

Radio advertising news, trends, strategies & stats for stations, networks, syndicators, advertisers and agencies.

# Radio AdBiz™

From the Publishers of Radio Business Report Inc., 17 Years

Volume 4, Issue 7 July 2000

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Total Radio agency:

A riff from Raff

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## Hello, Goodbye.....

### A conversation with Traug Keller and David Kantor

by Carl Marcucci

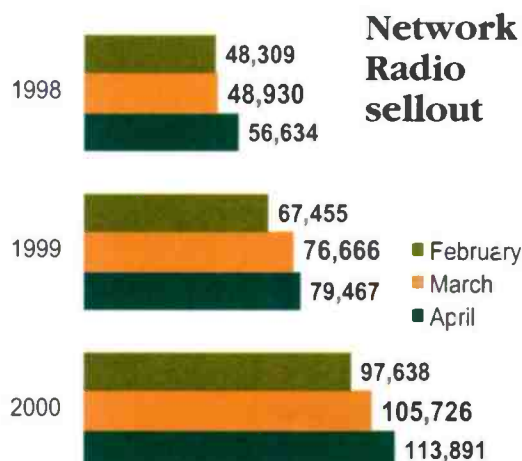


#### Traug Keller: Taking the reins of ABCRN

We guessed it first: (RBR.com 6/19): Former ABC Radio Networks EVP Sales and Marketing **Traug Keller** was chosen 6/20 to head the Network as its President, replacing **Lyn Andrews** (RBR 6/5, p.3). His new management was also announced, as promoted by ABC Radio President **John Hare** were **Darryl Brown** (EVP/GM) and **Jennifer Purtan** (SVP Sales).

Keller, who joined the organization in 1994 as VP, Eastern Sales, now oversees all programming (including Radio Disney and ESPN Radio), affiliate relations, engineering, finance, research and Internet functions. He, his wife **Connie** and three children are relocating from the NYC area to ABCRN's Dallas HQ. "I'm thrilled. I view this as one of the most dynamic and exciting places to be in the radio business. My first tour of duty, going over the different departments over the next 30-90 days is to make sure that we kind of narrow and simplify our goals," Keller tells *AdBiz*. "The long term view is how do we make our programming relevant in the brave new world of Internet, broadband coming, wireless to the car and whatever else is out there seven years from now. That I view as the biggest challenge."

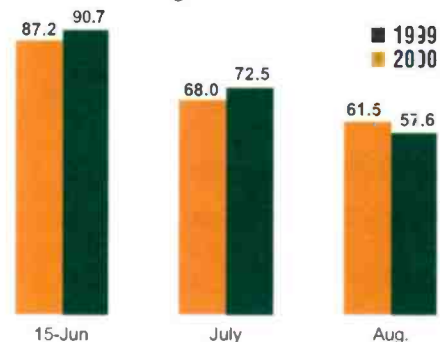
Cont. on AB4



## RBR/Miller Kaplan Market Sell Out percentage report

### Summer levels off

Inventory demand has, after a long period of year-on-year growth, begun to level off. That puts radio on a high plateau, if stations have been able to hold the line on pricing. "Since the summer of '99 was a hot summer for radio demand, we're seeing a continuation for this year," says **George Nadel Rivin** of Miller, Kaplan, Arase & Co. "The August numbers look especially promising since August of 1999 was a strong month."—JM



**Guru raises ad spending forecast**

Radio has made a believer out of **Bob Coen**, Sr. VP & Director of Forecasting at Universal McCann. In the mid-year update of his ad spending outlook, the closely watched forecaster increased his 2000 projections for most media, but raised his radio projection the most—both at the local (to 12%) and national (to 15%) levels.

"Back in December we expected that the many special millennium-year events would provide extra acceleration to the degree that advertising outpaced the US economy this year. The year 2000 census added millions of dollars of extra advertising expenditures in the opening quarter of this year and primary election contests involved exceptionally high advertising outlays," Coen said in his 6/27 "Insider's Report." "This is even before the main contests that will start in the late summer and early fall months, just about the time the Summer Olympics telecasts are aired from Australia in September."

While others have been warning of a drop-off in dot-com advertising, Coen sees just the opposite: "Despite some losses in stock market prices for a number of high-tech marketers, their advertising activities have not slowed; in fact the importance of advertising has continued to rise as they rush to build their share of on-line commerce."

Based on Coen's projections, it looks like radio is having some success in taking business away from newspapers at the local level. While the newspaper industry's effort to reassert itself as a national advertising medium is making some inroads, Coen has lowered his expectations for print at the local level—now forecasting a 5% gain, rather than 6%. His local TV projection held at 8.5% but radio shot up three full percentage points to 12%.

"Retailers are presently holding down their advertising outlays by switching from display ads in newspapers to less costly pre-prints, with much of the savings going into radio," Coen explained.—JM

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**Bob Coen's Advertising Forecast**

(\$ in millions)

Ad spending National	2000 forecast gain as of 12/99	2000 forecast gain as of 6/00	2000 ad revenues forecast as of 6/00
Big 4 TV nets	9.0%	12.0%	\$ 5,636
Spot TV	8.0%	9.0%	\$ 11,445
Cable TV	15.0%	20.0%	\$9,000
Syndication TV	8.0%	9.0%	\$3,128
<b>Radio (net &amp; spot)</b>	<b>8.0%</b>	<b>15.0%</b>	<b>\$4,553</b>
Magazines	7.5%	7.5%	\$12,290
Newspapers	8.0%	12.0%	\$7,121
Direct mail	7.0%	8.0%	\$44,715
Yellow pages	8.0%	7.0%	\$2,125
Internet	75.0%	75.0%	\$ 3,395
Other national media	8.0%	10.5%	\$28,469
<b>Total National</b>	<b>9.1%</b>	<b>11.1%</b>	<b>\$141,877</b>
<b>Local</b>			
Newspapers	6.0%	5.0%	\$42,304
TV	8.5%	8.5%	\$13,758
<b>Radio</b>	<b>9.0%</b>	<b>12.0%</b>	<b>\$14,847</b>
Yellow pages	6.0%	5.5%	\$ 11,253
Other local media	7.1%	8.0%	\$11,606
<b>Total Local</b>	<b>7.1%</b>	<b>7.0%</b>	<b>\$93,768</b>
<b>Grand Total</b>	<b>8.3%</b>	<b>9.4%</b>	<b>\$235,645</b>

Source: Universal McCann "Insider's Report," 12/99 & 6/00

more Stats on AB13

**Rick Dees wakes up the  
ENTIRE FAMILY in the  
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**A18-49 #1**

**A25-49 #1**

**A25-54 #1**

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Source: Winter 2000 Arbitron Survey - Released 4/25/00



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Here, Traug answers some frank questions about his new role:

### **What are your main goals for ABC Radio Networks?**

Building on our current distribution, programming and ad sales. We have very focused and essential goals with concentration in these three areas.

