ill, has jury service, a bereavement or has to cover an event as a journalist. This is also helpful during holidays like Christmas and Easter, when station employees are off to spend time with their families.
Companies that house more than one station can use the technique to stretch out their air staff. For example, the live midday disc jockey on a country station can then record voice tracks for the overnight shift of the sister rock station (often using a different name).

Undoubtedly, the most notorious form of voice tracking involves using out-of-market talent. In this form, the station contracts with a disc jockey in another city (often employed by the same corporation, but sometimes as a freelancer). The outsider will add local color using information provided by the station and news stories gleaned from newspapers available on the Internet. The recorded voice tracks are then sent to the station by shipping tapes, e-mailing the file as audio attachments, FTP, or dedicated networks. DJs of this style often make a point of trying to sound as local as possible, falsely claiming to have visited a local landmark or attended a station promotional event.

One motivation is to provide smaller-market radio stations with a polished, "big-city" sound. Using experienced professional disc jockeys can avoid mistakes often made by younger or less-experienced talent.

In all cases, DJs will consult the predetermined playlist on the program log so they can refer to the songs they will be "playing" on-air. It is critical that each voice track is properly labelled within the computer so it will play at the appropriate time. Otherwise, the DJ will be heard introducing the wrong songs.

Some "cyber jocks" provide voice tracking services for several different stations (and in several formats), sometimes located hundreds of miles away from each other.

Some voice tracking technology is so advanced that the end of one song and the beginning of another can be previewed by the DJ recording the voice tracks, making the recording of the voice actually live, though it is played back at a later time.

Depending on how the system is set up, a cyber jock may be able to plug the sound directly into the station's automation system remotely, meaning the local staff doesn't have to do anything at all (other than shipping local information and logs to the disc jockey).

When it is done correctly, the average listener (and even many professionals) cannot tell the difference. Time checks can even be added which can make the broadcast sound absolutely live. When it is done incorrectly, or an error occurs, it can be startling.

**Formatics**

Different radio stations want their DJs to speak only at certain times, so cyber jocks have to be made aware of each station's rules. What follows is an example.

At example station ZZZZ, the DJs have to follow certain rules. These are called formatics. Armed with the knowledge of these rules, and with the station's music log, the cyber jock can recreate what the finished program should sound like.

- DJs have to backsell (or give the title and artist of a song played previously) three songs before playing the commercials at 22 minutes past the hour.
- DJs have to read or play a pre-recorded weather forecast at 44 minutes past the hour.
- DJs have to play the station's legally required identification near the top of the hour.
- DJs are allowed to speak only over the song's instrumental portion at the beginning. (As depicted in the example below)
As an example, consider the following graphic. Picture it as a tape running through a player from left to right.

As song one begins to fade out the next song begins. In this case, the DJ does not start talking until the second song starts, and he stops at the point that the song's vocals start. This interval is called an intro, ramp, or post. This is the most common method. If the cyber jock knows the song that his voice will be played over, he knows how much time he has until he has to stop talking to avoid talking over the vocals of the song. If he times his speech correctly, he will do just that. DJs call this "Pegging the Post" or "hitting the post".

If the station employs other methods of doing this, the cyber jock should be familiar with them, and can alter his speech and timing to accommodate them. Cyber jocks can also listen to tapes of other people on the station to get an idea of the overall sound the station is working toward.

Controversy

Voice-tracking is a hotly contested issue within radio circles. Many claim that the sense of locality is lost, especially when a station employs a disc jockey who has never set foot in that station's town. There is also concern about voice-tracking taking away job opportunities and providing fewer opportunities for disc jockeys just starting out to build their skills.

Still, supporters of voice tracking contend that a professional presentation on the air by an outsider is preferable to using a local DJ who is not very good. They claim listeners generally like the sound, usually can't tell that there is not a live disc jockey, and often couldn't care less about the issue even when told. This, however, is not always the case, especially in towns where names have unusual pronunciations; if an out-of-market disc jockey cannot pronounce the name of a fairly common town in the market, it is often a dead giveaway that the jockey is voice-tracked from out of market. Because of this, out-of-market DJs will often avoid making references to local information to avoid any possible faux pas.

Proponents also claim that the cost savings gleaned from judicious use of voice tracking can help keep a struggling station afloat. In those cases, they argue, the process is actually saving other jobs.

