

Expanded Product Offerings Paint Bright Future For HD Radio

Vol. XXI, No. 8 April 24, 2006 PUBLISHED BI-WEEKLY

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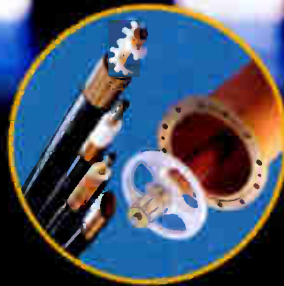
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# 24

## A REHR OPPORTUNITY: David Rehr Brings Ambition, Political Skills To NAB

In his first full-length interview with Radio Ink, NAB President/CEO David Rehr discusses what he hopes to accomplish in his first year on the job, including improvements that he believes will make the group more valuable to its members. Knowing the ins and outs of the Washington political scene are a crucial part of his post, and Rehr said from the start that his years of experience working with the nation's lawmakers will make him a powerful advocate for broadcasters. Here, Rehr discusses his views on the myriad issues facing not just his group, but broadcasters as a whole.

### IDEA TICKER

# 35,965

...the number of useable ideas in Radio Ink to date

### Coming Next Issue:

• Radio's Most-Admired Engineers

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*Our Mission:* Radio Ink's role is passionately to empower Radio management to be more successful by providing fresh, actionable, reality-based ideas, inspiration and education in a quick, easy-to-read, positive, pro-Radio environment.

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## HD: Do It Now

Years ago, Chicago insurance billionaire W. Clement Stone traveled the country teaching young entrepreneurs the keys to his success. Stone, who lived until the age of 100, started out with \$100, but eventually amassed \$1 billion in assets. I was fortunate enough to meet him several years ago, and hear firsthand some of his advice on business.

Stone's mantra was "Do it now." He explained that the key to his success was to set a five-year goal, then accomplish it in one year. He proved that an inventive mind could speed up any process with ingenuity and leverage.

Radio needs to embrace Stone's "Do it now" strategy for adoption of HD Radio. Consumers have everything except radio in digital form. Despite the efforts of the HD Digital Radio Alliance and the people at iBiquity, we are not converting to HD fast enough. On-air promotions touting HD Radio won't attract consumers until reasonably priced HD receivers are on the shelves in every electronics store in town. All of the aggressive promotion in the world won't matter unless HD Radio can rapidly penetrate the mass consumer market.

Not in 10 years, and not five years; I'm talking two years or less.

I hear that some auto radio manufacturers are dragging their feet in committing to HD Radio. Would they be convinced if the heads of Clear Channel, CBS Radio, Entercom, Cumulus, Citadel, ABC, etc., told them face-to-face how committed they are, and demonstrated how HD Radio will rebuild consumer interest in their cars? If the car companies believe HD Radio can benefit their business, they will insist on installing digital receivers in every car within two years or less. Right now, my guess is that it's not even on their radar screen. Radio has tremendous power, which should be leveraged to get these companies on board.

If our future is relying on HD penetration, then why aren't we offering our unsold air time to car companies that commit to HD? Let's show them we will promote car companies that commit to HD.

The U.S. car companies are in trouble. Why not put the power of radio behind them in exchange for commitment on HD? Let's seduce them with the power of radio. If this is radio's

most important initiative, we need to pull out the big guns.

Bill Burton, president/COO of the Detroit Radio Advertising Group, has access to the CEOs at all of the major car manufacturers. Why aren't we engaging Burton to open those doors to promote HD Radio? And why aren't radio group heads meeting with FCC Chairman Kevin Martin to insist that the commission mandate conversion to HD Radio as they mandated HDTV?

I applaud the efforts of everyone involved in promoting HD and converting stations. You're working hard. But as W. Clement Stone would advise: Let's turn a five-year plan into a one-year plan. If this becomes a debacle like AM stereo, radio may never be digital. There may be nothing more important on our agenda. Let's find a way to "Do It Now." ☑

*Eric*

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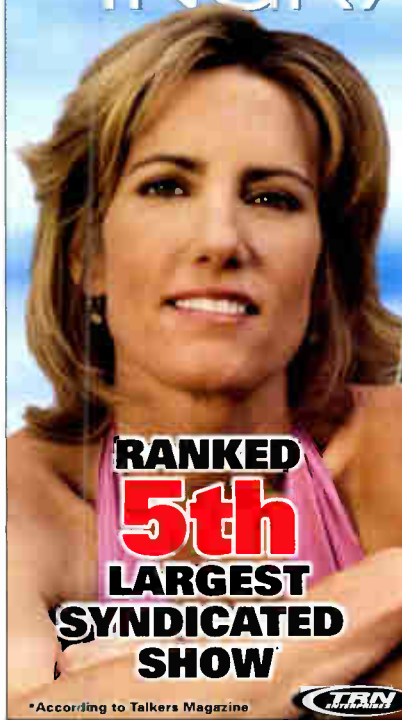
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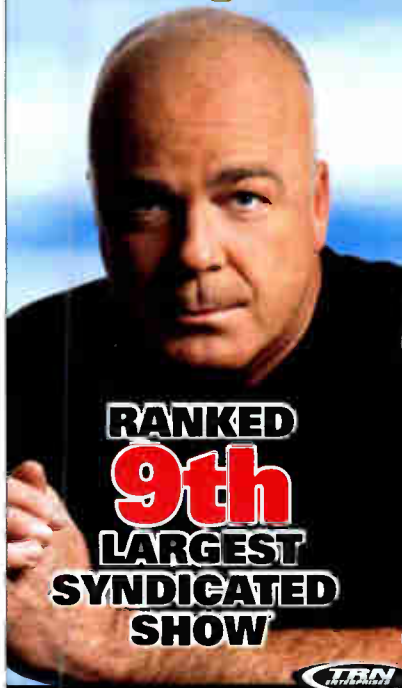


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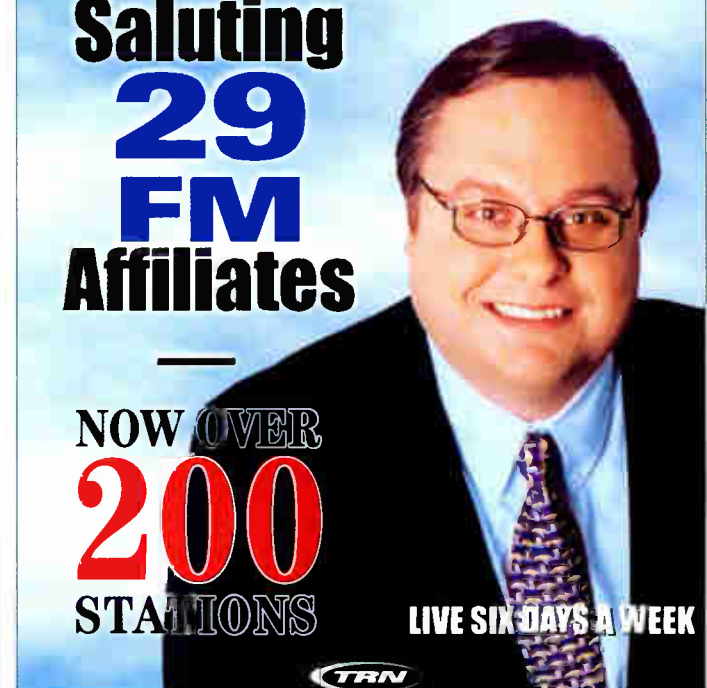
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\*Source: "How to Make Music Radio Appealing to the Next Generation" University of Southern California Media Lab, 2005

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## Pavilion of New Technologies BE @ Booth N1808

Even if you are not technically inclined, BE has something for you at NAB. Partnering with NPR Labs, Traffic.com, Mozes, and FM411, BE will be demonstrating some of the latest digital opportunities that are available to your station today:

- text broadcasting to billboards and other public signs
- radio services for the hearing and visually disabled
- traffic navigation services
- personalized radio services using mobile phones for favorite song/artist notification and "bookmarking" for later purchase

"These are important developments that will change how broadcasters interact with their listeners," commented Mike Starling, Vice President, Chief Technology Officer, NPR.

Visit BE's Pavilion of New Technologies, booth N1808 at the NAB convention. While there, brush up on all the gizmos your engineer will be sure to ask you about after the show: BE broadband studio connectivity, studio integration of audio and messages, and BE's "dashboard" for HD2 Multicasting.



## Broadcast Electronics Focuses on Emergency Messaging for HD Radio

In the months leading up to the 2006 hurricane season, Broadcast Electronics began working with broadcasters on practical solutions for text-messaging emergency alerts to HD Radio receivers.

As a result, stations will be able to monitor alerts originated by civil authorities, and forward text messages onto HD Radio tuners and station web sites.

This latest development further enables radio to become the eyes and ears of the communities they serve by broadcasting detailed text of evacuations, safety precautions and more at the same time emergency alerts are announced on-air.

"Text is one more way to provide that local service radio is known for," said Allen Hartle, Director of Development, Broadcast Data Services for BE, which provides message-casting text on the face of analog and HD Radio radios, as well as on station web sites.

The next issue of BE extra will focus on radio message-casting and its potentials for station branding, public service and revenue.

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## Getting More Mileage

(continued from page 1)

Greater Media Detroit also launched HD2 channels on its stations WCSX 94.7 and WMGC 105.1, adding a deep tracks format to the former and show tunes channel to the latter for targeted listenership heretofore not possible on its existing stations. The additional programming is broadcast using HD2 Multicasting as well as streamed online; station web sites offer promotion information on HD Radio and list retail outlets carrying HD Radio radios.

Each station can provision as many program channels as desired through the BE system, as well as add "message-casting" capabilities that broadcast song title, artist and other information for readout on the HD Radio receiver.

In addition to creating inroads in HD2 Multicasting programming, the group has been working with Broadcast Electronics and local auto makers on several proof-of-concept data experiments, including tunneling data to in-car navigational systems for traffic routing purposes.



RIFF2's "Dock of Rock"  
—Doug Podell



RIFF2, local programming made possible by HD2 Multicast technology, is a hit with listeners as well as local club owners. Its Doug Podell was honored recently with the Heineken Amp/ASCAP Recognition Award for "his outstanding contributions to the local Detroit music scene."



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## what's this?

Converting to HD Radio is more than a technical process. BE knows that station management, programming, promotion, sales, and engineering are all part of the process to take advantage of the opportunities for new listeners and revenue.

Hence, **BE eXtra**. We'll be sending this to you every few months filled with information you can use. Want to learn more? Check out the HD Radio Resources on our home page, e-mail us or give us a call. Got an HD Radio success story? Pass it along and we'll do our best to publish it.



## inside this issue

Want a good promotion recipe? See **Cooking up Interest in Multicasting** to learn how one station segued their HD Radio launch into ongoing promotions.

**Just Add Programming** walks you through three simple steps to new opportunities and greater competitiveness.

All the talk about HD Radio have your head spinning? Review the basics in the **eXtra Q&A**.

Money changes everything. See one projection of **HD Radio's revenue potential**.

Techie or not, learn about some of the goodies we hope you'll want to see at our booth at **NAB**.



## Two for One: You Betcha Gretchen

WKIS 99.9's new digital HD2 program channel is no Jack radio. But it is the first country radio station named after a major country star—the "redneck woman" herself (drum roll, please)... Gretchen Wilson.

Beasley-owned WKIS 99.9 in Miami leap-frogged over all the usual program choices and went straight to the outlaw of country to make its debut in multicasting in January 2006.

The station made the leap one year after installing a BE HD Radio transmission system that enabled it to broadcast its Kiss Country format in digital. Multicasting an additional channel along with its main program on 99.9MHz was a simple matter of adding and setting up a single piece of equipment—and adding the programming.

"We thought of all the usual formats, but we needed a format we could promote to our current listeners that would somewhat appeal to them. I couldn't see going to our Country listeners and saying, 'Hey, we got a Classical station on HD,'" says WKIS 99.9 Program Director Bob Barnett. (continued inside)



Photo courtesy of Sandy Sloane, Kiss Country Radio Station

Gretchen Wilson entertains at the Kiss Country annual Chili Fest in January of this year.

## Getting More Mileage out of Digital



Greater Media Detroit has been racking up some serious promotional mileage since it added Broadcast Electronics HD2 Multicasting in June 2005. Its rocker station is now a regular at the local Detroit club scene, thanks to its new digital program channel called RIFF2, which features local metal bands.

The motor city's metal-heads have long petitioned Greater Media Detroit's rocker station WRIF 101 to play more local music. But, for the past few years, WRIF management had to balance this request with other listener requests. An hour on Sunday evenings was all the air play it could spare for local artists.

Then, last year, Greater Media Detroit learned of HD2 Multicasting's capability to broadcast additional channels on the station's current frequency. The group had rolled out HD

Radio under an experimental license almost four years ago using Broadcast Electronics transmission and studio products. With the investment in digital already made, adding an HD2 channel required little change or additional cost to the station's existing BE HD Radio transmission system.

