

QUANTUM

A D V E R T I S I N G / D E S I G N

Re: Docket No. 17-105

July 31, 2017

To whom it may concern,

As the owner of a largely retail advertising agency, representing a large number of retail business located primarily across Utah Valley, allow me to explain how valuable it would be to have the ability to place advertising schedules on Salt Lake Metro Radio stations WITHOUT paying for the entire Metro.

Not unlike many other metros across the country, the Salt Lake City metro is made up of Five Counties in Utah stretching over 125 miles North to South. Utah County, where we do most of our business, is the southernmost county in the metro.

As a practitioner of advertising for Local Businesses, primarily in the southern most county of the Salt Lake metro for 45 years (since 1972) we have found that it is almost impossible to get a retail customer to drive South from Salt Lake County to make a purchase in Utah County. Considering that Salt Lake County is adjacent to Utah County, it's ridiculous to even discuss the probability of a customer coming to Utah County from either Davis or Weber Counties, the two northern most counties in the Metro.

In MOST cases as much as 80% of a stations audience lies OUTSIDE of Utah County. To illustrate, in the June 2017 Nielsen Radio report, 77.5% of All Average radio listenership in the Salt Lake Metro falls OUTSIDE of Utah County.

For over 40 years I have fought to get concessions for my clients to purchase advertising at a reduced rate because of the metro wasted audience. We have been FORCED to learn how to use OTHER media that allow more focused geographic targeting, such as billboard advertising and Cable TV advertising.

We REGULARLY turn to Comcast Cable TV advertising, as they split up the metro into 8 zones. We can target HALF of Utah County for example. With the "Zoned-Targeting" many of our smaller retail businesses can afford to dominate the Comcast Cable subscribers in a single zone. But even that is not perfect as only approximately 40% of households are Comcast Subscribers here in Utah. It would be terrific if we had OTHER tightly geo-targeted capable BROADCAST media to help these smaller local businesses.

If there was ANY way that a radio station could split up their broadcast coverage for zoned-advertising, we would be HAPPY to pay a premium for that ability. We would EXPECT to pay more than the

roughly 22.5% of the advertising rates to be able to afford to run twice as many advertisements or on twice as many radio stations.

With the eight zones Comcast splits up it's Metro areas into, we pay about three to four times the one-eighth of the Metro Rate we would pay for Metro Coverage. We would be happy to do more or less the same for zoned radio advertising were it available.

Let's say that tomorrow a radio station here could sell us just their Utah County coverage. Let's say that their Utah County coverage is 22.5% of their Metro Audience. We would be thrilled to be able to buy that county coverage for 50% of the Metro Rate (even though we would be getting only 22.5% of that metro audience.)

Doing a little simple third grade arithmetic... If a station that was billing \$75,000 a month was able to take 50% of their advertising inventory and sell it in zoned fashion.. And charge 50% more than the 22.5% prorated metro rate... it would increase that stations billing to over \$120,000 AND provide a valuable service for LOCAL businesses that have NO hope of getting customers to traverse the increasingly BUSY freeway miles from outside our home county.

It would seem unfair and unreasonable to hold back radio broadcasters from offering this kind of advertising flexibility if the technology were available, particularly in light of the fact that cable companies have been able to offer this sort of service for the past many years.

If the FCC is interested in helping local radio stations regain some vitality, and at the same time be supportive of local small businesses, allowing zoned coverage for radio stations seems to me only logical.

If the FCC or any interested parties have any questions for me and would like more specific examples of actual advertising plans that would benefit from this today for my clients, I would be happy to comply.

Sincerely,

A handwritten signature in black ink, appearing to read 'Theron J Wardle', with a stylized, cursive script.

Theron J Wardle
Quantum Advertising