I will continue moving the organization ahead as we proceed with our strong performance in customer service—making sure that our people in affiliate relations stay on the road, seeing our customers, getting to know their operations and always staying focused on what drives our affiliates' businesses.

### **What are ABC Radio Networks' strengths and weaknesses?**

Our strengths are our products. ABC News Radio is second to none, receiving more awards in the past four years than all our competition combined. Amidst all of the industry consolidation, a great news product is a tremendous and powerful asset.

Our talent also leads radio through compelling, energetic and personal connections with audiences. From **Tom Joyner**, to **Doug Banks**, to **Paul Harvey**, to **Bob Kingsley**, **Dick Bartley** and **Bob Brinker**, our hosts and personalities interact with listeners, building loyalty and community through their abilities to entertain, and through their insights and great perspectives on daily life.

Our weakness is that we have not been a huge radio consolidator, and therefore we have less control over our distribution. All that means is that we must strive to maintain excellence in programming, content and customer service.

### **How do you plan on preparing ABC Radio Networks to work content and sales into the broadband and wireless Internet media?**

We are reviewing all our options. It's important that we first serve our radio affiliates. Broadband and wireless offer future distribution opportunities and allow us to deliver our content to places and people heretofore unavailable.

### **Tell us about your radio history.**

I am a radiophile, and have been all my life. I started out at *The New York Times*, but my heart was always with radio. And when an opportunity arose at *The New York Times'* classical station WQXR, I jumped at it. I became local sales manager and then moved on as Account Executive at CBS Radio Networks. After several years, I was appointed as Director of Eastern Sales at CBS Radio, where I served until I joined ABC Radio Networks as Vice President of Eastern Sales. When **Lyn Andrews**

took on her role as President, I took responsibility for all ad sales and marketing.

Working with the tremendous talent and caliber of professionals at ABC Radio has been a great privilege, and I am very charged by the energy, creativity and quality of the entire group.

### **What are your thoughts on Radar 65?**

Radar 65 was a mixed bag for us. ABC Radio Networks' limited inventory, Young Adult, FM and News-Talk all increased very well. We suffered some erosion with our line networks, but these results were expected. I've been in this business long enough to know that one Radar doesn't indicate a trend.

### **How are upfronts looking?**

The upfronts marketplace for 2001 looks quite strong. We have had several inquiries and have several big deals working. The frenetic character of TV upfronts has definitely spilled over to radio, and we're stronger than we've ever been.

### **How are you preparing for the combined entity of AMFM and Premiere?**

We are looking forward to competing. They have great product and they have great people, and I also look forward to growing the network radio pool with them.

### **David Kantor: taking stock and moving on**

**David Kantor**, after being appointed President of ABC Radio Networks in early '96 and then given the direction of launching a new network—AMFM Radio Networks in late '97—is leaving (*RBR* 6/26, p.2) after the Clear Channel-AMFM merger to do his own thing. Kantor worked a strategy that delivered 66M listeners to the network—38% of it unduplicated—which translated to adding further appeal to network advertising. That new audience suddenly filled in the holes that put network radio on a reach par with cable and network TV. Let's face it—both AMFMRN and Premiere Radio Networks' new RADAR-rated networks brought new advertisers to the biz.

While David will end up staying a consultant to Premiere into early next year, he's embarking on new and different career agendas. Here, David tells us about it.

### **How does it feel to be truly on your own?**

It feels great. I think it's an exciting time in our business. Not only has consolidation led to lots of opportunities for the big companies like Clear Channel and Infinity or the networks like

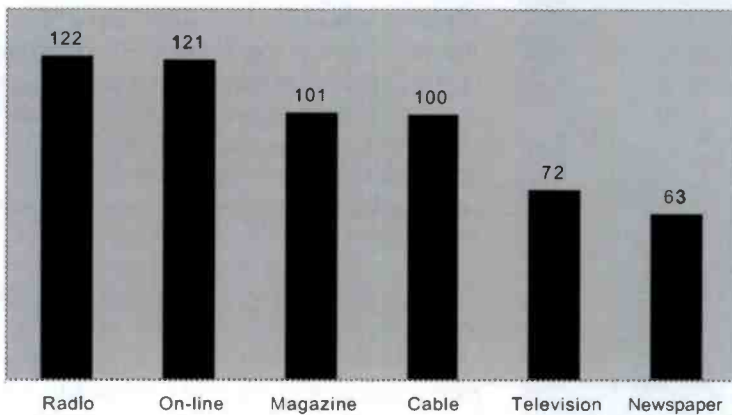
**continued on AB 14**

## AdStats

### Gen X media habits

Interop's study of Gen Xers, "The Evolution of X/Adult 18-34 Consumers," shows that the group is among the heaviest users of radio and on-line services. While Generation X is defined as those born between 1965-1978 (which comprises 19% of the U.S. population or 52.3M), for purposes of this study, it is broadly defined as those who are between 18-34 (64M). The Gen X segment is a good reflection of the changing demographic of the U.S. It is the most diversified adult generation of which 66% are non-Hispanic White, 13% are Black, 16% are Hispanic, 5% are Asian and 1% other. Radio reaches 94% of Gen Xers and radio formats with the highest concentration of this group include: CHR (index 207), AOR (index 198) and Modern Rock (index 195).—KM

Likelihood of Heavy Media Consumption (Quintile I Usage)



### House ads nearly 20% of online advertising

There's nothing like tooting one's own horn to draw attention to one's website. The latest monthly AdRelevance Intelligent Report released by AdRelevance, a division of Media Metrix (O: MMXI), shows that almost 20% of web advertising are house ads. This despite a 65% increase in the number of web advertisers since January 2000.

**Charlie Buchwalter**, VP/Media Research, AdRelevance, says that almost \$26M of potential online ad space goes unsold every week. He adds, "It's important to note, however, that this house advertising phenomenon is not equally spread across all sites. Portals, community sites and search engines are able to sell a higher percentage of their inventory than a variety of smaller, more vertical website genres." **Will Hodgman**, President, AdRelevance and Chief Marketing Officer, Media Metrix, says the information from the monthly reports can help media buyers determine inventory levels of websites and gain leverage in negotiating buys. Key findings after monitoring 500 highest trafficked ad-supported sites between January and April 2000 are highlighted below.—KM

- 179 online companies devoted more than 1% of their inventory to house advertising
- House advertising accounted for more than 17B online ad impressions out of a total of 92B impressions
- Few companies are extensive users of house advertising: 63 sites carry over 20% house ads and only 15 sites in genres such as kids and family, games, and movies and television, run greater than 50% house ads
- Compared to other website genres, vertical sites such as online employment companies lead the pack when it comes to running house ads. Approximately 45% of all online ad inventory on employment sites is devoted to house advertisements, while portals run an average of 12% house ads

## Regional differences in media usage

Interop's study of regional differences in media usage shows that there are geographical pockets of heavy users of different media. For radio, the West Central region showed a slightly elevated concentration of heavy users, but generally, all indices for heavy usage fell between the statistical "neutral" range of 90-110. However, there were clear differences in radio format preference in different regions of the country. For example, the Northeast showed a preference for Modern Rock, the Pacific for Jazz/NAC and the Southwest for Urban.—KM