"Once a station converts to HD Radio with a BE system, the entire digital infrastructure is there to painlessly add another channel. It's probably the quickest return on investment in the history of broadcasting," says Neil Glassman, BE Vice President Strategic Marketing.

In June, WRIF turned on RIFF2 Made in Detroit, a program mix of local talent, modern rock alternative and hip-hop aimed at a younger male audience. (continued on back)





## Just Add Programming

Hundreds of broadcasters have discovered the advantages of implementing HD2 stations in just the last year using Broadcast Electronics' three-step approach. Many are on the air today, with more to sign-on during 2006.

**1. Take the digital plunge.** Go ahead. Convert your station facility to digital. It really is about time. Once done, you can broadcast more of whatever you're licensed for: entertainment, information, text messages for display on HD Radio receivers... you get the picture. Implementation varies according to station power and your current transmission system. You'll want to consider BE's HD Radio options, including our Total Radio Guarantee which future-proofs your upgrade and keeps costs predictable.

**2. Divide and Conquer (the bandwidth, that is).** OK. Now that you're digital, you are gonna want to carve that digital bandwidth up, so that you can have some for your main digital broadcast channel and some for HD2 Multicasting. Heck, you might even want more than one side channel. BE's HD2 gear is the first in the industry with an interface that simplifies bandwidth provisioning and integrates fully with the rest of your operations.

**3. Add all the programming you can muster.** Now comes the fun part. Start programming all of your new revenue streams. Only BE delivers both complete end-to-end HD Radio transmission systems and the most advanced, easiest-to-implement applications for multi-program audio and message-casting.

## You Betcha Gretchen (continued from page 1)



WKIS 99.9 Program Director—  
Bob Barnett



Kiss Country BBQ Tent



Kiss Country Director of Marketing  
and Promotions—Sandy Sloane



Barnett envisioned an eclectic part rock and part country format, with a playlist that would give Country listeners the "fresh brashness that's missing from the mainstream." He approached Gretchen Wilson with the idea, and the station was launched in January, coinciding with the release date of Wilson's *All Jacked Up* album.

Operating under the format moniker of Gretchen 99, the station airs cuts from musically inventive, creative "outlaws" of mainstream Country, including Hank Williams Jr., Charlie Daniels Band, Lynyrd Skynyrd, Travis Tritt, and Toby Keith. With Gretchen 99 just askew of the garden-variety Country format that typically appeals to women, the station is capturing a new segment of the Country market: disenfranchised Country rockers, many of them men.

And, the HD2 channel could prove to be a bonus come diary time. "Arbitron is what drives the bus for us, so where Gretchen 99 fits into the Arbitron scheme of things is important," comments Barnett. He says Gretchen 99 won't be rated as a station separate from Kiss Country for at least two years, when Arbitron's Portable People Meter will arrive in the Miami market and be able to pick up discrete channel listenership. In the meantime, when Gretchen 99 gets written into the diary, it gets attributed to Kiss Country—a definite ratings bonus. "We get two for the price of one," adds Barnett.

### Cooking Up Interest in Side Channels

What's the best way to promote your new HD2 station? Have a BBQ and invite 30,000 of your closest listeners!

So says Kiss Country Director of Marketing and Promotions Sandy Sloane, who chose her station's annual Chili Fest as the promotional send-off for HD2 station Gretchen 99. "Realistically, none of us is going to have large promotional budgets for these new channels. Fortunately, most of us can still find ways to reach listeners through our usual promotional venues," comments Sloane.

Kiss Country's signature event featured country stars Keith Urban, Van Zant, Trick Pony, Craig Morgan, and, of course, the HD2 station's namesake, Gretchen Wilson herself.

For the event, Sloane set up a separate Gretchen 99 tent with HD Radio listening booths airing cuts from Wilson's latest album. In addition, five lucky listeners walked away with free HD Radio receivers worth several hundred dollars each. The radios were donated by HD Radio technology developer iBiquity Digital Corporation.

The promotion netted local coverage by newspapers and television and, most important, earned kudos from listeners.

## BE's HD Radio Product Manager, Ted Lantz, goes over the basics of digital radio, multicasting, and more.

### Q: What is HD Radio?

**A:** It's a digital form of broadcasting that fits onto the same spectrum as your current analog AM or FM. We at Broadcast Electronics have been working with broadcasters and with iBiquity Digital Corporation, the developer of HD Radio, since digital radio was a nascent technology referred to as in-band, on-channel (IBOC).

### Q: What are the benefits of HD Radio?

**A:** The main benefits of HD Radio are new opportunities and improved competitiveness. Terrestrial radio dominates the ears of America and can continue to do so. Those who are moving to HD Radio are compelled by additional bandwidth for more program channels, improved audio quality, programming of radio-displayed text messages, data transmission to non-radio devices and other enhancements over current analog radio.

### Q: Will HD Radio affect current listenership?

**A:** Yes and no. Yes, listeners with new HD Radio tuners will definitely notice the quality of digital broadcasts and all the nifty new services you can offer, such as texting song titles and phone numbers. No, there's no affect to listeners tuning in to your station on regular radios. Digital broadcasts coexist with your station's regular broadcasts, so you can broadcast in digital as soon as you're ready.

### Q: What do I need for HD Radio?

**A:** For those in station management, sales, programming and promotions, you'll need to take the skills and tools you use now to create, promote and sell HD Radio's enhanced programming and message services. On the technical side, your station will need an HD Radio transmitter that can pass the digital signals. BE offers a number of flexible alternatives for implementing HD Radio into an existing RF environment, in some cases using the existing tower and antenna structures.

### Q: What is HD2 Multicasting?

**A:** HD2 Multicasting is a cool byproduct of FM HD Radio that makes it possible to split the digital broadcast into several program channels. HD2 channels are broadcast over the same station frequency as the main program channel, to be picked up by the digital radio. Once a station converts to HD Radio with BE's transmission products, adding additional programs becomes a simple matter of dividing the broadcast into separate channels.

### Q: What else can I do with HD Radio?

**A:** Well, for starters, you can display messages on the face of HD Radio receivers. Song titles, artists' names, station branding, an advertiser's phone number, you name it. BE's Now Playing message-casting application allows you to schedule messages that interleave with program information. These can be scheduled by daypart or to air with a particular song or spot.

### Q: Anything else?

**A:** We've just started to scratch the surface of HD Radio. At BE, we've transmitted live traffic feeds over HD Radio channels to in-car navigational systems and "tunneled" information to a number of destinations. For more of what is happening in stations like yours, see the HD Radio Resources on our home page. For what's happening next, stay tuned to BE.

## HD Radio Revenue Could Reach \$805 Million by 2008

Kagan Research forecasts HD Radio revenue in excess of \$805 million for 2008 based on four business models:

- Multicasting offers broadcast-like channels in the option that most closely emulates the current analog broadcast business model.
- Advertising-supported "now" channels can be created to offer highly formatted local information such as all-the-time weather reports, all sports, all traffic or all local news.
- Datacasting typically involves leasing spectrum to third parties.
- Fee-based radio could be offered on a monthly subscription basis.

### HD Radio Revenue Forecast 2008

Multicasting	\$610.80 mil.
Subscription Based Model	0.020 mil.
Sponsored "NOW" Station	152.02 mil.
Datacasting	42.35 mil.
<b>Total HD Revenue</b>	<b>\$805.19 mil.</b>
<b>Total Radio Revenue</b>	<b>\$22,269.22 mil.</b>
<b>HD% of Total Radio</b>	<b>4%</b>

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# TIRED OF FIGHTING OVER THE "OFFICE COPY"?



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# RADIO'S 100<sup>TH</sup> ANNIVERSARY

Throughout 2006, *Radio Ink* will be celebrating the 100th anniversary of the invention of radio.

## Did The Music Really Die?

**DEFINING MOMENT — “THE DAY THE MUSIC DIED”:** In New York and throughout the radio business, May 10, 1982, was known as “the day the music died.” That was the day WABC-New York abandoned music and became Talkradio 77. While other AM giants like WNBC-NY and WLS-Chicago continued playing at least some music through the mid-’80s — primarily as filler for entertainers like Stern and Imus — the day WABC switched is remembered as the day AM surrendered music to the FM band.

In its heyday, WABC put “broad appeal” into broadcasting in an era before specialized programming



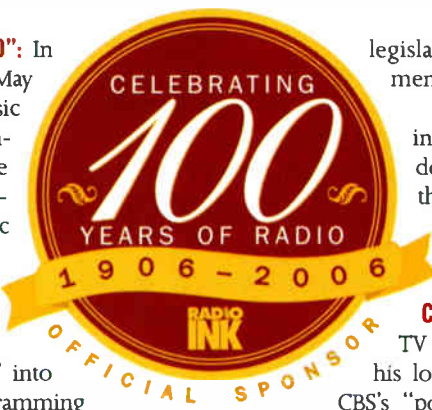
WABC deejays Dan Ingram (l) and Ron Lundy, the day the music died

such as AC, Hot AC, and Urban came along. Popular jock Dan Ingram played hits by the Beatles, Beach Boys, Elvis, and the Four Tops, and always reminded beachgoers to “roll your bod!”

After the switch, a group of WABC jocks (including Ingram, Harry Harrison, Cousin Brucie, and Ron Lundy) moved to WCBS-FM for the better part of the ’80s and ’90s. Today, WABC is the home of Talk personalities Rush Limbaugh, Sean Hannity, and Art Bell. Interestingly, after WCBS-FM switched from Oldies to Adult Hits last year, WABC brought back the music — one night a week, at least — with a *Saturday Night Oldies* show hosted by Mark Simone.

**PERSON WHO MADE A DIFFERENCE — NEWTON MINOW:** Even though he’s best known for his “Television is a vast wasteland” speech, this once-feared FCC commissioner had a huge impact on radio.

Appointed in 1961 by President John F. Kennedy, Minow insisted that radio stations should be more than an entertainment medium. Minow believed that radio stations had a public service responsibility to their communities, and championed



legislation that imposed public service requirements on radio stations.

Minow also once complained that “listening to the average radio station is like going down the midway [at a carnival] listening to the hawkers.” He eventually imposed advertising limits on broadcasters.

### ENTERTAINER WHO DEFINED RADIO —

**CHARLES OSGOOD:** He’s known primarily as a TV newscaster, but he’s never been able to quell his love for radio. Charles Osgood is known as CBS’s “poet-in-residence,” and was referred to by longtime colleague Charles Kuralt as “one of the last great broadcast writers.”


On the TV side, Osgood has anchored CBS News Sunday Morning since 1994, but he’s never given up his radio gig, *The Osgood File*. He anchors and still writes the daily news commentary, which airs on the CBS Radio Network. Osgood was inducted into the National Association of Broadcasters Hall of Fame in 1990, and received a 1999 International Radio and Television Society Foundation award for significant achievement.

He has received George Foster Peabody Awards for *Sunday Morning* and for *Newsmark*, a weekly CBS Radio public affairs broadcast. Before joining CBS News, Osgood was an anchor/reporter for WCBS News Radio 88 in New York. He was also PD of WGMS-Washington. Osgood always manages to get in a plug for his radio work while closing his TV show, when he tells listeners, “I’ll see you on the radio.”

**MOVIE DEFINED BY RADIO — GOOD MORNING, VIETNAM** Or, as star Robin Williams would put it, “Gooooooood Morning, Vietnaaaaaam!”

If *Private Parts* is a movie entirely about radio, *Good Morning, Vietnam* runs a close second. The film, unless you’ve been otherwise occupied since the ’80s, features Williams as irreverent, high-energy drivetime (both drivetimes, in fact) air personality Adrian Croneaur, a deejay the audience loves, but management hates. In this case, “management” is the United States Army.

The character is reminiscent of, well, Robin Williams, but with a bit of the Greaseman thrown in. When not on the radio, Croneaur hangs with the locals, the troops, makes time with a Vietnamese girl, and almost gets himself shot and/or blown up.

The film features solid supporting performances by Forrest Whitaker, Bruno Kirby, Robert Wuhl, and some of the best Top 40 of that era. 

Compiled by Jim Crossan, news editor,  
Radio Ink.





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NEWS  
PRODUCTS  
& MORE

## IMAGES IN INK



The RAB caught attendees of the American Association of Advertising Agencies' (AAAA's) Media Conference off-guard last month with a marketing stunt that infiltrated the exhibit hall luncheon with dozens of tweens wearing T-shirts with phrases like "Radio's not cluttered — my room is" and "Are the 4A's a new boy band?" Gary Fries, president/CEO of the RAB, looks on as a tween interacts with Mary Bennett, RAB EVP/Marketing.



Lyric Street's Trent Tomlinson (second from right) helped raise record funds during WRBT-Harrisburg, PA's St. Jude Radiothon. With him are (l-r) programming assistant Chris Michaels, PD Joe Kelly, and morning jock Newman.



ABC News Radio Entertainment Correspondent Bill Diehl recently spoke with multi-Grammy-winning Country star Wynonna Judd about her new role as co-host of USA Network's *Nashville Star*.