Since voice tracking is designed to work without human intervention, stations using the process may have no one in the building at all outside of business hours. However, a station manager can often log into the station's main computer system from home (or other remote location) in certain instances, such as if a song track is not working properly.

Another concern is how to alert the public in the event of emergencies. If a warning of some kind (tornadoes, hurricanes, acts of war, blizzards, etc.) is issued by public officials, how will the public be alerted? In these cases, there are other automated systems that can come into play. Emergency Alert System (EAS) equipment can be programmed to automatically break in to whatever is playing and deliver information to the listener, usually from the computer voice of NOAA Weather Radio All Hazards. If the EAS is not activated, then someone is usually responsible for getting the information to the station and on
air as soon as possible. Many voice-tracked stations call this arrangement an on-call policy. If the EAS is not activated, then it is usually not a life and death emergency, but may be a breaking news story (such as a major fire or traffic accident that listeners need to be aware of). Most voice tracked stations often loan local TV meteorologists, news anchors, and traffic reporters to help fill that void.


Categories: Radio | Radio terminology | DJing

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XXTODD SUMlin _ staff photoFrom a console in Charlotte, rock music host Mr. Bill can do his afternoon show on WRFX-FM, plus handle the announcing for similar shows in Huntsville, Ala., and Jackson, Miss. By Staff Writer Mark Washburn photo courtesy of KRBB-FM Veteran broadcaster Lyman James records the afternoon drive-time shift on Charlotte's WLYT from a studio in Wichita, Kansas. He keeps current on Charlotte events by studying Web sites. Radio 'Ghosts' defy space, time, broadcasting. The voice of Charlotte... and Huntsville... and Jackson... Technology enables 'ghost' hosts to work radio air shifts without regard to time, station's location. Charlotte radio personality Mr. Bill does his afternoon show on WRFX-FM (The Fox, 99.7), then does an afternoon show on WTAK-FM in Huntsville, Ala., then does the night show on WSTZ-FM in Jackson, Miss.

For someone who never leaves the sleek studios of Clear Channel Radio off Billy Graham Parkway in Charlotte, he really gets around.

So does Phil Harris, who does a midday shift on Charlotte's WLYT-FM (Lite 102.9), then does afternoon drive time on WLYT-FM in Columbia. Or Chuck Boozer, who does the evening show on Charlotte's WWMG (Magic, 96.1 FM), then the midday show on WXQW-FM in Huntsville.

Technology now makes it possible_ and financially advantageous for stations_ for one ...

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CLEAR CHANNEL LAYOFFS
Clear Channel Traffic Layoffs + KFI Addition

(March 30, 2012 - 11:35 a.m.) Clear Channel traffic/news reporters were braced for a bloody morning after Total Traffic/LA head Don Bastida was let go yesterday. We have heard that Randy Fuller, Dominic Garcia in traffic and Steve Boehm and Richard Santiago in news have exited the Clear Channel facility.

Being added to KFI is Mo Kelly, most recently the daily host/producer of Diverse LA on KTLK for the past three weeks. Mo will appear on KFI Saturday nights from 6 p.m. to 8 p.m.
Clear Channel to Cut U.S. Work Force by 7%

BY SARAH MCNIDE

Clear Channel Communications Inc. plans to lay off about 7% of its U.S. staff and replace more local shows with syndicated content, moves that could affect the broader radio and outdoor-advertising businesses for years to come.

Tuesday, Clear Channel will lay off about 1,500 employees, mostly in ad sales, and implement other cuts aimed at saving close to $400 million, ...
NAB KNOWLEDGE OF AND PROPONENT FOR FM/HD RADIO CHIPS/MOBILE DEVICES
Radio in Mobile Phones Benefits Listeners

As discussed recently at a Capitol Hill roundtable, NAB continues to encourage mobile phone providers to offer broadcast radio as a feature for the benefit of their customers.

In fact, new research conducted by Harris Interactive on behalf of NAB shows that 81 percent of Americans not only want free, local radio as a feature, but would be willing to pay a small one-time fee to get it, citing its importance during emergencies.