### Top Three Radio Formats by Share

#### Metro #1: New York

1. News/Talk	18.6%
2. Urban	12.7%
3. Spanish	11.5%

#### Metro #2: Los Angeles

1. Spanish	24.5%
2. News/Talk	13.9%
3. Urban	11.2%

#### Metro #3: Chicago

1. News/Talk	25.7%
2. Urban	13.1%
3. Spanish	7.7%

#### Metro #4: San Francisco

1. News/Talk	17.6%
2. Urban	13.3%
3. Spanish	6.7%

#### Metro #5: Philadelphia

1. Urban	16.8%
2. News/Talk	16.2%
3. AOR	9.5%

#### Metro #6: Dallas-Fort Worth

1. Urban	11.3%
2. Country	11.2%
3. News/Talk	10.5%

#### Metro #7: Detroit

1. News/Talk	18.0%
2. Urban	17.6%
3. AC	7.6%

#### Metro #8: Boston

1. News/Talk	17.3%
2. CHR	11.9%
3. AC	8.8%

#### Metro #9: Washington

1. Urban	22.8%
2. News/Talk	15.2%
3. Country	6.1%

#### Metro #10: Houston

1. Urban	16.4%
2. Spanish	15.0%
3. Country	11.0%

Source: Interop Research Format Shares - Persons 12+ - Mon-Sun 6A-12M. Based on Fall 1999 Arbitron Metro AQH Station Shares.

# Raff Radio's Franklin Raff on the virtues of radiocentrism

by Karen Maxcy



**Franklin Raff**, Director, Raff Radio, didn't think it was right for radio to wait in the wings, to be used only when TV was cast aside for it. In 1998, Raff and his college friend (both met at Yale University's WYBC-FM) **Tom Jameson**, Creative Director, launched the agency that was fully backed by client investments. With experience in radio management, sales and also as an on-air talent, Raff says that devoting his time to selling radio and helping his clients became a life-affirming choice for him. Along with a growing list of local and national clients, Raff Radio has been doing more consulting for new audio content and radio-related technology ventures. In this Agency Perspective, Raff focuses on employing radio creatively and centrally, and how content will ensure the centrality of radio.

## **How did Raff Radio start?**

After several years in local radio, I saw the need for an advertising agency that champions radio and specializes in it. Radio is an afterthought with most agencies. Few put their best people on radio. I saw the opportunity for a radiocentric agency that captures the power of radio by mixing hot creative audio with dynamic media buying. In creative work for clients and agencies, in buying, and in consultancy, Raff Radio is focused on radio like a laser.

## **What do you mean by "radiocentric"?**

We use radio as the primary medium for delivery of sales messages. Our methodology was developed after studying the classic problem of spraying, paying, and praying. Too many businesses spend too few dollars on too many media and get miserable results: diminished frequency, lousy recall, hopeless tracking efforts, and poor performance overall.

Radio broadcasters have traditionally gone along with this—happy to receive table scraps of any media mix. In the end, however, this means less money for radio. Desperate for results, clients and their agencies focus more dollars on media that offer instant accountability such as print coupons and direct mail. It's not unusual for an unfocused, creatively barren media campaign to reach 80% of its target through radio, but rarely with enough frequency or creative intensity to make an impact. So, for the sake of meeting some anxious reps' monthly sales goal, radio itself loses a client, or an agency, or an industry, forever.

## **Then how do you make radio accountable?**

We help our clients understand that radio's effectiveness is not measured in short-term results. The practical application of this mutual understanding is that we only buy annuals. Within those annuals, we start by airing spots in given custom daypart windows (i.e. 2-4PM or 3-4PM for 35-54 soccer moms) at least five times weekly, Monday-Friday, on a maximum of stations to reduce duplication, for at least a year. News/Talk, Talk/Sports, and Religious format buying enables us to align dayparting with formatting.

These listeners also tend to be uncannily responsive, which can be as important as results to new clients. Custom day-parting combined with tightly windowed news/traffic/weather billboards and sponsorships—horizontality—has proven a very effective way to blanket markets on a thrifty budget.

Horizontality lets us use the predictability and consistency of radio listening to our advantage when buying and scheduling, which in turn helps us get away from overemphasizing (and over-extrapolating) CPP, cume, and AQH values. These numbers are essential of course, but we focus on sending Judy a message every day at the same time, right as she goes to pick Billy up from soccer.

This approach fosters warm, qualitative information based relationships with our reps, makes responsible scheduling and planning that much easier, and helps clients get over the buzzwords and really understand how radio works. They know it works when they start seeing a lot more of Judy and her money. Which is to say that the only responsible way to track radio's effectiveness is to track the gross sales figures of the advertiser. That said, I believe creative is everything. Everything.

### **What are the hallmarks of great radio creative?**

Anything that is memorable, penetrating, and persuasive is good. There is no formula for success. A unique selling proposition is exactly that, unique. Philosophically, our creative is unfettered. Liberated. We create spots to wake the mind and heart, and our approach is highly unconventional. We don't cut spots, we craft suggestive images. We apply visual concepts to audio; we think as cinematographers of the mind. We shoot sound, then take footage to production.

As producers, we think visually and speak of the sound-field and the landscape of a spot. As copywriters we are conflict-theorists—we believe in the collision of powerful words—thesis and antithesis, to synthesis in the mind of the listener. We believe in calculated injections of thick, rippling silence. We believe that our listeners are intelligent.

We employ a rich tapestry of voices, generally professional method actors rather than the usual gamut of voice-over talent. Despite the time it takes to train a serious actor in large-diaphragm mic technique, we feel the product is worth it. And we like "method" because there's a language to it which we know and which gets results. Good actors see copy as a script whose soul must be uncovered and expressed. One recommendation I'd give medium-market production directors—the overworked heroes of the radio industry—is to use your local theatrical talent. The results are often stunning.

### **Outside of agency and consultancy work, what other projects are at hand?**

We are completing a national study that measures the relationship between the automation of radio stations and the erosion of radio listening shares. In essence, we are studying, in

a rigorous and objective manner, whether the current trend of consolidation in radio management serves the long-term interests of the medium. The quality of local content in many cases—its non-existence—is emerging as a major consumer issue that affects the future prospects of local broadcasters. Our study entails precise analyses of ratings, financial and market performance of broadcasters nationwide. We expect to publish in the fourth quarter.

We are very concerned about the future of the local radio industry. The impact of satellite radio and wireless Internet broadcasting will be profound. I have in my head images of rusty, abandoned FM towers on the hilltops, a scene perhaps only a few years away. Because of the furious pace of technological change and shifting consumer attitudes, it's possible that towers, frequencies, licenses, facilities now worth hundreds of millions of dollars may be worth little to nothing in the near future.