## VERIZON TOPS MILLER, KAPLAN LIST OF RADIO'S BIGGEST ADVERTISERS

Miller, Kaplan, Arase & Co's recently released *Radio's Leading Advertisers 2005 Year End Report* states that while Verizon Wireless' \$98.4 million in radio spending was well ahead of second-place McDonalds' \$65.3 million, Verizon's total was down from the \$105.6 million it spent in 2004. Meanwhile, McDonalds' 2005 tally was up from its 2004 total of \$61.1 million.

The report ranks the top 100 advertisers in U.S. radio based on data from 732 radio stations in major markets using seasonality charts, media mix graphs, and spending distributions by format. It aggregates radio advertiser expenditure data from 33 U.S. markets accounting for approximately 60 percent of nationwide spot radio revenues, and organizes the nationwide spot radio spending trends of leading advertisers alphabetically, by rank, and by station format.

The report is available for purchase exclusively online at [www.radiosleadingadvertisers.com](http://www.radiosleadingadvertisers.com).

## IN ANY LANGUAGE, RADIO GETS RESULTS

The recent pro-immigrant rally in downtown Los Angeles was expected to draw fewer than 20,000, but that number ballooned to an estimated half a million people after a handful of radio station air personalities promoted the event on the air.

Los Angeles deejay Eddie "El Piolin" Sotelo called for a summit with fellow Spanish-language broadcasters, including KHJ's Humberto Luna, KBUE's Ricardo "El Mandril" Sanchez, and KLAX-Los Angeles and KRZZ-San Francisco's Renan "El Cucuy" Almendarez Coello. Together, they got the word out, and the demonstration became one of the largest in the city's history.

Sotelo became interested after rally organizers told him about the ramifications of legislation passed by Congress last year that would make undocumented immigrants and those who assist them felons.

"I told God that if he gave me an opportunity as a radio announcer, I was going to help my people," said Sotelo, who himself illegally crossed the border in 1986. He added, "I think we have to make sure the message got through to Washington that we're not criminals."

## HOWARD STERN BALKS AT EARLY CONTRACT EXTENSION

Speaking at the recent *Sports Business Journal's* annual World Congress of Sports event, Sirius CEO Mel Karmazin said that Howard Stern recently rejected an offer to extend his five-year, \$500 million deal. "He wasn't interested," Karmazin said. "He'll take his chances when the contract is up."

Despite the hefty price tags attached to Stern's contract and long-term deals Sirius signed with the NFL, NASCAR, Martha Stewart, and others, Karmazin believes that such high-profile content is ultimately worth the cost. "It's scary how much they cost, but I would rather have them and find a way to make money with them than compete against them," he said.

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## LETTERS

## SO GET YOUR OWN COFFEE

I read with interest Robert Reid's recent article about holding salespeople accountable ("The Quality Of Trust," *Radio Ink*, March 27, 2006). "Bosses" are universally hated and despised, while "mentors" are always beloved and treasured forever. Keep that in mind. Teach, instruct, let your people watch you at work, and develop them. People develop in safe, secure, environments. If you're a manager and you're not developing people to a promotable level, then you're simply failing at your job. They respect a leader, and they hate a boss. OK?

Ralph "Allen" Allenbaugh, President, Ralph Allen Media

## ROCKIE'S ROCKIN' THE BOAT

While reading Marc Guild's article, "What's The Real Cost To The Advertiser?" (*Radio Ink*, March 27, 2006) I couldn't help but wonder: What IF buyers really are better at "blind buying" a radio station than we think? Has the radio industry as a whole placed too much self-importance on the "promotional package" of the station? Are the perceived negative repercussions really radio's industry need for total control of the buying process? Maybe, just maybe, terrestrial radio has overstated its importance in the whole realm of buying airtime. What if today's buyers want real-time prices that reflect the constant flux of our industry and the economy, not just the lunch and one-sheet some reps comfortably peddle? We are in an ADD society where brevity and efficiency are paramount. People

want their information, whether it is an advertiser buying space or a listener listening to the ad, to be quick and to the point. I'm still shocked that stations offer the infomercial-ish one-minute spot. Unless you have someone like Roy Williams on staff, you are losing your audience.

While I do not deny the need for AEs, I foresee their jobs becoming less about spot buys and more about selling NTR, events, complex buys, and other opportunities not available through the virtual world. Their mantra needs to be local, on-site, integrated, touchy feely opportunities the Internet buying model can not fully offer — yet. Everyone needs to ask the hard question: Is radio truly reflecting the buyers market of today, or is it still stuck in its own self-importance to change how radio is sold?

Rockie Thomas, ChroniX Radio, Denver

## ALMOST THERE

Mr. Rhoads, I can honestly say I have never written to a columnist before. However, your column on super-achievers ("Being Exceptional: Radio's Best Practices," *Radio Ink*, March 27, 2006) made me look at myself, and how I have achieved what I have. Of the 14 points you outlined, I'm hitting on about 13 cylinders. I may have found the missing link to total self-success. Well done!

Doug Collins, PD and morning show host  
KIYX-FM, Dubuque, IA

## 2006 NAB Crystal Radio Award Finalists



Since 1987, the National Association of Broadcasters' Crystal Radio Awards have recognized radio stations for their outstanding year-round commitment to community service. Stations are required to submit 12 pages that document the year's work, and professionals from the fields of community service, public relations, advertising, and broadcasting review the entries and determine the finalists and 10 winners. Finalists will be honored and winners announced at the radio luncheon, Tuesday, April 25, during NAB2006 in Las Vegas. ASCAP will sponsor the luncheon.

This year's finalists are:

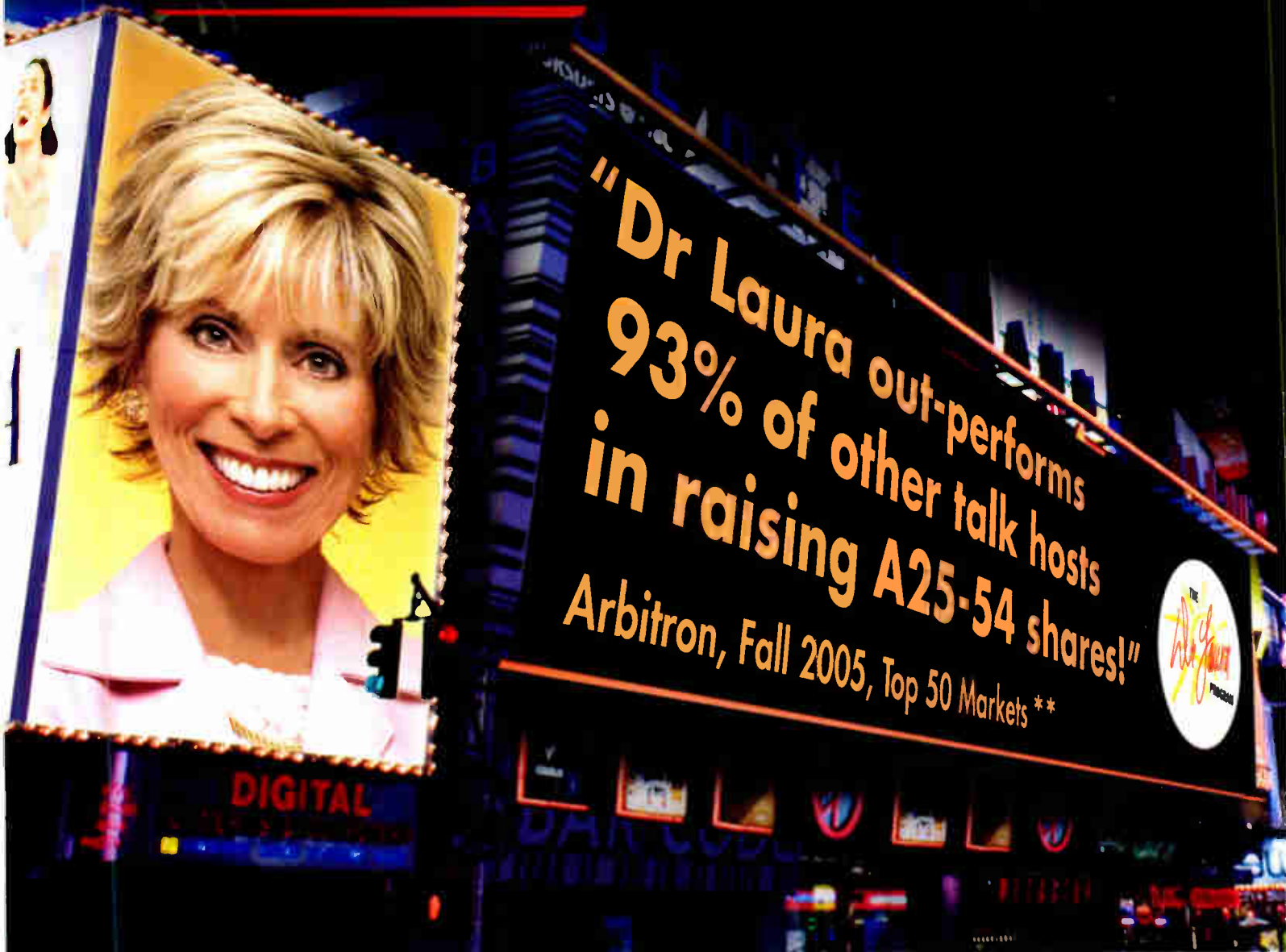
KCVM-FM Cedar Falls, IA  
WGHT-AM Pompton Lakes, NJ  
KFOG-FM San Francisco, CA  
WHAI-FM Greenfield, MA  
KGO-AM San Francisco, CA  
WHIZ-AM Zanesville, OH  
KHOW-AM Denver, CO  
WHUR-FM Washington, DC  
KIOA-FM Des Moines, IA  
WIBC-AM Indianapolis, IN  
KLVI-AM Beaumont, TX  
WILV-FM Chicago, IL  
KMOX-AM St. Louis, MO  
WIVK-FM Knoxville, TN  
KOZT-FM Fort Bragg, CA  
WIZM-AM La Crosse, WI  
KPPV-FM Prescott Valley, AZ

WJYJ-FM Brainerd, MN  
KPRS-FM Kansas City, MO  
WJON-AM St. Cloud, MN  
KQRS-FM Minneapolis, MN  
WLHT-FM Grand Rapids, MI  
KRBE-FM Houston, TX  
WMRN-AM Marion, OH  
KRSP-FM Salt Lake City, UT  
WPHI-FM Philadelphia, PA  
KSL-AM Salt Lake City, UT  
WQCS-FM Fort Pierce, FL  
KTOZ-FM Springfield, MO  
WQMX-FM Akron, OH  
KTSY-FM Boise, ID  
WRVW-FM Nashville, TN  
KUDL-FM Kansas City, MO  
WSBA-AM York, PA

KUZZ Bakersfield, CA  
WSTR-FM Atlanta, GA  
KVAK-AM Valdez, AK  
WTAM-AM Cleveland, OH  
KVET-FM Austin, TX  
WTLC-FM Indianapolis, IN  
KZBR-FM San Francisco, CA  
WTMJ-AM Milwaukee, WI  
WBEB-FM Philadelphia, PA  
WTUZ-FM Uhrichsville, OH  
WDAY-AM Fargo, ND  
WWWQ-FM Atlanta, GA  
WDRV-FM Chicago, IL  
WXKS-FM Medford, MA  
WFBQ-FM Indianapolis, IN  
WYLD-FM New Orleans, LA



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## How do YOUR syndicated programs perform?

In a landmark study of the top 15 national daytime talk show hosts,\* **Dr. Laura** was second ONLY to Rush Limbaugh in raising her affiliates' A25-54 share of audience. She performed at or above the stations' share 76% of the time. The other 14 talkers did it only 61% of the time.

Bottom line... **Dr. Laura** outperformed 93% of her competitors.

But that's not all... of the Top 10 hosts, the **Dr. Laura Program** was the ONLY syndicated show to increase ratings, year-over-

year. During that same time frame, the average syndicated show was down 20%.

You want a proven winner. Let **Dr. Laura** deliver ratings and revenue for you.

For the complete report, contact Jake Russell at **212-239-2988** ext. 310 or [jrussell@totdradio.com](mailto:jrussell@totdradio.com), and let him show you how **Dr. Laura** could be the right choice for you.

\*Top 15 hosts as identified by Talkers Magazine, Fall 2005

\*\* Source of all audience research: Arbitron, Fall 2005 and Fall 2004 Top 50 Markets, Adults 25-54 AQH and Share, exact broadcast times and Mon-Sun 6AM-Midnight.



## Calculating ROI To Avoid *Bonificacion*

How many times have you heard from a local client, "Cancel my schedule. It's not working." And then you're forced to beg, "Oh, no ... PLEASE don't cancel. I'll give you some BONUS SPOTS!"

Why does the client think the campaign is not working? Maybe he thinks that by advertising on your station he should have people lined up outside his door. He believes that as a result of his campaign he should have 100 new sales, when in reality he only needed eight to break even on his schedule on your station. Shame on you if you have no way to manage your client's expectations about results. Giving the client bonus spots only delays the cancellation process, and makes you look like you don't know what you are doing.