NAB has resources available for radio stations to educate their listeners about the benefits of radio-enabled mobile devices such as providing local news, entertainment and emergency lifeline information. By visiting www.RadioRocksMyPhone.com, broadcasters can access:

- A variety of spots in :60 and :30 versions (in English and Spanish)
  *Note: Airing spots on this issue will require stations to comply with certain regulations. Click here for more information.*
- Scripts for stations that want to create spots with their own talent
  *Note: Airing spots on this issue will require stations to comply with certain regulations. Click here for more information.*
- Website banner ads that stations can use to promote www.RadioRocksMyPhone.com where listeners can learn more about the issue
- Consumer-focused message points
- A print ad gallery
- Research showing consumer desire to have radio-enabled mobile phones

The spots promote NAB's key messages and encourage listeners to seek out mobile phones with broadcast radio capability. As demonstrated during numerous national and international disasters, broadcasting is not only the most efficient medium — reaching thousands with a single transmission — but it's also the most dependable. Radio provides the most practical, efficient and cost-effective way to keep Americans safe and informed, especially in times of emergency.

Please contact NAB's Marketing department with any questions at (202) 429-5310.

*Because this is an issue NAB has advocated before Congress, these spots may be considered "issue advocacy." Stations choosing to air the spots must comply with certain regulations.*

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http://www.nab.org/xert/2012EMails/newsletters/pulse/051412/radioready.html 5/21/201
DISH's ad-skipping service draws barb from NBC exec

DISH Network's announcement of a commercial-skipping service for delayed playback drew condemnation from NBC Broadcasting Chairman Ted Harbert, who called Auto Hop "an attack on our ecosystem." Auto Hop is part of DISH's PrimeTime Anytime feature for the four major networks. It automatically blacks out all commercials if the shows are viewed the following day or later. Los Angeles Times/Company Town blog (tiered subscription model) (5/13) [Read]

On the Internet, page-loading delays can stop customers from buying. Download our free report 3 Proven Ways to Boost Transactions with Web Acceleration and learn how Limelight Network's front-end acceleration technology can improve Time to Actions.

Radio sees FM chip as extension of emergency role for public

Radio has always gone to great lengths to serve its listeners in times of emergency and to ensure that no matter the circumstances, the equipment will work and its signal will reach audiences in need of critical news and information, according to this editorial. For this reason, the medium believes it's in the best interest of the community to team up with the wireless industry to include an FM chip in every handset. "We expect no real monetizable increase in listening through the cellphone chip. But we do want to be easily accessible to our listeners"
Beasley Says Chips in Phones Is The Right Thing to Do

High ranking radio broadcasters have rallied around a single message when it comes to getting FM chips into the fastest growing consumer product on the market...the smartphone. NAB Radio Board Chair Caroline Beasley took that message a step further Tuesday when she said, "it seems like government has a responsibility to provide access to information in an efficient way and that would be putting chips in cell phones." Beasley made that statement while sitting on a panel with two FCC Commissioners, Robert McDowell and Mignon Clyburn (who Beasley is pictured with here). It was followed by a round of loud applause from the audience.

The objective of the radio industry is to get the chips in the phones so that if a cell tower did go down during an emergency, the icon on the phone representing local radio stations would still function on the phone. Not only that but the chip delivery means the stations are not running through an online app (a stream) therefore not using the dwindling data pipes, another sidebar selling point broadcasters are using. Most consumers, these days, do not leave the house without their phones. In fact, it seems, most people do not go anywhere without their cell phones. That scenario appears to be accelerating with the next generation. Teens text each other more than they talk to each other. They share and discover news about their friends through social media, typically on the cell phones.

The Monday announcement of a new HD chip that is smaller and cheaper seems to have given the radio folks some positive momentum. What remains to be seen is whether the carriers, especially AT&T and Verizon give a hoot. And, whether broadcasters can convince carriers to part with that real estate. Most likely, if the carriers believe they can make money from the chip, they will sign on. There are two other key questions about the chip. How many broadcasters really care enough to carry the water? Will those mom and pops delivering the hurricane coverage or the tornado coverage take the time to call their local Senator or Congressman? What else can they do or should they do? Do they even know what they should do? And, finally, does John Q. Public care? Maybe not until an emergency hits and the phone goes dead. And the TV goes dead. And the power goes off.