### **What changes do you predict?**

We think national satellite radio will have a tremendous impact on the listening public. Will millions of Americans agree to pay for what has hitherto been free for the sake of improved content? Probably. The conventional wisdom in the seventies was that subscription cable TV programming would be a failure. Over-the-air TV broadcasters scoffed at the idea that Americans would pay for what had once been free. Well, Americans happily did pay, and that's why CNN and ESPN changed the face of TV and eroded traditional network audience shares.

**Nick Negroponte** of MIT's Media Lab was right years ago when he predicted the movement of wireless media to wired and wired media to wireless, but I doubt he anticipated the quickness of these technology-driven switchbacks. Take the Internet for example. In seven years, a majority of American homes have gone online.

While local radio broadcasters argue about the impact of satellite radio, the era of wireless Internet is fast approaching. Satellite radio may be a paper tiger in comparison. Wireless Internet offers potentially millions of free programming choices customized by listeners themselves. Furthermore, the choices will be delivered to us on our computers, pocket organizers, cell phones, and in our cars. Internet companies and telcos are working overtime to provide broadband, streaming, wireless Internet services in major metros. Alabama's Q-PC is already installing car computers that are ready

for wireless Internet. Metricom is launching 128-kbps always-on mobile Internet access in San Diego and Atlanta this summer, which means wireless Internet digital audio quality will rival FM stereo.

So again, the image of those rusty FM towers flashes in my mind and I feel a sudden chill.

### **How, in your view, can radio respond to these changes?**

Radio industry bigwigs have spent inordinate amounts of time and money fighting satellite radio, LPFM, and digital radio. In this era of increasingly limitless bandwidth, these protectionist efforts are misplaced. We must not go down as the **Marie Antoinette** of the communications industry. The invasion is at hand, and in this age of limitless media choices, our best defense is superior content. We must bite the bullet and think of radio programming as audio content.

The key issue for both terrestrial stations looking to retain their listeners and new technology stations looking to find an audience is content. The sharpest music programmers, for instance, are keeping an eye on how new technology can help them determine what their listeners want to hear. One of our clients, NOYSE.com, has developed a way to optimize radio programming using an internet-based real-time demographic polling system that monitors all listening media. Basically, it's a content-enhancing appliance, a saw-sharpener.

In terms of content, we must also recognize the long-term costs of radio having inadvertently abandoned its role as a cultivator of talent. **Dan Rather, Don Imus, Rush Limbaugh, Howard Stern** all came from local radio, and developed their talents in a ziggurat whose broad, small-market foundation we have nearly demolished. If radio operators continue their lemming-like stampede toward all-syndicated content, where will we find the next generation of talent that will keep radio growing and thriving?

It is superior audio content—advertising and otherwise—that will secure radio's status as a first-rank vehicle for advertising, information, and entertainment, no matter the physics of the actual delivery medium. The changes occurring in communications media, frankly, can be an unprecedented asset for radio. As an agency, we aim to help our clients understand and use that asset, to realize the full potential of audio, and radio, content.



# Don Geronimo on the "Don & Mike Show"



Don Geronimo

Mike O'Meara

By Carl Marcucci

**Don Geronimo** and **Mike O'Meara** have hosted "The Don & Mike Show" from Washington DC's WJFK-FM since 1991. After some incredible ratings, Westwood One picked the show up for syndication 6/93. Now on 50 affiliates (the highest count to date), the two share the broadcast weekly from WJFK and New York's newest talker, WNEW-FM.

While it's hard to really "encapsulate" the show in words, one thing is for sure: it's never dull and always entertaining. No doubt, the show leans Male—these two actually have their flatulence sponsored (it's not pretty after certain meals). From bringing blacklights into restrooms and describing in gory detail what

regular light can't pick up, to creating a soap opera around a disliked Washington radio critic, there's always something new and unexpected. Here, Don talks about his high ratings phenomenon.

### *What's it like to finally get cleared in NY at WNEW?*

It's very exciting to finally get cleared in NYC. Obviously, for any syndicated show there is little chance of real success without being on in NY, LA or Chicago. We've waited a long time for our shot, and it appears to have been worth the wait. WNEW is the right station at the right time for us. Aside from fantastic phone re-

sponse, the trends have been encouraging (we're up to a mighty 1.3). Of course, when we're used to pulling much bigger numbers than that elsewhere it sure seems tiny. But when you consider we've only been on three months, and the station was pulling a .04 when we started, it's going in the right direction.

### *Tell us how the Don & Mike Show came about.*

I had been doing radio for 12 years when I hooked up with **Mike O'Meara** in 1985. I'd already worked my way up the Top 40 food chain, working at WLS-AM and WBBM-FM Chicago, KIIS-FM LA, 99X NY, WDRQ-FM Detroit, WPGC-FM Washington and WBZZ-FM Pittsburgh (to name a few). In 1983 I got morning drive at B-96 in Chicago. At that point I started to want to grow as a personality, and started a fight that would continue for years with various PDs over the number of records played per hour. In 1984 I was fed up with the daily arguments with B-96 PD **Buddy Scott**, and my wife finally got pregnant. She had been with me through every move prior (this August we'll have been married 20 years) and she requested that when our baby was born, whatever market we went to, we would stay. Forever (or until our unborn baby was through high school). Being as we were both originally from the DC area and had family there, I quit at B-96 and accepted the afternoon slot at WAVA-FM/Washington—with the thought they'd let me do a personality-oriented afternoon show. That lasted four months, until I got moved to morning drive.

At that time, Mike was doing contracted production at WAVA and had come in during my afternoon show to contribute voices. I found an immediate rapport with him, and suggested to management he join me when I made the move to AM drive in December of 1985. Since then, we have fought the good fight together, against various PDs over content and records until 1991 when we walked off. It was then that **Ken Stevens** [now Infinity Regional Mgr.] from WJFK called with the offer to do all Talk in PM drive. It made sense for him, as we were beating **Howard Stern**, and he needed something to fill out his then struggling lineup on WJFK, which was Classic Rock. So he killed two birds with one stone—he got rid of competition for Stern, and started a new format in DC.

### *How did you both get started in radio?*

I started in radio when I was 14, hanging around WINX-AM in Rockville, Maryland. I was a real radiophile from the age of eight, always knew it was what I wanted to do. Mike



started later in life, working in college radio, then he programmed a few stations (including Country!) before he realized his calling at that time was in his incredible voice talents and started doing full time production.

***What are your feelings on PDs and GMs at Talk stations? What would you do differently if you held one of those titles?***

My thoughts on GMs and PDs at most Talk stations are the same as when I worked in Top 40 radio...they don't have a clue about going in a room and having passion for what you do. With that passion comes the occasional mistake. At least in the "Hot Talk" type formats, most of these guys want the benefits that come with the show, but none of the bad bags that crop up as well. Which is why we have been so fortunate to work for the team of Ken Stevens and **Jeremy Coleman** [WNEW PD]. Aside from the legalities of doing our show (FCC rules, lawsuits, etc.) they have been the best we could ask for. Because they stay the hell out of the way! That is the sign of a secure management team. Why hire us, pay us well, and then stand over us with a whip while we try to do the job you asked us to do? They don't. We have the luxury of having a GM and PD, but *not* having a GM and PD.