In Mexico, bonus spots are called "bonificacion." Just think of the millions and millions of dollars we in radio have needlessly given away in painful *bonificacion*, simply because we were never on the same page as the client about how many people should respond to the client's message on our stations.

What if you could close more long-term contracts with local direct clients with little or no rate resistance, no added value, and no more embarrassing *bonificacion*? Just because we got into the business of media sales by mistake is no reason to do business by mistake. Armed with a little information about the local direct client I am dealing with, I can double or triple the amount of money my prospect thinks he should be "risking" on my station. And, I can sell this client with little rate resistance or added value, regardless of my ranking in the market. But to achieve these goals, first I need a little information.

### KNOW YOUR STATION'S TOTAL CUME AUDIENCE NUMBER

The first thing I have to know in order to calculate ROI for a client is how many different people listen to my station every week. I'm looking for your cume, the biggest 12-plus audience you have. I would rather peel out my own corneas than voluntarily chop my giant cume audience into tiny little chunks. You've got a big number, so use it when describing your audience size to a potential client. If you are in a rated market and you do not know your total 12-plus cume number, find it out. If you're in an unrated market or you do not subscribe to a ratings service, determine the population of your signal coverage area and come up with a percentage that you and your advertiser agree is a fair estimate.

### COME UP WITH AN AVERAGE RATE

Most radio stations make it incredibly difficult for local direct clients to buy from them. In fact, most local direct clients perceive that broadcast advertising is confusing, complicated, and expensive. We make our product look complicated and confusing, and not just with the ratings info we sling at local direct clients. Our rate card system is so complicated that it would practically take an actuary to figure out how to read it.

Think about it. If you walk into a store and ask how much a

pair of jeans cost, it is pretty clear. But ask a broadcast salesperson how much it costs to buy his or her station and you get, "Well, that depends on whether you are buying mornings, mid-days, week-ends, nights. On Mondays and Tuesdays we are on Grid 4, but on Wednesdays we are on Grid 2 — except morning drive, where we are still on Grid 2 because we are sold out. Thursdays and Fridays are always Grid 1, because those days are always sold out three weeks in advance. But Saturdays we are on Grid 5, except mid-days — they are Grid 1." See what I mean?

Here's an easier way: Average a single rate from the schedule you are putting together. Let's say you're trying to sell a client a spot an hour on Mondays and Tuesdays. If your average Monday-Tuesday 6 a.m.-10 p.m. rate is \$100, when somebody asks you how much it costs to buy your station, you could say, "Well, to use our station correctly, about \$1,500 a day." I use this average rate philosophy all the time and nobody freaks out when they hear the number, because they are used to hearing big numbers from the newspaper.

### ASK YOUR CLIENT FOR HIS AVERAGE SALE FIGURE

To determine average sale for a business, simply add up all of the sales your client makes in an average day, then divide that number by the number of customers who bought.

### KNOW YOUR CLIENT'S GROSS PROFIT MARGIN

Every business has a gross profit margin and a net profit. To calculate ROI for your client, you must know the gross profit margin for your client's product or service category. Gross profit margin is how much a business makes after the cost of labor or goods. Gross profit margin does not include rent, utilities, taxes, etc. If I asked a client what his net profit was, he would probably say, "That is none of your business," and he would be right. But asking a client for his gross profit is a fair question, because gross profit margin is about the same for every business in his product or service category.

If the client is a clothier, his gross profit margin is close to the retail standard, called Keystone, or 50 percent. If the clothier buys a shirt from the factory for \$25, he will mark the shirt up 100 percent and sell it for \$50. When he sells the shirt, he subtracts his merchandise cost (\$25) and is left with a 50 percent gross profit margin. Here are examples of standard gross profit margins for other businesses.

- Jewelry stores 50%
- Appliance stores 35%
- Restaurants 40-70%, depending on the food cost
- Automobiles 20%
- New homes 18%
- Mobile homes 40%
- Night clubs 60-70%
- Grocery stores 20%
- Furniture stores 44%

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Once you have these four essential numbers (your cume, your average rate, the client's average sale, and the client's gross profit margin), you can work out an ROI calculation for your client. Consider the following scenario:

Let's say your weekly 12+ cume audience is 50,000. Your average rate is \$50. Your client owns a furniture store. His average sale is \$800. His gross profit margin is 44 percent. You suggest to the client: "I know you are not spending \$2,500 a week on our station, but as an example, let's say you did. Knowing that your gross profit margin is around 40 percent and your average sale is about \$800, how many \$800 sales would you have to make to pay for the cost of the \$2,500 advertising schedule? The answer is about eight. Look. We reach 50,000 people a week on our station. It would be impossible to reach every single one of them. But we do not have to reach everybody, just a small percentage of our listeners who will buy furniture from you or your competitor this week.

"With a \$2,500 schedule, we could run 50 commercials. With that many spots, we could own two or three days on our station. And with a provocative commercial, it looks like a good calculated risk that we might be able to sway eight new customers (.016 percent of our weekly audience) to your store. If we do that, you break even. But what if instead of eight, we caught 12 new customers (.024 percent of our weekly audience) with the same 50 spots? That would be a 54 percent return on advertising investment. Although I cannot guarantee a 54 percent return, it does look like a good calculated risk, doesn't it?"

**Let's look at the math:** Let's say that with a good spot and a good schedule, just 1 percent of your audience responds. That would be 500 people. But it's unlikely that your client is going to advertise anything that would attract a sudden mob to his store. But what if just one-half of 1 percent responded to a good commercial, played enough times so that people who are shopping for furniture have a chance to see or hear the spot. That would be 250 people. But that is probably not going to happen. But if just one-fourth of 1 percent of our audience came in and bought as a result of good bait cast enough times on our station. That would be 125 people, but that's still not likely to happen. But what if only

one-eighth of 1 percent of our audience responded? That would be about 63 people.

**You see where this is going:**

1/16 of 1 percent of your audience would be 32 people.

1/32 of 1 percent would be 16.

1/64 of 1 percent of your weekly audience would be 8 people.

Remember, we only needed eight new customers for the client to break even on the advertising campaign.

At this point, I say, "Hey — instead of going after eight new customers, let's go after more." And the client might double or triple what he "thinks" he should be spending on my station.

**Game over.** I use an ROI calculation with every single local direct client. They like it because it is in a language that is easy to understand. It does not make any difference whether I am number one or number 50. Instead of focusing on rate, the client is now focusing on what appears to be a good calculated risk. We have better control of what the client perceives the station should deliver. And you avoid painful bonification. ☺

Paul Weyland is president of Paul Weyland Training Seminars, Inc. He may be reached at 512-236-1222 or [www.paulweyland.com](http://www.paulweyland.com).

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## Radio At Its Highest And Best

A radio outsider holds the key to empowered programming

Have you allowed Pandora to read your mind yet?

Pandora.com is a streaming music service crafted by a couple hundred musicologists whose ideas about music are much bigger and more divergent than mere format or genre. Tell Pandora what songs you like, and she'll soon figure out what all those songs have in common — that you never realized. Pandora also learns from the songs you tell her you don't like.

Radio programmers who want to think outside the box can learn a lot from Pandora. Flirt with her and she'll help you escape the numbing sameness of old school format-think. Pandora is like Jack on steroids.

I fed Pandora everything from my favorite James Taylor and Jimmy Buffett songs to the blistering rage of Bone Thugs and System of a Down. I even admitted a fondness for certain songs of Janice Ian and Frank Sinatra and Nat King Cole.

Pandora responded by telling me that I tend toward songs with a subtle blues or country influence. I also learned that I'm a sucker for paired harmony, a syncopated rhythm, interesting part writing, and strong melodies. And that's just a few of the characteristics my favorite songs all tend to have in common.

The benefit of all this back-and-forth interaction with Pandora is that she will soon weave together a seamless collection of eclectic choices that no human programmer would ever have put together. She'll play songs you never knew existed, songs that make you say, "Wow! This is the coolest music I've ever heard in my life!"

Pandora is discovery. She is adventure. Even as I write this, I've got Pandora playing through my laptop. A moment ago I heard, *I Concentrate On You*, by Steve Tyrell. Never heard it before in my life. Loved it. Right now, Pandora is playing *It's Alright* by Big Head Todd & The Monsters. Who the heck is Big Head Todd?

My previous experience with her causes me to suspect that soon Pandora will change the tempo and take me in another of my favorite directions. Wow. What a coincidence. Just as I typed "another of my favorite directions," the mellow

mumblings of Big Head Todd segued into the bee-sting guitars of Ten Years After playing another song I've never heard in my life, *When It All Falls Down*.

Click the CD cover that appears on your laptop while a song is playing, and Pandora will let you give a Thumbs Up or



Thumbs Down to the song, then link you to iTunes to buy the MP3 or to Amazon to buy the CD. She'll even explain why she chose that song for you.

Pandora is a radio outsider. She's not a member of our club. That's why I'm bringing her to your attention.

Azar Nafisi, author of *Reading Lolita in Tehran*, is another outsider. In a recent interview she said, "Poor reading, like poor writing, is imposing what you already know on texts. You should go into reading to discover, not to reaffirm what you know." Her comment was aimed at the blindness that comes from living in that hard-edged little box insiders call home, a dreary existence known as the status quo.

Let's expand Nafisi's comment and make it about radio: "Poor programming is imposing your own idea of format on the listener. You should go into programming to discover new connections between songs, not to strengthen the connections you already knew were there."

Now for the happy news: I knew nothing about Pandora until a senior executive from one of radio's largest broadcast groups brought her to my attention during a recent visit to the Wizard Academy campus. Happily, at least one broadcast group has its stethoscope pressed against the heart of Pandora to discover whatever magic might be found.

Yes, radio continues to evolve. Accelerated and empowered by new technologies, she is spreading her wings and learning to fly.

Welcome to the skies of tomorrow. It's going to be a beautiful day. ☺

Roy H. Williams, president of Wizard of Ads Inc., may be reached at [Roy@WizardofAds.com](mailto:Roy@WizardofAds.com).

**QUICKREAD™**

- Pandora.com is a streaming music service crafted by a couple hundred musicologists whose ideas about music are much bigger and more divergent than the mere idea of format or genre.
- Pandora is a radio outsider.
- Like Pandora, you should go into programming to discover new connections between songs, not to strengthen the connections you already knew were there.

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*Kennard Yamada, Sales Manager  
WGOW, Citadel Chattanooga*

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World Radio History



## Broadcasters: The Architects For New Media

*The acorn has fallen right under the tree*

Concerned about your future as a radio programmer? Worried that the golden years of radio are behind us? Relax. Get a good night's sleep this evening. The concept of radio is safe and secure, and will far outlive all of us. In fact, terrestrial radio's pioneers and everyday professionals are setting the standard for tomorrow's technologies.

### PEOPLE CAN'T GET ENOUGH RADIO

Noted radio consultant Walter Sabo makes a point I love repeating. On a number of occasions, he's said (and so have I) that all of the recent interest in satellite radio, HD Radio, and Internet radio demonstrates one fact: People want more radio! They love radio so much that they want to hear it from as many appliances as possible.

I love this idea, because it makes us all feel better about ourselves as an industry, and there's nothing wrong with that. It's also pretty accurate. Consider this: There's been massive mainstream media attention paid to both Sirius Satellite Radio and XM Satellite Radio in the past year; the radio industry press have given heavy coverage to the birth and unveiling of HD Radio; the birth and fledgling acceptance of podcasting has generated a lot of buzz; and the novelty of Internet radio continues to attract ongoing coverage.

All of this shows me one thing: If there's a way for the average consumer to get something that sounds and feels like radio, they want it. If the novelty of the programming or its delivery mechanism wears off, they'll find an outlet that offers what they want. Regardless of how they get it, it still feels like radio.

### TERRESTRIAL PROGRAMMERS SET THE STANDARDS

If you take a look at who's running the show for these new media outlets, you'll find a long list of people who learned their craft in terrestrial radio. In satellite radio, both XM and Sirius are programmed and strategized by experienced on-air and off-air terrestrial radio broadcasters, and many of the most popular Internet streams are either simulcasts or spin-offs from terrestrial radio stations. Also, high-tech corporations like Yahoo and AOL offer Internet radio streams, the most successful of which are programmed by professionals from, yep, terrestrial radio.

You might think podcasting is different, since it offers amateurs a way to find an audience with unique content. Granted, when Adam Curry and Norm Weiner debuted this exciting delivery idea barely two years ago, their iPodder browser showed content that was 100 percent rogue, pirate, bizarre, experimental,

unusual, often unprofessional, and very, very niche-based. But today, it's completely different. While zillions of those same off-beat programs are still out there, the main page of the podcast page at the iTunes Music Store is sponsored by and contains content from the likes of ESPN, the Wall Street Journal, NPR, VH1, the BBC, The New York Times, and even the Vatican.