Beasley's statement about government responsibility was probably fueled by the fact that she had just finished handing out 10 Crystal Awards to radio stations all over the country (listed in the story below). The award recognizes the great work local radio stations do all over the country serving local communities. Nearly every station that took home a trophy said, "this is what we do, we serve our communities." The issue didn't seem to get much of a charge out of the two commissioners on the panel. Commissioner McDowell stated as "handsets evolve, consumers are demanding thinner and smaller. The real estate is quite a battlefield and there is a limited amount of space. Perhaps a little reading between the lines...this thing is being fueled by the radio industry, not the consumer.
May 10, 2012

Top Story

Obama chooses soft venue for same-sex marriage advocacy
President Barack Obama's decision to come off the fence on same-sex marriage was disclosed in an unusual way, in conversation with "Good Morning America" co-host Robin Roberts. The White House may have chosen Roberts because she was a "warmer, gauzier" presence than co-host George Stephanopoulos or others, observed Frank Sesno, a former CNN White House correspondent. "If you're the White House and you have to deal with something this white-hot, do you want to engage this as a news story or as conversation across the back of the fence?" Sesno asked. The Washington Post (5/9)

Business & Industry Report

Why FM radio chips are good for broadcasters, public, mobile carriers
With research showing consumers want FM chips in their cellphones and a compelling argument for their inclusion as a public safety tool during emergencies, the radio industry "needs to keep pounding away" at this issue, according to longtime industry consultant Alan Burns. Mobile carriers also would benefit from the chips, which would help free up precious bandwidth, Burns says. Radio Ink (5/9)
Citizens want radio-receiving cell phones

By Dave Seyler on May, 8 2012 with Comments 3

The NAB was excited by a new Harris Interactive poll that showed support for terrestrial radio capability in cell phones is picking up. 81% would consider paying the small fee for a chip to make their phone radio-capable.

“The results of this survey demonstrate again a significant and growing demand for radio-capable cell phones in the U.S.,” said NAB Executive Vice President of Communications Dennis Wharton. “We’re hopeful that as demand for this capability becomes more apparent, wireless carriers will voluntarily offer this feature or activate radio chips already in their devices. Radio-enabled cellphones are a standard feature in much of Europe and Asia. From a public safety perspective alone, there is a strong case to be made for wireless carriers to also voluntarily activate radio chips in cellphones in the U.S.”

NAB used the occasion to recall the words of former FCC Michael Copps, who after a series of weather emergencies in 2011 commented, “We share a duty to think creatively about how we can arm consumers with additional ways to communicate during disasters…I think the time is here for a thorough, calm and reasoned discussion about FM chips in handsets.”

NAB highlighted several data points:

* Eighty-one percent of cell phone owners would consider paying a one-time only fee of 30 cents (the approximate cost of a microchip) to access local radio stations through a built-in radio chip, compared to 76 percent in 2010. For cell phone owners with children in the home, the number was 85 percent, up from 79 percent in 2010. The percentage of retirees who favor radio chips in cellphones rose to 76 percent from 66 percent in 2010.

* Local weather and music are the top two reasons survey participants would listen to their local stations on their cell phones.
* Seven out of 10 cell phone owners, 69 percent compared to 73 percent in 2010, indicated that having a radio built into their cell phone, capable of providing local weather and emergency alerts in real-time, would be “very” or “somewhat” important. The number was higher – nearly eight out of 10 adults, 78 percent – for those with children in the home.

* Three-quarters (76 percent) of U.S. adults, would use a radio built into their cell phone, up from 66 percent in 2010. Younger adults are even more likely to use such a feature. Eighty-six percent of 18-34 year olds, as well as 81 percent of single and never-married adults (up from 71 percent and 73 percent respectfully in 2010), indicated they would use a built-in radio to listen to local stations if their phone was equipped to do so without using mobile apps or their wireless provider’s data plan.

“Like in 2010, this survey again shows that a strong majority of American cell phone owners would use a radio built into their cell phone,” said Regina A. Corso, SVP Harris Poll, Harris Interactive. “Particularly in this day of ever-rising wireless data fees, four in five cell phone owners would pay a small one-time fee to access local radio programming.”

RBR-TVBR observation: There is a public interest angle to making radio-on-cell widely available, not to mention a spectrum-efficiency angle. The federal government should be encouraging this as best it can.