We have total freedom to do the show the way we see fit. Of course, it's easier for them with the success we've had at WJFK (#1 Adults 25-54, 29 out of 32 books over eight years), but even when we first started they had the same restraint. When they do tell me to do or not do something, I concur, because I know it's important. Because they don't come to me with every little piddly CompuNet call that comes across their desk. It's sad more management types don't feel secure enough to let the talent just do their jobs. I certainly don't harp on them about billing, or the numbers on the rest of the station. Because it's not my job! Likewise for them. Of course, the GMs and PDs at some of our affiliate stations are another matter. I just ignore them.

***What do you do outside of the studio to promote the show?***

CBS stands for Cheap Broadcasting System. There isn't (and will never be) outside promotion for any CBS-FM Talk show or station. They explained that to us when we were hired. Their thought is, "if you're so good, you don't need TV or outdoor to promote your show." And they have been proven right. If a show is compelling and different while being entertaining people will find it. So we make personal appearances every month, both in DC and in outside markets. They are called "Las Vegas Style Shows," and we go to an arena or nightclub and put on a stage show. It's the

oldest radio rule I know of, and it's still relevant. You've got to get out and meet people. We do it every month. We've played an arena in Sacramento with 5,000 people and a bar in Hagerstown, MD with 700 people. People are people everywhere and they want to meet us. So we do it, at least one show per month.

***How can GMs and PDs work with your show on a local basis?***

GMs and PDs from affiliate stations can work with our show via promotions. We give away prizes from many markets, from Portland ME, to Portland OR. They also can bring us to their markets for our shows. And local events are emailed or faxed to us, and if they are relevant, we go with them. But the basic rule when someone picks up our show is this: Push the button and go away. You don't have to babysit us.

***How is your show so different from the others out there?***

Our show is drastically different because it's real. A large part of the show is our lives—what we are doing, where we are going. My wife is on the show virtually daily, and my teenage son also makes occasional call-ins. Mike's wife has also recently called the show, and even without her actually participating, his life experiences are also a large part of the show. That's something no other show can duplicate, since it's our real lives being played out on the air. Good or bad, that's where it happens. And people can relate to that, because everyone has ups and downs in their own lives. Our show is also different because we treat people who participate (via phone or in studio) the same way—real. If someone is a dick, we tell them. There is no phony radio politeness on our show. We never go out of our way to be hostile to a caller, but if he or she deserves it, they'll get it. And that is an attitude not heard on any other show. We treat jerks the way most people would love to treat jerks who come into their workplace.

Our show is real funny because it's real. No script, no writers. And because the chemistry Mike and I have is real. We are good buddies, and that translates over the air, especially when you compare it to the fake chemistry between most radio teams/morning zoos. When I start a sentence, he can finish it, and vice versa. Our show is like an oasis from the over-researched, under-entertained pile of crap that is radio today. A big part of any given show we do is to pull back the curtain to show how radio is a f\*\*\*ed up business, like any other. Everyone at our station is fair on-air game, from receptionists to salespeople. They all come on the air. As do Ken & Jeremy, whenever there is a sticky programming issue. That's where some of our best radio happens,

having real arguments with management. What working person can't relate to that?

***The Radio Wars—tell us about some of the past pranks.***

Most of our best radio wars are behind us. Back when he worked mornings, we would send **Elliott** and **Woodside** black roses when the book came out. One time we sent them luggage, because we were sure they'd be fired and have to move soon. One war that has continued even through our switch to PM drive has been against **Jack Diamond** of WRQX-FM Washington. He's simply the biggest phony I've ever heard on the radio. So when we go at him, it's all the way. About a year ago, he actually fired back and had the balls to say something about us on his morning show. We spent the entire next show (that's the luxury in these wars we have—the DJ's can only talk a few seconds before they have to do weather or traffic or play a **Celine Dion** record, so as not to break format. We, on the other hand, can and will go an entire show busting one guy's balls) goofing on him. Listeners started calling in with their stories, and I bluffed him by saying I had a dreadful secret from his past I would reveal unless he called us right then, and apologized on the air, on our show. Sure enough, he was listening, and he did. What an idiot! We now use that apology as a bumper, reminding any other "DJ's" that when they battle us, they'll lose.

***Why is the Don & Mike Show a good choice for advertisers?***

The Don and Mike show is a great choice for advertisers because we deliver. Specifically, adults—the demos that make you money. From Washington to Wichita, from Bakersfield to Baltimore, from Greenville to Green Bay we are #1 in all male demos (18-34, 18-49, 25-54, 25-49). Plus, our 25-54 Adults is equally killer. Those are the demos advertisers want. We are not one of those shows that advertised itself by saying, "in Tucson, ratings are up 67%!" because 67% of nothing is still pretty damn close to nothing. We deliver real numbers. Our shares range from 10's to 20's—no B.S. Call Westwood One and ask for a ratings package.

On WJFK-FM in Washington, DC our lineup includes **Howard Stern**, **G. Gordon Liddy**, the Sports Junkies and Redskins play-by-play. Our show is the number one biller on the station. Our show gets the highest rate—more than AM drive. That's why our show is good for advertisers. Egars.com recently signed on to sponsor our on-air farts (whenever someone cuts one, they get a five second read) and got over one million hits to their web site in two weeks. As far as the ad community is concerned, our show is about the two R's. Ratings and revenues. We deliver.

## Bobby Lawrence leaving Clear Channel

Clear Channel Radio EVP **Bobby Lawrence** announced he is leaving the company effective 6/30 to explore "several opportunities" in radio outside of the company. The recent appointment of AMFM's **Kenny O'Keefe** (*RBR* 5/29, p.2) to the Clear Channel Radio President/COO position, post-merger, is a possible impetus for the resignation. However, Bobby says he wants more of a challenge: "my heart is in the still-developing, more challenging radio situations. There's another chapter in radio consolidation out there, and I plan to be a part of it."—CM

## Hundreds seek LPFMs

A total of 722 applications for LPFM stations have been posted in the FCC's database (as of 6/22) from the filing window earlier this month. A random scan by *RBR* editors finds that many are badly flawed. Many of the applications have been filed by individuals, even though the FCC won't allow individuals to be LPFM licensees.

Since they couldn't check off that they were an educational institution or non-profit corporation, most of the individuals checked that they were proposing a public safety radio service. One problem: That's a category reserved for government entities. Other applications are missing details in their engineering specifications. One didn't even list a proposed frequency. There were also well-crafted applications from non-profit organizations and colleges, including technical exhibits from experienced communications engineers.