Others popular podcasts are derived from television programs. ABC World News Tonight, NBC Nightly News with Brian Williams, and HBO's Bill Maher all offer podcasts. Some even include video spin-offs. One example is "Jack Black's Nacho Libre Confessional," which features the actor going wild with a web cam and offering his unique take on the world.

But the podcasts that are making the biggest splash nowadays are specialty programs derived from or simply copied directly from — you guessed it — terrestrial radio stations. Hundreds of highly downloaded podcasts are culled from broadcast stations'

shows — special featurettes, morning show bits, "best of" segments, unique commentary from station hosts, behind-the-scenes interviews, or in-depth content from the terrestrial radio parent.

Enticing a terrestrial radio station's fans to download parts of their station and listen whenever they want still just amounts to more radio. The bottom line: There is massive commercialization emerging

from this once-back-room, experimental delivery system.

Plus, all of the hundreds of HD channels about to pop into public consciousness will be managed and programmed by the best of the best in terrestrial radio, because those working on these side channels are often the very same people running the main station.

In the end, it doesn't matter how many channels you have or what delivery mechanism is transmitting the audio. The best content wins, so the best programmers will be advising or directly programming more stations, streams, signals, or channels than ever before. So, programmers must learn to move faster, make quicker decisions, and manage multiple media.

When it comes to engineering the programming content for new media, those with the best radio instincts, marketing and promotional ideas, and on-air talent will flourish. That's probably you. Nice work. So keep it up, because you're in charge. ☺

Tom Zarecki consulted radio stations in all formats nationwide for 11 years before joining RCS. He is currently PR director for RCS and subsidiary Media Monitors in New York. Contact him at [newsroom@rcsworks.com](mailto:newsroom@rcsworks.com) or 914-428-4600, ext. 143.

All of the hundreds of HD channels about to pop into public consciousness will be managed and programmed by the best of the best in terrestrial radio, because those working on these side channels are often the very same people running the main station.



**“We have long suspected that all the national media interest in satellite radio did not reflect what was going on with the American consumer.”**

*-- Ed Seeger, President & CEO, American Media Services*



So late last year, we decided to ask consumers, despite all the hype, how much attention they are really paying to satellite radio. On January 13, 2006, we launched the first AMS Radio Index, a scientifically conducted national survey of 1,008 American adults, which revealed important and fascinating information about our most important constituency, the consumer.

For one thing, we learned that 64 percent of the respondents said they were listening to radio as much as, or more than, they were five years ago. While ratings for the former Big Three television networks and circulation figures for daily newspapers continue slipping, commercial radio is demonstrating, yet again, that despite the ongoing changes we are seeing in the world of technology, our medium continues to be relevant to the 21st Century consumer.

The initial AMS Radio Index generated so much interest that we have decided to commission at least two national surveys a year. The results of our second index will be available soon on our newly redesigned website ([www.americanmediaservices.com](http://www.americanmediaservices.com)), and we invite you to visit. In addition, our new website has a “blog,” which we are calling “Industry Viewpoints,” and we hope this will be the beginning of provocative and timely discussions about radio’s future.

At AMS, we continue to be bullish about radio, and we want to get the word out. We invite you to join us.

See you in Vegas.

**American Media Services, LLC**



*American Media Services would welcome the opportunity to talk with you about your developmental engineering or brokerage needs during your visit to the NAB Convention in Las Vegas. Call us at 843-972-2200 to arrange an appointment.*



## Try Feedforward Instead Of Feedback

Providing feedback has long been considered an essential skill for leaders. As they strive to achieve the goals of the organization, employees need to know if their performance is in line with what their leaders expect. Traditionally, this information has been communicated in the form of “downward feedback” from leaders to their employees. Leaders also benefit from feedback from their employees, who can provide useful input on the effectiveness of procedures and processes and advise managers on their leadership effectiveness.

But there is a fundamental problem with all types of feedback: It focuses on what has already occurred, not on the infinite opportunities that can happen in the future. As such, feedback can be limited and static, as opposed to expansive and dynamic.

I have observed more than 10,000 leaders participate in a fascinating experiential exercise. Participants play two roles: In one role, they are asked to provide *feedforward* — to give someone else suggestions for the future and *help as much as they can*. In the second role, they are asked to accept *feedforward* — to listen to suggestions for the future and *learn as much as they can*. The exercise lasts 10-15 minutes. In the exercise, participants are asked to:

- Pick one behavior that they would like to change about themselves. Change in this behavior should make a significant, positive difference in their lives.
- Describe this behavior to randomly selected fellow participants in one-on-one dialogues. It can be quite simple, such as, “I want to be a better listener.”
- Ask for *feedforward* — two suggestions that might help them achieve a positive change in their selected behavior. If participants *have worked together in the past, they may not give any feedback about the past, only ideas for the future.*
- Listen attentively to the suggestions and take notes. *Participants may not comment on or critique the suggestions, or even make positive judgmental statements, such as, “That’s a good idea.”*
- Thank the other participants for their suggestions.
- Next, ask the other people what they would like to change.
- Provide *feedforward* — two suggestions aimed at helping the other person change.

- Find another participant and keep repeating the process. *The entire process of both giving and receiving feedforward takes about two minutes.*

### 10 REASONS TO TRY FEEDFORWARD

In the next phase, participants are asked why this exercise is seen as helpful as opposed to painful, embarrassing, or uncomfortable. Their answers provide a clear explanation of why *feedforward* may be more useful than feedback as a developmental tool.

**1. We can’t change the past.** *Feedforward* helps people envision and focus on a positive future, not a failed past. Athletes are often trained using *feedforward*. Racecar drivers are taught to look at the road ahead. Basketball players are taught to envision the ball going in the hoop and to imagine the perfect shot. By reinforcing ideas on how to be more successful, we increase the chances of achieving success in the future.

**2. It is more productive to help others be right than prove they were wrong.** Negative feedback often becomes an exercise in “let me prove you were wrong.” This produces defensiveness on the part of the receiver and discomfort on the part of the sender. Even constructively delivered feedback is often seen as negative, because it necessarily involves a discussion of mistakes, shortfalls, and problems. *Feedforward* focuses on solutions, not problems.


**3. Feedforward can come from anyone who knows about the task.** It does not require personal experience with the individual. Exercise participants are amazed by how much they can learn from people they don’t know! For example, if you want to be a better listener, almost any fellow leader can give ideas on how to improve. Feedback requires knowing about the person. *Feedforward* just requires having good ideas for achieving the task.

**4. People do not take feedforward as personally as feedback.** Positive suggestions tend to be seen as objective advice, while personal critiques are often viewed as personal attacks. *Feedforward* cannot involve a personal critique, because it is discussing something that has not yet happened.

**5. Feedback can reinforce the feeling of failure.** We have all been “helped” by a spouse, significant other, or friend who has a near-photographic memory of our previous “sins,” which they use to point out the history of our shortcomings. *Feedforward* is based on the assumption that people can make positive changes in the future.

**6. Face it! Most of us hate getting negative feedback, and we don’t like to give it.** I have reviewed summary 360-degree feedback reports for over 50 companies. The items, “provides developmental feedback in a timely manner” and “encourages and accepts constructive criticism” almost always score near the bottom on co-worker satisfaction with leaders. Leaders are not very good at giving or receiving negative feedback.

**7. Feedforward can cover almost all of the same material as feedback.** Imagine that you have just made a terrible presentation

 **QUICKREAD™**

- There is a fundamental problem with all types of feedback: It focuses on what has already occurred — not on the infinite variety of opportunities that can happen in the future.
- *Feedforward* helps people envision and focus on a positive future, not a failed past.
- Employees need to know if their performance is in line with what their leaders expect.

in front of the executive committee. Rather than make you relive the humiliating experience, your manager can help prepare you for future presentations. The feedforward suggestions can be very specific and delivered in a positive way. Your manager can cover the same points without making you feel even more humiliated.

**8. Feedforward tends to be faster and more efficient than feedback.** An excellent technique for giving ideas to successful people is to say, "Here are four ideas for the future. Please accept these in the positive spirit they are given. If you can only use two of the ideas, you are still two ahead." With this approach, no time is wasted on judging the quality of the ideas or "proving that the ideas are wrong." By eliminating judgment of the ideas, the process becomes more positive for both the sender and the receiver.

**9. Feedforward can be a useful tool to apply with managers, peers, and team members.** Rightly or wrongly, feedback is associated with judgment. This can lead to very negative, sometimes even career-limiting consequences when applied to managers or peers. Feedforward does not imply superiority of judgment. It is focused on being a helpful "fellow traveler" rather than an "expert." It may be easier to hear from a person who is not in a position of power or authority.

**10. People listen more attentively to feedforward than feedback.** One participant in a feedforward exercise noted, "I listened more effectively in this exercise than I do at work!"

When asked why, he responded, "Normally, when others are speaking, I am so busy composing a reply that will make sure that I sound smart — that I am not fully listening to what the other person is saying. In feedforward, the only reply that I am allowed to make is 'thank you.' Since I don't have to worry about composing a clever reply, I can focus all of my energy on listening to the other person."

I don't mean to imply that leaders should never give feedback or that performance appraisals should be abandoned. The intent is to illustrate how feedforward can be preferable to feedback in day-to-day interactions.

Quality communication — among people at all levels in every department and division — is the glue that holds organizations together. By using feedforward, and by encouraging others to use it, leaders can dramatically improve the quality of communication in their organizations, ensure that the right message is conveyed, and trust that those who receive it are receptive to its content. The result is a more dynamic, open organization whose employees focus on the promise of the future rather than dwelling on the mistakes of the past. ☐

Marshall Goldsmith is founder of Marshall Goldsmith Partners. He can be reached at 858-759-0950 or by e-mail at [marshall@marshallgoldsmith.com](mailto:marshall@marshallgoldsmith.com).

# WOR Radio Network Feature Presentation!

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(:60 Content/:60 Spot)

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## STRAIGHT AHEAD! with Bob Grant

The Talk Radio pioneer offers unique, controversial views and opinions on the world around us. Nothing is taboo!  
(:90 Content/:30 Spot)



**New  
Releases!**

## THE TRAVEL MINUTE with Arthur Frommer

The travel industry legend offers quick tips on the latest in travel for all budgets!  
(:90 Content/:30 Spot)

Plus...a LIVE two-hour weekend show!



## Lou Adler's MEDICAL JOURNAL

The latest in medical advice through interviews with medical professionals around the globe!  
(:60 Content/:60 Spot)



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# A Rehr Opportunity

David Rehr Brings Ambition,  
Political Skills To NAB

## Tackling a new job is always challenging,

but when David Rehr took over as president/CEO of the National Association of Broadcasters on Dec. 5, 2005, he took on not just a leadership role in an unfamiliar business, but assumed a post that had been held for 23 years by Eddie Fritts, arguably among the broadcast industry's most beloved figures.

While the intricacies of the broadcasting business are new to Rehr, the machinations of the Washington political process are as familiar as a favorite pair of jeans. Prior to joining the NAB, Rehr spent 14 years at the National Beer Wholesalers Association, initially as head of the legislative affairs division, and the last five as the group's president/CEO. Still, he notes that the lobbying process has changed since he first started roaming the halls of the Capitol building.

"Washington has changed since I arrived 25 years ago," he says, noting that today's lobbyist must take a more forceful approach to be successful. "You must shape the future, not just react when a bill is introduced," he said, and promised that the NAB under his leadership will become more aggressive in its advocacy efforts. "We owe it to our members," he said, "because the very future of our industry is at stake."

## **INK: Tell me about your first-year plan. What do you hope to accomplish?**

**DAVID REHR:** During the next year, I plan to focus on four areas that will help us improve our position before Congress, the FCC and, most important, in the marketplace.

First, we need to increase the value proposition to our members. Each NAB member is asked to increase its value for customers. We must do the same. We will soon ask every member to provide feedback on NAB programs in our first-ever NAB member comprehensive survey. It will give us a baseline. It will tell us what we do well, where we need to improve, and what we should abandon. My goal is to increase services and programs annually — to build maximum value to our dues-paying members.

Second, NAB and our member stations must embrace new technologies. We must take the best of the past and apply it toward the future. Many of our competitors say we are dinosaurs. They're dead wrong. Each week, over 260 million people listen to free radio — but we can't rest on our laurels. We must work to ensure our broadcast signal is in every device or gadget brought to market. We must embrace technology and help shape the future. All of our efforts should complement our commitment to free, over-the-air broadcasting.

Third, we need to be more vigilant in explaining how we matter. We face enormous challenges, and we must take it upon ourselves to be our own industry's salespeople. Our neighbors, business associates, employees, friends, members of our church or synagogue need to understand how important and vibrant broadcasting is in America. I like to talk about being "evangelical," about the important role we play in every town and community. It is something we should be very proud of. We simply cannot be taken for granted. Localism is the lifeblood of our business. It's not only in our business plan — it is our business plan.