Filed Under Broadcast News Radio News

Tags: NAB

About The Author: Senior Editor Dave Seyler is closing in on 20 years with RBR-TVBR. He joined the company in 1992 after breaking into the broadcast trades with Broadcasting and Cable. He provides coverage of Washington, station transactions, general statistical reports and just about any other topic. He is learning to dodge hurricanes as the editor in residence at RBR-TVBR’s Outer Banks NC news bureau.

The HOT List

Clear Channel scores Boston FM
Support for FM on cell phones grows.

Four out of five (81%) Americans who own a cell phone would consider paying a small, one-time 30 cent fee to access local radio on a mobile phone. That’s according to a new Harris Interactive survey commissioned by the National Association of Broadcasters. The cost is how much it’s estimated to include the microchip on a mobile phone. Three-quarters (76%) of adults say they’d use the feature, up from 66% in 2010.

Local weather and music are the top two reasons survey participants would listen to their local stations on their cell phones. Seven out of 10 cell phone owners indicated that having a radio built into their cell phone, capable of providing local weather and emergency alerts in real-time, would be "very" or "somewhat" important. The number was higher – nearly eight out of 10 adults – for those with children in the home.

"The results of this survey demonstrate again a significant and growing demand for radio-capable cell phones in the U.S.," NAB EVP Dennis Wharton says. "We're hopeful that as
Download This: How Radio Fans Use Mobile Devices

By Dave Seyler on Jun, 26 2012 with Comments 0

Young-skewing format fans love to download apps on their favored mobile platform the most, but all format fans do it. We have the click-by-click details based on comprehensive data from BIGinsight.

Overall, games are the most popular download, but there are 16 other categories measured by BIGinsight, going all the way down to downloaders who are seeking medical information. We kick off the study with a look at benchmark adult 18+ figures. Those identifying themselves as fans of a particular style of radio tend to download to a greater extent than the population as a whole.

There are also differences in how many fans download mobile applications, another good thing to know. The frequency of downloading ranges from 74.6% of the young Alternative audience to only 58.2% of the older Oldies audience. Not surprising – but maybe it is a surprise that as many as six in ten of the oldest-skewing format is participating in cutting edge technology offerings.

It goes to show that this is information that no radio station can afford to ignore.

Boilerplate: The number in parens after each format heading refers to the average age of the audience. The download apps percentage refers to how many in a particular audience download mobile apps. The specific percentages refer only to the downloader portion of the audience. For reference, we have placed the 18+ ranking in parens for easy reference as you make your way through the charts.

Adults 18+ (45.3)
62.5% Download apps
The notable number for us is the 38.6% that download internet radio. We note for starters that almost all radio format groups exceed this level – Country is the lone exception – and some exceed it by a lot, particularly among younger-skewing formats. What it says to us is that the presence of an FM chip on mobile devices and compelling local content could pay off for broadcasters.
APPENDIX VI

NAB TRADE PRESS RESPONSE TO SAUL LEVINE LETTER
Mt. Wilson Owner Saul Levine Writes Stern Letter To NAB... Threatens To Withdraw Membership

March 22, 2012 at 7:27 AM (PT)

Saul Levine

MT. WILSON BROADCASTERS/LOS ANGELES Owner/Pres. SAUL LEVINE has sent a letter to the NAB (NATIONAL ASSOCIATION OF BROADCASTERS), opposing their review on ownership rules, and their decision to petition the FCC to do away with rules against consolidation, and to allow entities such as BAIN CAPITAL/WALLSTREET.

In the letter, LEVINE says that he will cancel his membership to the NAB unless they withdraw their comments, that he says 'only benefit WALL STREET.'

LEVINE, one of the oldest independent owners in the country, also says that the NAB made their review without first doing a survey of NAB members, and that such new rule bending would essentially allow corporations to own virtually all of the radio stations in the U.S., making independent owners extinct.

NAB Hopes He Stays A Member

NAB EVP/Communications DENNIS WHARTON responded by telling ALL ACCESS, "We respect Mr. LEVINE's position and hope that he remains in membership. NAB's support for continued relief from restrictive broadcast ownership rules is the longstanding position of our Board of Directors, which includes many small and media market radio station operators."

< see more Net News

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