We haven't had a chance to analyze all 722 LPFM applications (and don't expect to), but *RBR* has analyzed every application filed for the District of Columbia. Using the FCC's online software, we determined that not a single one of the four DC LPFM applications is grantable under the FCC's rules. Those proposed for 89.7, 94.3 and 96.9 MHz are improperly shortspaced to other stations (even with the controversial FCC decision to allow LPFMs to stomp on third-adjacent channels). A station proposed for 104.5 MHz appears to meet technical specs at its proposed transmitter location. On closer examination, it turns out that the location is near Middleburg, VA and that the LPFM wouldn't put any signal at all over its purported city of license, Washington, DC. Also, Virginia was not in the list of states for which applications were accepted in the first LPFM window.

## BroadcastEUROPE.com launches with BroadcastAMERICA

Aggregating a variety of European streaming radio stations, BroadcastAMERICA.com's BroadcastEUROPE.com has launched 6/26. Already in discussions with stations in a dozen countries, the site expects 100 European stations by year's end. So far, Scottish and British soccer events, JazzRadio in Berlin, Top 40 Atlantic 252 in Britain and Munich's HIT-FM and MIX-FM are up and streaming. BroadcastEUROPE has opened offices in Berlin and Oldenburg Germany and Glasgow, Scotland.—CM

Now the FCC's staff has to sort out the legitimate applications and determine whether any are mutually exclusive. Those which have no competitors should be the first to get CPs, so the first LPFMs could be on the air before the Fall leaves hit the ground.

When the second window for LPFM filing opens up in late August, the FCC better be ready. This time wannabe broadcasters in Connecticut, Illinois, Kansas, Michigan, Minnesota, Mississippi, Nevada, New Hampshire, Virginia, Wyoming and Puerto Rico get their chance to enter the world of LPFM.—JM, ED

## Sirius launches first satellite

Sirius Satellite Radio (O:SIRI) announced the successful launch of the first of three satellites in its upcoming 100-channel direct-to-car satellite service from Kazakhstan. "Sirius-1" lifted off 6/30 at 6:08 PM ET, successfully established a communications link at 8:33 and deployed all solar panels by 11:55PM. Sirius plans to launch the other two satellites by November.

Competitor XM Satellite Radio's (O:XMSR) CEO Hugh Panero, while yet to launch a bird, was optimistic of the launch: "Today's launch reinforces the bright future for our industry and validates the confidence shown in the segment by Wall Street, our investors and strategic partners."

XM plans to offer its service roughly at the same time as Sirius: early next year.—CM

## Mega announces FM debut dates in DC

Mega Communications, which O&Os 20 Spanish language radio stations along the East Coast, debuted Washington, DC's first FM Hispanic format 7/1. WPLC-FM, licensed to suburban Warrenton, VA kicked off at noon with a Spanish AC, "Amor." WPLC was purchased from First Virginia Communications for \$5.25M. Mega's WNNY-AM Rockville, MD will simulcast the signal for residents in DC's northern suburbs. The Amor format currently airs on Mega's WZHF-AM Arlington, VA, but will turn off 7/4 as part of a sale to Arthur Liu's Multicultural Radio.

Mega will also debut its Top-40 Hispanic "Mega" format on WMJS-FM 92.7 Prince Frederick, MD (also suburban DC) in early August. It will be simulcasting Mega's existing WBZS-AM Alexandria, VA. Mega also airs a Regional Mexican format in DC on WKDL-AM Silver Spring, MD.—CM

## Lyn Andrews moves to the net

Not long after leaving her post as president of ABC Radio Networks (*RBR* 6/5, p.3), **Lyn Andrews** has taken the same position at Healtheon/WebMD's consumer division. She will oversee the website and WebMD Television. Former ABC EVP Sales and Marketing **Traug Keller** was appointed President of ABCRN 6/20.—CM

## Pickering apart the FCC

Rep. **Chip Pickering** (R-MS) is at it again. The FCC is once again the target, and limiting their power is the objective. The Telecommunications Subcommittee passed Pickering's Telecommunications Merger Review Act of 2000 (HR 4019) which gives the FCC 90 days to decide on mergers. The four amendments to the bill not only limit the FCC's lobbying practices, but also hold the Commission directly responsible for proving why mergers are denied or approved. The bill was forwarded to the full Commerce Committee for a vote.

To add salt to the wound, the full House adopted an amendment to another bill that cuts the FCC's appropriations for next year. Rep. **Cliff Stearns** (R-FL) introduced the amendment, which reduces the budget for the Office of Media Relations from \$1.1M to \$640K.—ED

## More test stations for USADR

News from the American Radio Manufacturers Association (ARMA) convention in Baltimore: USA Digital Radio's next round of field testing will include the following stations for the next two months: WILC-AM Laurel, MD, WTOP-AM Washington, DC, WCBS-AM New York, KABC-AM and KLLC-FM San Francisco and WRIF-FM and WWJ-AM Detroit. A Los Angeles station is soon to be announced.

## RadioNews

USADR's "EASE" program for early adopter stations now has 500 stations from 109 owners in 105 Arbitron-rated markets. EASE helps stations find the right solutions for upgrading to IBOC DAB broadcasting. **Jeff Detweiler**, USADR Broadcast Business Rollout Manager, tells *RBR* he will be key to the EASE program. "We are basically going to be visiting the radio stations. We are doing meetings with the groups initially, hitting as many people as possible, but it will ultimately get down to working on a station by station basis. My role is pretty much putting the right people with the right radio station, 'Nautiel's got a solution for you, Harris has a solution for you on this'."—CM

### WXTB questions FCC indecency guidelines

The FCC wants its money. Clear Channel (N:CCU) is still refusing to pay a pair of fines totalling \$30K imposed for indecent material broadcast on WXTB-FM Tampa, during the time when the station was owned by Jacor. Clear Channel wants the FCC to explain what was indecent about the broadcast, "Bubba, the Love Sponge," before they pay the hefty fine. WXTB said that indecent material might not have been broadcast if the Commission's guidelines were clearer to begin with. The Commission acknowledged that there is a need for more precise guidelines, but said there was ample precedent to demand the payment anyway. —ED

### FCC database still fraught with problems

The new FCC AM and FM databases (Consolidated Database System-CDBS) are apparently still having problems and are currently not accepting new applications—each for different reasons. The databases have been labeled as "fraught" with problems.

There was a freeze on AMs for a couple of years which was lifted in the last week in January. "It was extended because they had filing problems. There is a freeze now on FM that began last month," says RadioSoft President **Peter Moncure**. "You can't apply for a new FM or AM station—except LPFMs and they have 722 of them. You can apply for minor changes only."

Communications Attorney **David Tillotson** tells *RBR* when asking the Commission when all of this will be fixed, "We get very vague answers. It seems very obvious that the Chairman's desire to do Low-Power FM has taken staff resources off of the idea of processing full service."