**NAB IS COMMITTED TO ENSURING BROADCAST PROGRAMMING IS ON EVERY SINGLE NEW TECHNOLOGY OUT THERE. IN THIS MULTI-CHANNEL WORLD, OUR OPPORTUNITIES ARE LIMITED ONLY BY OUR LACK OF IMAGINATION.**

Fourth, we need to build on our political influence. NAB has a good reputation and is influential in Washington, but our competitors are beefing up their lobbying efforts, consultants, lawyers, and grass roots. We must work with our state association partners in expanding our reach to Congress and those who regulate us, and make those relationships deeper. We must become advocates instead of just lobbyists, and we must take the offensive.

**RI: What are your top priorities for radio?**

**DR:** On the radio front, NAB is working with Congress, the FCC, and other industry players to ensure a rapid and smooth deployment of digital radio. HD Radio is going to revolutionize free radio, with not only crystal-clear audio, but also expanded programming options through HD2 multi-casting. As we move forward, NAB will continue playing a major role in promoting this new technology before policymakers.

In talking with our members, I know we are facing revenue challenges. We need to acknowledge this, focus on its

to reach out aggressively to broadcasters large and small, radio and television, family-owned and publicly held, to learn firsthand what NAB should be doing to help our members increase the value of their operations.

**RI: Some feel that your not being a broadcaster is a disadvantage because you may not see an issue from a broadcaster's position. How will you address those concerns?**

**DR:** Here are my strengths: I know how to run a successful, aggressive trade association that advocates on behalf of its members. I have spent my years in Washington building relationships on Capitol Hill, in the administration, and through my involvement with associations and grass-roots efforts. I earned a Ph.D. in economics from George Mason University at night while I worked full time. I understand how to build an organization that reflects its membership and is accountable to its board. I am a builder. I also ensure that staff utilize every possible tool available to succeed for the membership. I focus on how to move the ball down the field to score as many victories as possible for dues-paying members.



**I ACCEPTED THIS JOB KNOWING FULL WELL THAT BROADCASTERS' BEST DAYS STILL LIE AHEAD — I WOULDN'T HAVE TAKEN THIS JOB OTHERWISE — AND THAT'S A MESSAGE NO ONE SHOULD BE AFRAID TO DELIVER.**

cause, and assess what we can do, both individually and collectively through NAB, to help our members. I don't want to over-promise that NAB will change the climate, and there are other fine organizations addressing these challenges, but perhaps NAB can help influence the direction of our industry for the better. We cannot simply ignore the fact that broadcasters are being challenged like never before; we need to find our place in helping meet that challenge.

Washington has changed since I arrived 25 years ago. To be successful, you must anticipate, and you must stay on the offensive. You must shape the future, not just react when a bill is introduced. NAB culture will change from one that is on the defensive to one that is on the offensive. We owe it to our members, because the very future of our industry is at stake.

**RI: What changes do you feel need to be made at NAB?**

**DR:** NAB is known inside the Beltway as one of Washington's most effective lobbying associations, but we want to make it better. We want to take the best from the past and apply it to the future. That means proactively enhancing our visibility on Capitol Hill and at the FCC. We must also increase our value proposition to member stations. I am confident that as I continue to meet broadcasters, attend state association meetings, and see results of our membership survey, NAB will evolve into an even better organization. We have a very diverse board that will be more involved, and we have a strategic plan that gives us direction. We'll also be seeking guidance from our grass roots, which is our greatest strength. I've learned so much about the business and our members in my first few months. I have tried

Since I joined NAB, I have literally worked day and night and traveled around the country meeting with broadcasters from New York City to Carthage, Texas, and from California to Wisconsin to fully understand issues that are important to our members. In Washington, I've met with congressional members who serve on committees that oversee broadcasting, many of whom I have known throughout my career. And I've advocated our message at the FCC as well, meeting with Chairman Martin, every commissioner, and their respective staffs. I am committed to understanding broadcasters' needs, and aggressively advocating on behalf of this industry.

When I joined NAB, I knew it was going to be exciting — but it's 400 times more exciting than I anticipated. Broadcasters are at the center of their local communities, and they are the first to help a worthy cause or those in need. It is an honor to be representing broadcasters in the nation's capital.

**RI: How willing are you to tell us, the radio broadcasters, what we do not want to hear? What do we need to hear?**

**DR:** I am not afraid of challenging assumptions or embracing change. And neither are those broadcasters who are most successful. In preparing to take on the job here at NAB, I heard the naysayers who have written off the business of broadcasting. Well, I have a message for our critics: Underestimate our industry's ability to adapt at your own peril. New technologies should not be viewed as threats, but rather opportunities. With so many new gadgets out there in need of localized content, who better to provide it than broadcasters? I accepted this job knowing full well that broadcasters' best days still lie ahead —

# 2006 SALES & CLOSINGS

**SOLD**

**KOKF-FM Oklahoma City, OK RDM Broadcasting Enterprises  
to Educational Media Foundation \$4 million**

**WBTM-AM Richmond, VA Salem Communications  
to Mount Rich Media \$1.5 million**

**KYLA-FM Shreveport, LA NWLA Broadcasting  
to Educational Media Foundation \$2.85 million**

**WOCN-AM Miami, FL Minority Broadcasting  
to Independence Media \$6 million**

**WJMM-FM, WCGW-AM, WWFT-AM Lexington, KY  
Mortenson Broadcasting Company  
to Christian Broadcasting Systems, Ltd \$4.5 million**

**KITA-AM Little Rock, AR KITA, Inc  
to Davidson Media Group \$600K**

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**KBID-AM Bakersfield, CA American General Media  
to Gore-Overgaard Broadcasting, Inc \$925K**

**KTFX-AM Tulsa, OK William H. Payne  
to Davidson Media Group \$1.025 million**

**KNIT-AM Dallas, TX from Salem Communications  
to James Crystal Radio for WORL-AM Orlando, FL value \$6 million**

**WBOB-AM & WTSJ-AM Cincinnati, OH from Salem Communications  
to Christian Broadcasting Systems, Ltd, for WLQV-AM Detroit, MI + \$6.7 million**

**KXEG-AM & KXXT-AM Phoenix, AZ James Crystal Radio  
to Communicom \$10 million**

**WSRC-AM Durham, NC Willis Broadcasting Corporation  
to Davidson Media Group \$1.2 million**

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World Radio History

I wouldn't have taken this job otherwise — and that's a message no one should be afraid to deliver.

**RI: Indecency is a burning issue on Capitol Hill. Do you feel that the FCC's broadcast indecency rules should be expanded to include subscription services like satellite radio?**

**DR:** There can't be two sets of rules. XM and Sirius have become a haven for banished free-radio talent, and they are simply trying to have it both ways on the indecency front. On one hand, they claim protection from content regulation through their status as a subscription service. We cannot allow them to get off with that explanation. You could easily argue that the most offensive comments heard today are on satellite radio. Howard Stern is there, where I understand there are "phone sex" conversations. Society is not served well by this, and the FCC should do something to end it.

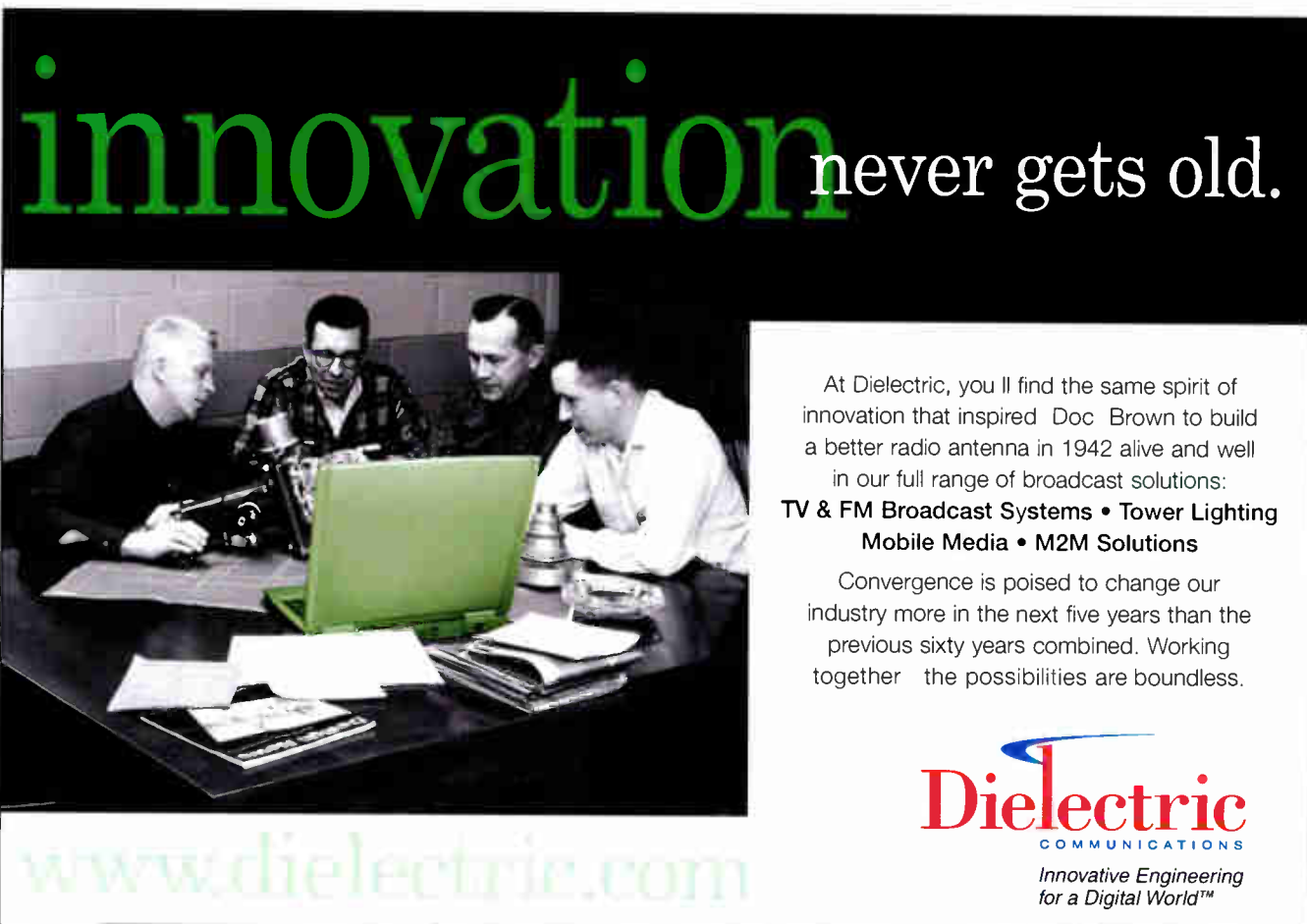
Satellite radio also uses marketing tools like free subscription services to garner new audiences. You'd be hard-pressed to make the argument that FCC indecency rules should not apply to satellite radio when it is provided free in rental cars, unbeknownst to families with small children.

**RI: The FCC's indecency enforcement has created a chilled climate for broadcasters. What will the NAB do to protect**

**broadcasters' First Amendment rights, and how will you work to defuse the charged political environment?**

**DR:** It's all about empowering parents. NAB is taking a lead role in an unprecedented effort to empower parents in making informed choices about media content entering the home. I'll grant you that parents believe some programming is unsuitable for children. Yet those same parents overwhelmingly reject the notion that government should play the role of programming police. NAB has joined the TV networks, along with Hollywood studios, cable operators and programmers, and TV and radio manufacturers in what will amount to a \$300 million public-service ad campaign to educate parents on how they can screen out objectionable programming. We've enlisted the Ad Council to create these spots on both TV and radio. It's something that's never been done before, and it demonstrates our commitment to this issue while meeting parents' overwhelming desire for a market-based solution.

Having said that, the NAB must be a strong advocate for the First Amendment. I think you'll see us more involved in supporting things like reporter shield laws and free-speech initiatives. Freedom of speech is the founding principle of our society, and the cornerstone of what makes America the greatest nation in the world. NAB has an obligation to our member stations to advocate and educate policymakers on its relevance and significance.



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**RI:** Talk about the congressional efforts currently under way that are aimed at prohibiting satellite radio companies from inserting local content regionally through their terrestrial repeater networks. Do you think that lawmakers will pass legislation mandating that the services remain national-only?

**DR:** I think this goes back to satellite radio's disingenuous attempt to operate as a national-only service. The fact is that both XM and Sirius continue to aggressively skirt the intent of their FCC licenses as a national-only service. These two companies had combined revenue losses of nearly \$1 billion last year, and have failed as a national service. Now, they're looking to get into localism to rescue a struggling business model. NAB is working to pass legislation to hold them accountable to their FCC licenses as national-only services. HR998 (a House of Representatives bill that would prohibit satellite radio companies from offering localized content to specific regions of the country) now has over 115 House co-sponsors. A Senate bill was introduced last month. These two bills are critically important. Right now, XM and Sirius will continue to demonstrate their absolute disregard for their national-only licenses.

**RI:** Some say that NAB is standing on the sidelines when it comes to promoting HD Radio. Why hasn't the group been a more vocal advocate for this technology?

