



May 15, 2018

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street SW
Washington DC 20554

Re: MB Docket No. 17-289

Dear Ms. Dortch:

I understand that the FCC has proposed to adopt an incubator program to encourage larger, more established broadcasters to provide financial, technical and managerial assistance to small businesses, particularly those owned by minorities and/or women. This issue is particularly important to me as a woman who owns and operates 18 AM and FM radio stations in very small markets. I know from experience the challenges of entering this industry and growing a station group.

I am the President of Riverfront Broadcasting, LLC.¹ I was enamored with radio broadcasting from a young age. Radio involves news, public affairs, entertainment, community engagement and advertising—and I was interested in all those things. In high school, I walked into Station KYNT-AM, a local station in my hometown of Yankton, South Dakota, and told the manager I wanted to own the station one day. The station manager gave me a job, and I spent the rest of my high school years learning everything I could about station operations. I continued to work at the station over the summers and holiday breaks during my years at Buena Vista University in Iowa. I also held a position at a local station near BVU, working in advertising sales and traffic. I continued working at various Iowa radio stations for several years after college, and in 1997, I returned to my hometown to take a position in sales at KYNT-AM. I became the station's sales manager in 2001.

In 2004, my mentor gave me a lead on a potential purchase—an AM/FM combination in Nebraska City, NE. I decided to found Riverfront Broadcasting together with my husband, a biotechnology engineer by training who had learned broadcast engineering. We planned to operate the station under the current owner's leadership pursuant to a local marketing agreement or "LMA" for three years and close on the purchase of the station by June 2007. While launching our new business did not have all the costs associated with purchasing a station in the near term,

¹ I am the majority owner of Riverfront. My husband, Doyle Becker, holds a minority interest.

we still had to leverage everything we had to raise working capital, including taking out a second mortgage on our home. We then worked with a bank in Nebraska City to secure the loan we would later need for the station purchase. We spent a lot of time educating one loan officer about broadcasting, and she was finally convinced. However, as our closing date approached, the loan officer left the bank, and the financing completely fell through. We went to at least five more banks, and all of them declined. We finally tried a local bank in Yankton. The bank was reluctant at first—it had never extended a loan to a broadcaster, and a broadcast business plan doesn't have the usual benchmarks of most businesses. Ultimately, they made the loan and Riverfront owned its first two stations. Soon after that closing, I learned of six stations for sale in South Dakota—again through professional connections. We worked with the same bank to finance these stations. As with our initial purchase, Riverfront first entered into an LMA with the owner in 2008, and took over ownership two years later, in 2010. When the transaction closed, I realized my childhood dream of owning Station KYNT-AM.

Over the next eight years, Riverfront has continued to grow, primarily through acquisitions, although we also successfully participated in two FCC auctions. Over time, our lender became less wary of doing broadcast deals with us, so we experienced fewer challenges in our more recent acquisitions. However, I continually work to educate our bank by sharing updates on the broadcast industry.

Riverfront continues to operate in markets that I would describe as “micro” markets. Some of our stations are licensed to towns with populations as low as 4,000. Riverfront's growth strategy has not involved acquiring stations in larger markets. Instead, we buy additional stations that are geographically proximate to other small markets we serve in Iowa, Minnesota, Nebraska and South Dakota. We have also sold some stations, with an exit strategy that is a little different. When we can, we sell to people who have ties to the local community. For example, one of my Sales Managers worked her way up to a General Manager role, and had always expressed an interest in ownership. When we were ready to sell the station, we introduced her to our bank, which by then had significant experience in broadcast lending. The bank financed 80% of her purchase, and Riverfront loaned her most of the remainder of the purchase price, fostering the entry a new owner—and female owner—into the industry.

There are significant challenges for anyone who wants to enter the broadcast industry. Developing expertise by working in the industry and building relationships with owners of stations I was interested in was critical to my success. But without that first loan, I would still be working for someone else. For every person like me, who convinced a bank to take a chance on their broadcast business plan, there are many others who tried just as hard, but failed. If the Commission can identify ways to incentive broadcasters who have the resources to help close that financial gap, it will go a long way to making new entry more viable. I encourage the FCC to continue its efforts to establish an incubator program.

Please feel free to contact me with any questions.

Sincerely,

/s/

Carolyn Becker
President
Riverfront Broadcasting, LLC