Neither Mass Media Bureau Chief **Roy Stewart** nor Audio Services Chief **Linda Blair** returned calls asking for comment.—CM

### Japanese listening habits—not so foreign after all

Arbitron snooped around in Japan late last year and found out that when it comes to media habits, the Japanese aren't all that different from Americans. Earlier this month, The National Association of Commercial Broadcasters in Japan (NAB-J) presented the study "Media Targeting 2000—Japan" to more than 1,000 broadcasters, advertisers and agencies in Tokyo and Osaka. 1,697 Japanese age 12-69 were asked about their use of major media. Organized into 124 consumer categories including gender, occupation and key socioeconomic attributes, Arbitron found that about 70% of Japanese listen to radio during the week. Also mirroring American trends, about 74% of Japanese in-car commuters listen to the radio (80% of Americans do). **Brad Bedford**, VP/Asian Marketing, Arbitron, said that Japanese broadcasters commissioned the survey to enhance the reputation of Japanese radio in delivering consumers for advertisers and agencies.—KM

### \*CD unveils wireless web functionality

ConneXus Corp.'s "CD," a CD buying tool linking for listeners (*RBR* 4/10, p.4), has launched its wireless Internet application. Allowing music identification on wireless web devices, users of PalmPilot VII organizers and those with Wireless Application Protocol (WAP)-enabled phones select the city, radio frequency and time and are instantly shown the song and performing artist was aired at that time on that radio station. Users can download the application from the ([www.starcd.com](http://www.starcd.com)) website.

\*CD's regular phone service lets listeners find out the title, artist and album name of a song just heard on the radio. If they want to buy the CD, pressing a number on the keypad sends it directly to their home.

\*CD is currently offered in Philadelphia, San Francisco and San Jose and plans to offer the service in all top 30 markets later this year.—CM

### 3COM buys Kerbango radio; RCA to distribute

In a deal worth \$80M, 3COM (O:COMS) has bought (6/27) the Kerbango standalone Internet radio line and Kerbango Tuning Service ([www.kerbango.com](http://www.kerbango.com)). With the Kerbango radio, no PC is needed—just plug in the phone line, DSL, etc. Kerbango employs 30 people

and is located in Cupertino, CA.

In a separate but related announcement, Thomson Multimedia signed a letter of intent with Kerbango to brand and distribute an RCA-branded Internet radio with Kerbango's technology. Kerbango's CEO **Jon Fitch** takes the VP/GM slot of 3COM's Internet Audio Division.—CM

### Blue Chip joins BroadcastURBAN.com

Blue Chip Broadcasting has signed (6/26) with BroadcastAMERICA's BroadcastURBAN.com to offer its nine Urban-formatted stations to the network of Urban sites. Blue Chip's other nine stations—including Oldies, CHR, Talk, NAC and Country—will be offered on the BroadcastAMERICA site. The deal brings BroadcastURBAN's station roster above the 100 mark. BroadcastURBAN streams Urban, Hip-Hop, R&B, Jazz, Gospel and Reggae.—CM

### Campaign 2000: Bloomberg gives five; Tristani weighs in

Hot on the heels of ex-President **Jimmy Carter's** request for free airtime for candidate discourse (*RBR* 6/19 p. 2), Bloomberg L.P. has committed five minutes each night for 30 days before the general election for focus on the issues. Most of the coverage will be on the economic positions of the candidates, in the form of debates or interviews. The programming will be provided to all of Bloomberg's affiliates. "A component of any comprehensive campaign reform aimed at removing the influence of special interests, must be a commitment by broadcasters to cover candidates in depth," said **Michael Bloomberg**, CEO and Founder of Bloomberg L.P.—ED

### Lowry and Lou go one-on-one

The man who made CNN a player in financial reporting, **Lou Dobbs**, has been booked for an interview gig at the NAB Radio Show. He'll do a one-on-one with **Lowry Mays**, founder and CEO of Clear Channel Communications. Including pending acquisitions and divestitures, Mays' empire now includes 910 radio stations, give or take a dozen, plus lots of other media ventures. With any luck, he might break the thousand-station mark by the September 20-23 convention in San Francisco.

Dobbs, meanwhile, is preparing for a return to radio (he got his start at KBLU-AM Yuma, AZ). United Stations Radio Network will debut "The Lou Dobbs/NBC Financial Report" this summer. Dobbs left CNN last year to become the founder and CEO of SPACE.com, which has nothing to do with Wall Street and everything to do with the great beyond.—JM

**New patented feature on AdOutlet.com**

With more spot inventory available for sale on AdOutlet.com, the company is introducing the Advertising Distribution System (ADS™) to help buyers better organize their search and purchase of listed inventory.

ADS also helps media companies channel manage their inventory by allowing them to control what kind of inventory they want seen by different clients. Before, buyers would have to click on the medium they were interested in and scroll through the list of available spots in that medium. **Alan Masarek**, Chairman/CEO, illustrates, "The (previous) system is like if you went to the Library of Congress and there wasn't Dewey Decimal System and you have to go through every book. There is a limitation to how many books you can have there because you just get exhausted going through them." But because AdOutlet's list of inventory has grown rapidly, Masarek says the company saw the need to have a search engine to narrow buyer's search queries.

The old system had sort mechanisms but lacked the specificity of ADS's new functionality. Where previously you could sort by measurement (CPM) or alphabetically, buyers now can specify demos, geographic location, flighting dates and dayparts, submit the search, and AdOutlet returns with real avails that can fulfill that plan. Masarek adds, "This is a level of functionality which is one, unique, two, the only solution that addresses the problems created for media buyers and sellers with fragmentation. Media is incredibly fragmented—there is more to evaluate by buyers and it is more difficult to sell." AdOutlet is also licensing ADS to media companies who may want to use the platform to bring their own buyers to their inventory.

**AURN reconfigures two new networks to debut in next RADAR book**

American Urban Radio Networks has reconfigured its network and created two new ones to debut in the upcoming RADAR 66. Named American Urban Pinnacle Network and American Urban Renaissance Network, **Jay Williams**, President, AURN, believes that the two new networks will help AURN continue to grow its radio audience and also to improve its operations. Pinnacle and Renaissance, Williams explains, are direct results of analyses of the network's audience building and affiliate expansion efforts. So far, Williams says that advertisers and agencies have been very complimentary of this development.



**Jay Williams**

**Jerry Lopes**, President, Program Operations and Affiliations, adds that Pinnacle and Renaissance put AURN in the dominant position to serve the African American consumer which bodes well for those advertisers trying to reach that group. Of the two, Pinnacle is the lesser unit network. Lopes explains, "The Pinnacle network affords us the opportunity which heretofore was unavailable at AURN, and that is the ability to provide quality program services to affiliate radio station with lesser unit commitments." Lopes concludes that the network stands to gain additional affiliates, especially from those stations who don't want to commit to too many units.—KM

**Grand prize of \$100,000 goes to DDB Chicago**

DDB Chicago took home the Radio-Mercury Awards Grand Prize of \$100,000 for "Heroes/Footlong Hot Dog Inventor," created for Anheuser-Busch's Bud Light. The winning commercial was developed by **John Immesoete**, Writer (also one of the Creative Directors); **Bryan Sweeney**, Producer; and additional Creative Directors, **Bill Cimino** and **Mark Gross**.