**DR:** I don't agree with the premise of the question. NAB has indeed been involved in the HD Radio effort. The right question is, "What is the NAB doing to help with the HD Radio rollout effort?" There is no organization in America more supportive of HD Radio than NAB. The first major news conference I attended as president and CEO of NAB was the HD Digital Radio Alliance announcement in New York. That was not by accident. I wanted to send a strong and clear message that NAB strongly embraces new technology — and that we will work with our partners to embrace the future. We invited HD Digital Radio Alliance CEO Peter Ferrara to



speak at our Radio Fly-In in February so he could update all the group heads on the work of the alliance. Peter also provided a status report to the Radio Board of Directors in March. In addition, the NAB legal department is working with the FCC to finalize rules governing the HD Radio rollout. We're confident we'll be successful in shepherding oversight of this process in the regulatory arena.

**RI:** What are the biggest congressional threats to radio broadcasters?

**DR:** Indifference — toward our industry's needs, and to broadcasters' commitment to serving local communities. We need to ensure that Congress has a full understanding of and appreciation for the role local broadcasters play in towns and cities across America.



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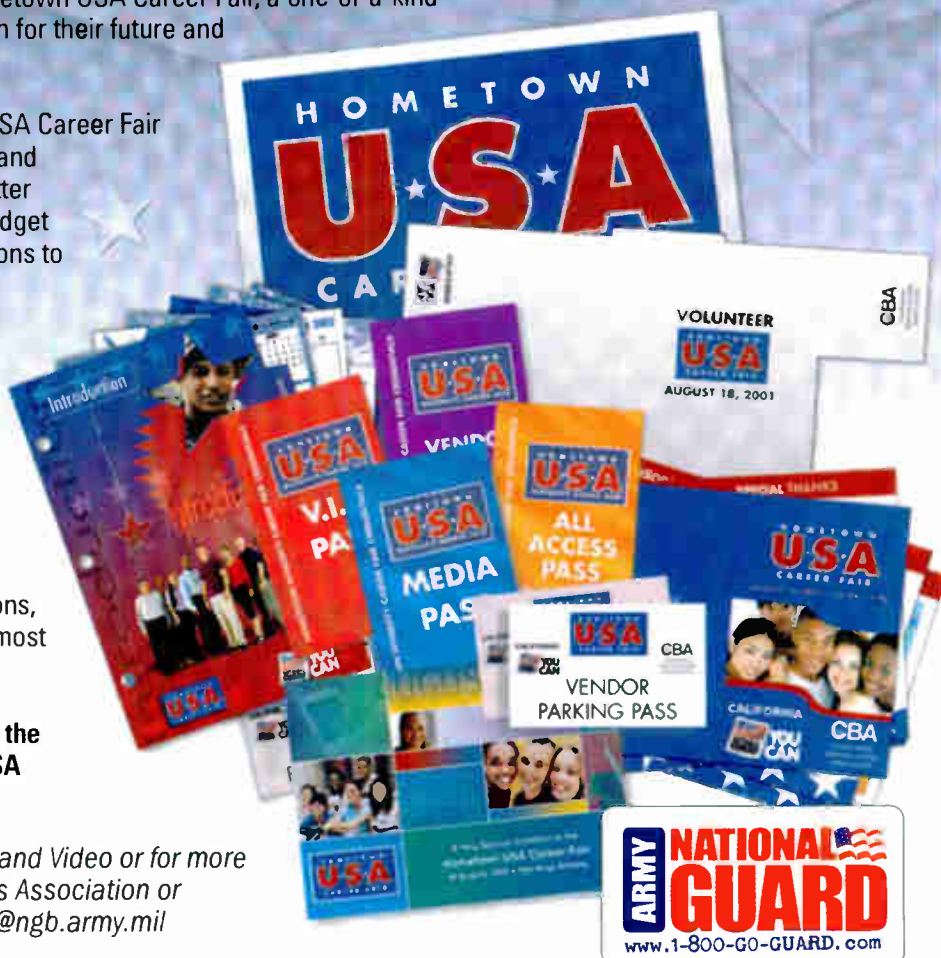
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One thing that continues to impress me is the vital and timely lifeline provided by local broadcasters during times of crises. Hurricane Katrina was a prime example of how broadcasters are so uniquely positioned to disseminate important and often lifesaving information during a disaster. Before, during, and after the storm, we heard stories of broadcasters wading through snake- and alligator-infested waters to re-power their generators and stay on the air. It's unfortunate that sometimes it takes a disaster of this magnitude to demonstrate the invaluable role served by local broadcasters every day.

**RI: Should NAB change its name to the National Association of Terrestrial Broadcasters? Or should you welcome XM and Sirius as members?**

**DR:** There is tremendous value in the NAB brand. To change our name and deviate from our mission of advocacy on behalf of this great industry would make no sense. The NAB is a solid brand name that stands for local commitment and diversity of views. I hope during my tenure at the NAB, that brand will only grow. We are a voluntary association and always welcome supporters. We would welcome into membership anyone who believes in free, local, over-the-air broadcasting.

**RI: Some people believe that broadcast consolidation should**

**be extended to its industry organizations through a merger of NAB and RAB. Is this as a possibility?**

**DR:** To my knowledge, that has never been considered by the NAB Joint Board of Directors, because each organization serves a distinct purpose. NAB's function is primarily government representation; RAB focuses on advertising and sales issues. I do think we will look to build on each other's success, but NAB needs to focus on building member value, and to serve as the advocate for radio before Congress, the FCC, and the courts. That doesn't mean I won't jawbone business leaders to advertise on radio. It's one of the best investments a company can make in building its brand, selling its product, and expanding its business.

**RI: What leadership will the NAB provide to help digital broadcasters test new economic models as analog broadcasters attempt to be relevant and profitable in the untested digital multi-channel world?**

**DR:** New technologies provide not only an opportunity for expanded choice to consumers, but also provide additional platforms for compelling local content offered by broadcasters. NAB is committed to ensuring broadcast programming is on every single new technology out there. In this multi-channel world, our opportunities are limited only by our lack of imagination. 📻

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# The Best Unattended Weather is Dave Scott's Unattended Weather.Com

Stations were recently been criticized in the press for not warning listeners of impending tornados. Your station can give timely storm warnings and great weather, even when unattended. And, you can make extra money in the process. Details are in NAB Booth N414 and [UnattendedWeather.Com](http://UnattendedWeather.Com).

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Expand your playlist, get HD-2 music, or change formats tomorrow. Improve your audio quality with new sources and new techniques that weren't available when other libraries were made a decade ago. Songs are only \$1 each. Details are in NAB Booth N414 and at [UncompressedMusic.Com](http://UncompressedMusic.Com).



Dave Scott

## NAB N414 or 1-866-Dave-Scott

## Expanded Product Offerings, Increased Availability Of Receivers Paint Bright Picture For Future Of HD Radio

In the past, I have come to NAB to discuss the potential of HD Radio technology. This year, I'm here to discuss the reality of HD Radio broadcasting.

As perhaps the most significant technological advancement in radio in nearly 50 years, HD Radio is providing broadcasters with the ability to reach consumers with a variety of new entertainment and information options through a medium that is free and local. Today, more than 3,000 stations are either on the air or in the process of upgrading to HD Radio, and we expect at least 1,200 to be on air by the

end of the year. Markets such as Los Angeles, Chicago, and Detroit already have more than 20 stations on the air; and digital HD Radio signals currently reach 65 percent of Americans.

One of the key factors driving this growth is the explosion in interest — both from broadcasters and consumers — around HD2 multi-casting. As most readers of this publication likely know, multi-casting allows FM stations to divide their digital signals into additional streams of unique programming, thereby expanding the amount of free and local programming options available to listeners.

Program directors at stations across the country are using multi-casting as a blank canvas to offer truly unique and innovative programming, ranging from opera to southern rock to foreign language programming, and much more.

### HD Radio Receivers — What's Available Today

To experience HD Radio, listeners, of course, need an HD Radio receiver. Whether shopping for the home or car, there are a variety of HD Radio receivers available today (see chart below).

The automotive aftermarket is flush with HD Radio-ready options. Alpine, JVC, Kenwood, Panasonic, Sanyo, and Eclipse all currently offer HD receivers, each with a slightly different



### HD RADIO PRODUCTS AVAILABLE TODAY

Manufacturer	Model	Type	Features
Audio Design Associates	TSS-1, Duo Tuner, Quadritune	Custom Home Tuner	Multi-cast capable
Boston Acoustics	Recepter Radio® HD	Table Top	Multi-cast capable; second speaker for true stereo sound; dual alarm clock
DaySequerra	M4	Custom Home Tuner	Multi-cast capable
Yamaha	RX-V4600	Receiver	Multi-cast capable
Alpine	DVA-9965	Automotive Aftermarket	DVD player; play back of MP3 and WMA audio files burned onto CD-Rs; iPod connection
JVC	KD-HDR-1	Automotive Aftermarket	CD player with built-in MOSFET amplifier; SRS circle surround automotive; multi-cast capable; detachable face
Kenwood	KTC-HR100MC, KDCOMP625, KTC-HR100TR	Automotive Aftermarket	Multi-cast capable
Panasonic	CQ-CB8901U	Automotive Aftermarket	WMA/MP3/CD/HD Radio receiver with full dot matrix display
Sanyo	ECD HD 1990M	Automotive Aftermarket	HD Radio receiver; detachable front panel; full function credit card remote
Eclipse	HDR-105	Automotive Aftermarket	Tuner box optional for CD8455, CD8445, CD5435, CD5425, CD5415



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# The Business Of HD Radio



technology approach. For example, companies like Sanyo and JVC have “one-din” HD Radio units with tuners built right into the head units. It’s a very clean solution.

Kenwood and Alpine offer an external tuner that is compatible with multiple head units. Consumers who already own an HD Radio-ready head unit from one of these companies need only purchase the tuner box to receive HD Radio broadcasts. This type of tuner is typically installed in vehicles’ trunks.

On the OEM front, BMW is offering HD Radio as a factory-installed option in its 5, 6, and 7 Series vehicles.

In the home market, there is Boston Acoustics’ tabletop “Receptor” model, which has earned critical praise from *Forbes*, *MSNBC*, and *PC World*. Additionally, high-end home receivers from Yamaha, Audio Design Associates, and DaySequerra offer HD Radio-enabled products.

Polk Audio, Radiosophy, and Rotel all have new products in the works.

## PRICING AND PURCHASING

As with any new consumer electronics product, prices start high and come down rapidly as a result of increased demand, volume, and technological progress. We’ve seen the same trend with HD Radio products. Prices have decreased significantly since the first HD Radio receivers were introduced, and are expected to continue in this direction. As one example, Boston Acoustics’ Receptor debuted in December at \$499, but is now available for \$299. HD Radio receivers are now widely available through a variety of online and specialty retailers.



new HD Radio products are on the horizon, we realize that we need to ratchet up the different categories and number of HD Radio products available to consumers. We have invested in several new tools that will help manufacturers move more products into the marketplace at a faster pace, and at lower price points.

Another exciting development involves a new product category for the car. This past fall, DICE Electronics (a Denison company) introduced a unit that will allow consumers to enjoy HD Radio while keeping their existing car sound systems. The DICE product will be compatible with Audi, GM, Nissan, BMW, Honda, Toyota, Chrysler, Mazda, and Volkswagen vehicles. A similar product — the KOS-A200 — is also being developed by

Kenwood. You can expect to see more on this front later this year.

In the automotive OEM market, many more car manufacturers are planning to include HD Radio receivers as factory-installed options. In fact, nine car brands representing 36 different models have committed to including HD Radio receivers in their vehicles in the next few years.

Since the beginning of 2006, 10 new major Asian manufacturing companies have been licensed to build HD Radio products and more than 20 Asia-based radio manufacturing companies are involved in developing HD Radio receivers. That is in part why I am so optimistic that we will have an HD Radio receiver that retails for less than \$200 by the end of 2006.

Another reason behind the strong momentum enjoyed by HD Radio is the recent formation of the HD Digital Radio Alliance. Composed of 12 radio broadcasters, the Alliance has played a key role in accelerating the adoption of HD Radio by consumers, while supplementing those efforts with a nationwide advertising campaign aimed at raising awareness of HD Radio among consumers. The Alliance’s national radio campaign began running across the country last month, and its website, [www.hdradio.com](http://www.hdradio.com), has already attracted tens of thousands of visitors. The



Alliance will continue to play a key role in the HD Radio rollout. ☒

Bob Struble is president and CEO of iBiquity Digital.

As the nationwide promotion of HD Radio ramps up in 2006 and new receiver models are introduced, we expect to see receivers appearing on the shelves of larger, national retailers.

## WHAT'S NEXT?

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## Practice What You Preach

Every day, thousands of radio stations in North America send out their sales minions to fight the good fight and bring home the bacon. The most successful members of this elite corps understand that this isn't about selling units of radio time. It's about growing your clients' businesses. Shepherding their money wisely. Forming marketing partnerships. Investing — that's a key word — in tools to get their story out to key consumers, with an expectation of return on that investment.