The \$5,000 award for the Best Station-Produced went to KIEV Radio, Glendale, CA, for its "Say Ahhh" spot for Brazos Country Foods. A total of 12 prizes and 13 trophies were awarded for the top radio commercials of 1999 from the general, Hispanic and station-produced categories at the luncheon ceremony held at the Waldorf-Astoria Hotel in New York 6/14.—KM



**GRAND PRIZE**

Receiving the Grand Prize are (l to r): Jim Thompson, CEO, Craven-Thompson Communications and Co-chairman of the Radio-Mercury Awards; Bill Cimino, Creative Director, Bob Winter, Producer and John Immesoete, Writer and Creative Director, all of DDB Chicago; and Gary Fries, President/CEO, RAB and Co-chairman of the Awards.

**\$5,000 AWARD FOR BEST STATION PRODUCED COMMERCIAL**

Scott Herman (left), VP/GM of All News 1010 WINS, New York and a member of the Radio-Mercury Awards Board of Directors presented the prize and trophy to Blaine Parker (center), Writer and Creative Director and Bob Holiday (right), Producer, both of KIEV Radio.



Tracking Trends:  
Married Male

49 years old.

2 kids.

Listens to 7.4 hours of  
news talk radio a week.

Prefers easy listening.

Just stepped in gum.

Want to know what  
all this  
really means?

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Westwood One and Premiere-AMFM, but it's, I think, creating holes for lots of opportunities for entrepreneurs. I hope to get involved in some of those opportunities.

***What is the opportunity you will be working with Tom Joyner on?***

Tom announced that he was going to launch/develop a portal for the African American community. I think the timing is perfect. Not only will this be, as Tom puts it, an AOL for African Americans in terms of information, but one of the main interests in Tom is to eliminate the divide that exists in the computer access in the African American home. So, one of the things we're going to be working on is getting equipment and access to the net—easily accessible by people who may not have otherwise been able to afford to do it.

***What do you think your role is going to be and your term as a consultant to Premiere and when does that begin for you?***

The consultancy will officially begin after the merger. I have the utmost respect for **Kraig [Kitchin]** and think that if anyone can bring these two organizations together it's him. I hope that Kraig will come to me and bounce ideas off me and ask my input on strategy or how to do something or personnel issues or ask my assistance in going and talking to advertisers since I have a close relationship there. It's really going to be his call.

***What are all the areas you might want to throw your bat into?***

Definitely working directly with talent to develop their ancillary businesses. Like with **Tom Joyner**, developing not only the Internet but eventually television and maybe live entertainment aspects of the Tom Joyner brand. I'd like to do that with some other talent, too. A lot of radio talent has successfully gone across media to do projects like Howard or Rush or Dr. Laura with her television show. But there are a lot of talent out there that have the capability to do it and just haven't taken advantage of it yet.

I will probably get involved with some other Internet businesses that are unrelated to radio. I've been contacted by quite a few and whether it is sitting on their board or just providing a strategic assistance, I will probably do that. I'd like to continue my role with **Scott Ginsburg** and **Matt Devine** on sitting on the DGIT board and actually hope to find some other boards at small or medium sized companies that would like to get me involved. And then, I'm looking at some projects. My kids, my older two kids are getting through college

now. Some ideas they have on launching businesses. I might get involved with that.

***Will you be doing anything with advertisers you've made relationships with?***

There's been some interest on the part of advertisers for me to be involved with them on the part of their planning and buying radio in general. I probably would not look to do that until after I was done with my consulting with AMFM. But, long term, there's a vantage point to bring to the advertisers about the strength of radio that they don't always see not working in the medium.

***Why did you choose the consulting role with Premiere?***

I really learned growing AMFM Radio Networks that I loved the entrepreneurial aspect and the building aspect. And that what I don't really love is the administrative/management aspect of it. I love creating the vision and moving towards that vision. I think, too often entrepreneurs linger too long after their companies have taken on a life of their own. One of the things that I've always tried to do is to get out before I become "useless." I think there are paradigm shifts going on every day and I'd like to be involved in the next paradigm shift. Some of that's the Internet. Some of that is the talent. I'm always liking a new challenge. Whereas I ran ABC, which resembled in those days, a lot like what Premiere-AMFM Radio Networks will resemble after the merger. I thought it was something I would rather not do. I actually have so much confidence in Kraig that I didn't feel I had to be around to do it.

***What were you going to do with the road show to agencies in July?***

Right now within the company, we're working on what the inventory will look like next year for Premiere-AMFM Radio Networks combined. This year is pretty much locked in stone. The AMFM Networks will sell as they have and Premiere will, but will move to a transition. Once that's been decided, in the next 30 to 45 days then Kraig and I together will go out and present that along with the combined Premiere-AMFM advertising sales forces to the major agencies and advertisers in the marketplace to make sure they understand what's going forward. One of the successes of AMFM was that we went out and communicated clearly what we felt we were doing and what we were or were not promising to advertisers in the marketplace.

***What are your thoughts on the latest Radar 65?***

I think, what it showed was consistency and stability. If you really look, overall network radio stayed almost to the rating point exactly

what it was the last one, which was almost to the rating point as the one before. What it shows is that after consolidation, pretty much everything has leveled out in terms of who's affiliating with what and how they are clearing, etc. It's nice to see that our inventory is pretty stable going forward.

***Being in the network biz as long as you have, what sort of changes have you seen? What can the network biz expect down the road?***

We've all seen consolidation. That's clearly been the giant earthquake that has affected all of our businesses and has had many ripple effects. [Network] consolidation [went from] many players at one time to two players, Westwood One and ABC, and now has expanded again to include Premiere-AMFM, [which] I think is significant too.

Down the road I think network business is very healthy and going to grow dramatically. If you really look out there, radio has a significant opportunity to grow its national business. Whether it be spot or network, it clearly has a huge upside out there to take that money away from broadcast and cable TV.

In addition to that, one of the things that has been my goal has been to have the industry improve upon its standards and accountability to the advertising community over the last few years by setting our standards higher than they have ever been in network radio. The other networks, Premiere probably being the leader, have moved to that. I think what it has done is raised the confidence level on the part of advertisers in network radio, which has obviously increased the amount of budgets to it.

***How do you think the radio broadcasting network model is going to change down the road when we have Internet broadcasting everywhere with census-quality accountability?***

I think that clearly radio is going to be a part of that. Radio isn't just radio anymore, it's audio delivery. There is no question Clear Channel has done their deal with XM and all the radio companies are gearing up to be on the Internet and putting out product there. There are clearly two distinct markets you're talking about in different ways in which advertisers market their products. One is to have broad reach at certain times during day with a certain frequency, but they're more interested in reaching as many people as possible. Procter and Gamble doesn't just sell coffee to one person. They have the whole US universe to sell coffee to. Then, there are going to be other products where clearly there is a narrower, definable consumer marketplace where a targeted ad would make sense, and they'll take advantage of those.

Other publications talk about internet radio stations...

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## The Radio Network For The New Millennium

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