But what do radio stations do with one of the finest tools ever devised for growing businesses — radio — to grow our own businesses? Often very little. Which is not just a bad business model, it's shameful.

Not long ago, I sold radio for two years — time well spent for a creative services director. My employers spent thousands of dollars on training. I learned how to connect with prospects and create a comfort zone around them, so that they didn't see me as just another vendor with a begging cup, but a valuable partner with a shared vision about their economic prosperity.

Out there in the trenches, I felt very good about the clients I helped. As a creative director, both in the ad agency business and in broadcasting, I was proud of the many awards I garnered over the years. But I was most proud of my role as a media marketing consultant, because I'd actually helped clients become more prosperous. It isn't about the almighty greenback; economic growth is holistic and interlocking. If my radio campaign for a local appliance store achieves its stated goals, it isn't just the owner who benefits. His employees, his vendors, and his community reap the rewards as well.

It was the owner of one such business who threw me for a loop one day, when he asked this pointed question: "Your radio station did a very good job in training you how to convince me to invest in marketing, using your airwaves and audience. But what is your radio station doing to realize its own marketing goals on the radio?" He continued, "I've seen your billboards and TV commercials, and gotten your direct-mail

pieces. But why aren't you promoting what you can do for people like me on the air? I don't get it."

Many radio stations produce in-house commercials that tout their efficacy at helping clients. In most of these commercials, clients get on the air and say glowing things about the "wonderfulness" (to quote Bill Cosby) of advertising on that particular station. But here's the dirty little secret about that type of campaign, straight from a client who'd been asked to participate in such campaigns by both radio and cable TV. "I really don't know how much they helped, but hell, if they're offering me free time on the air to get my name out there, I'll take it and lie through my teeth if I have to."

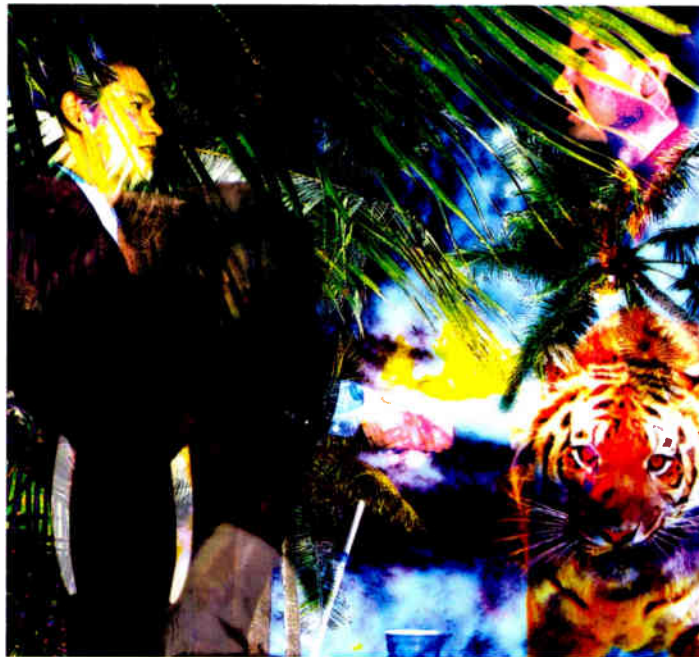
So recently, I decided to take the in-house commercial in an entirely different direction. I wanted to produce a bit of "theater of Steve's mind" that would tell a story and take listeners on a journey, with a sharp turn halfway through.

The best way to capture an audience is to grab 'em by the ears. My spot does that with a tapestry of sounds, as if listeners are "aurally" watching a *National Geographic* special on a tropical rainforest, replete with tigers, elephants, waterfowl in flight, meandering streams, and native drums.

Then, right when I'm sure I have them convinced, wishing aloud that I could show them the graceful butterflies flitting from one orchid blossom to the next, I go with my change-up pitch, and reveal that I cannot, because I'm actually in the studios of a Classical radio station. Touting the power of radio to tell stories, I remind them that their business has a story to tell, and we can help them do just that.

My "practice what you preach" spot never once mentions the word advertising. If you'd like to hear it, drop me an e-mail and I'll be glad to wing the MP3 your way. ✉

Steven J. Steinberg is creative services director for Nassau Broadcasting Partners in Portland, ME. He can be reached at 207-797-0780 or [ssteinberg@nassaubroadcasting.com](mailto:ssteinberg@nassaubroadcasting.com).



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## Black And ... Yellow

In the world of outdoor advertising, black letters on a yellow background are the combination that has the best recall among drivers. Check billboards on your local highways — those colors rise above the clutter.

What does your sales staff do to get the attention of your prospects or clients? In an average week, a business owner encounters 27.6 contacts seeking to sell some product or service. Many sales reps leave constant phone messages soliciting an appointment; or they walk repeatedly into the business, hoping to establish at least an accidental contact with the decision-maker. That doesn't work in today's fast-paced, ever-changing, and highly competitive business environment.

How do your reps let their prospects or clients know they really want the business, or at least an opportunity to meet? When it comes to making remarkable presentations, do they add sizzle — that something extra — to their proposal so it stands out?

You might think that a professional sales rep shouldn't have to do quirky things to get the prospect's attention. However, many business owners appreciate the spunk of a sales rep who does something different to rise above the crowd. Here are some attention-getting items your reps can send or take to prospects, or include in a presentation.

1. **Basketball** labeled "Dunk your competitors with WWWWW [your station]" — have it signed by one of your local basketball legends.

2. **Cake**: "Let WWWWW be the icing on the cake in your marketing campaign."

3. **Plant**: "Your business will grow by advertising on WWWWW."

4. **Small airplane**: "Your business will soar when you advertise on WWWWW."

5. **Deck of cards**: "You'll always have a FULL HOUSE with WWWWW."

6. **Dice**: "Don't throw away advertising dollars — make a sure bet with WWWWW."

7. **Pizza**: "WWWWW will be the supreme topping in your marketing campaign."

8. **Bag of carrots**: "WWWWW has an 18-carrot idea for you!"

9. **Small Puzzle**: "WWWWW can solve your marketing puzzle."

10. **Dartboard**: "On WWWWW, you will hit the BULLSEYE!"

11. **Hot Sauce**: "When you're hot, you're hot on WWWWW!"

12. **Golf Ball**: "You'll always get a HOLE IN ONE on WWWWW." (If you happen to upset a client or prospect: "Sorry I teed you off.")

13. **Alka Seltzer**: "Oh, what a relief it is when you advertise on WWWWW."

14. **Hammer and nails**: "We will build your business on WWWWW."

15. **Timex watch**: "Your competition will take a lickin' when you advertise on WWWWW."


When reps make presentations, how about adding a little sugar and spice — or some dry ice?

How many times have you seen a good written proposal die because the rep delivered it with little or no enthusiasm? Reps: In your briefcase, carry pieces of dry ice and a plastic

container with water. As you open your briefcase, drop some of the dry ice into the water container. As the dry ice melts and smokes, pull out your presentation and say, "I have the hottest proposal in town!" This sets the stage for your presentation and lets the prospect/client know you are serious about working with them. If you're willing to do this, you will be willing to go out of your way to tackle the account.

Want over-the-top servicing of your clients? Try some donuts, but don't just drop off a bag of Dunkin Donuts or a box of Krispy Kremes. For a small amount of money, you can get your local printer to tailor a donut container that will separate you from your competition. Put your company logos or call letters on the outside of the box. At the top near the handle, print "We really appreciate your business a HOLE bunch!" or

"How sweet it is to do business with you!"

Are your reps black and white when they are in the field, or do they rise above the clutter with "black on yellow"? Maybe it's time to see whether your reps are making a lasting impression. 

Sean Luce is the head national instructor for the Luce Performance Group. He can be reached at 832-567-6340 or e-mail [Sean@luceperformancegroup.com](mailto:Sean@luceperformancegroup.com).



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## Make Positioning A Major Part Of Your Business Strategy

Long gone are the days of just selling radio. With the challenge of media-on-demand and the extraordinary competitiveness of the current media landscape, you must be an “advertising agency” wrapped in the guise of radio account executive. One of the most important contributions you as a “marketing consultant” will ever make to your clients’ business success is *positioning*.

Statistics say that 84 percent of businesspeople don’t plan. They know they should, and they want to implement a plan or strategy, but they just never get around to it. If you can help take that burden from your clients’ shoulders, I guarantee you will be their hero, and reap the rewards with more business and a more rewarding income.

Moving a business from one market position (where it’s experiencing failure) and repositioning it to another, where it captures ownership of the consumers’ mind-shelf, can change the fortunes of the company forever. If that result is not achieved, the business will likely be condemned to anonymity and failure. The absence of mind-shelf ownership is one of the primary reasons why the small-business failure rate is sky high. Consumers’ opinion of a business will make it or break it.

Positioning — how the consumer views one brand’s values with competing brands — is strongly linked to the external signals dispatched to the market (marketing), thereby creating perceptible imaging (the consumer’s view of the product/service). Right or wrong, perception is reality.

Aligning marketing activities with positioning objectives forms the perfect marriage. Anything less sends mixed messages to the consumer and diminishes the effectiveness of both. A great example of a business committing professional suicide and destroying its positioning is one that presents itself to the market as a high-quality/high-price retailer but shouts “Sale, Sale, Sale” every five minutes. Such conflicting imaging alerts the consumer “This is a low-end business with low quality and cheap prices!” Those mixed signals destroy the company’s positioning and confuse the consumer.

The essential partner to targeting is aligning the marketing strategy with the positioning objectives, which builds the businesses’ brand identity in the mind of the consumer. Positioning and matching the marketing strategy to the objectives is easier said than done — and that’s where you come in as the marketing guru to your clients. If you want to achieve the status of *client resource*, you need to deliver the guidance and advice on positioning, strategy, and business objectives that will carry your client to the next level of business and financial success.

BMW is a great example of positioning the brand. BMW is “The Ultimate Driving Machine.” It’s taken years of creating,

developing, and building that market presence and positioning the BMW brand. You and your clients can achieve that same objective for their business, but it cannot be realized with one four-day schedule. Branding and positioning take time. Herein lies an enormous opportunity to develop a long-term partnership among you, your station, and your clients. It requires greater effort, more work, passion, commitment, focus, and the willingness to go the extra mile, but the mutual rewards for you and your clients are unparalleled.

Here are the ingredients for success:

- **Ascertain your client’s goals**
- **Create a strategy and develop a plan to achieve those goals**
- **Design your campaign to accomplish the strategies and objectives**

• **Incorporate a long-term branding/positioning campaign with elements of “call-to-action” (call-to-action will encapsulate branding/positioning elements as a matter of course)**

• **A good rule of thumb for the call-to-action/brand mix is 70 percent/30 percent respectively**

• **Source agreement from your client that you share the commitment to achieve the long-term goals — a major part of your presentation for which you’ll also need to strategize and plan. It’s called *preparation*. (Most salespeople try to wing it. Avoid the temptation.)**

• **Implement the plan**

• **Stay focused! Don’t deviate from the plan!**

Staying focused is absolutely essential. Has BMW changed its positioning every five minutes?

The best example of straying from an enterprise’s core business objectives is the “new” Coke disaster. Coca-Cola dumped the original Coke formula, and the pop-guzzling world screamed their objection. I was one of them. The original was subsequently re-introduced as Coca-Cola Classic. The company lost market share, and it took years to re-claim market dominance over Pepsi. The moral of the story: Ensure you and your clients don’t lose focus on the ultimate goal.

Your client must have a clear understanding of where the business is positioned, where he wants the business positioned, and if there is a gap that needs to be closed. If the marketing/advertising budget is aimed at closing the gap and building brand identity, it’s a wise investment. On the other hand, if the advertising dollars maintain the gap, chances are that the marketing and advertising is a waste of money and the business will become a statistic. ☒

Robert Reid is president of Strategic Media Sales, a radio consulting firm. He can be reached at 616-821-4375 or e-mail [StrategicMedia@sbcglobal.net](mailto:StrategicMedia@sbcglobal.net).

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## Radio Promotions Work

Tried and True, They're Among Radio's Greatest Assets

There is not a marketer out there who won't admit that making an impact with traditional media buys is getting harder. In competitive marketing categories — where all the players have excellent creative, execution, and products — trying to stand out in the crowd can be daunting.

"Everyone is talking about the difficulty in producing great ROI with traditional advertising strategies," says Sheila F. Kirby, president, Strategic Sales Development, for Interep. "What worked 15 years ago, 10 years ago, even five years ago, may not cut it in today's hyped-up media environment. But this is actually great news for radio. Our medium has always been able to outperform most other media in terms of creating breakthrough promotions and events. A well-executed promotion reaches out and grabs the listener by the arm, pulls him in, and forces interaction with your product. Whether it is participating in a contest, chatting with a DJ, or holding a product sample in their hands — they are engaged."

The powerful impact of radio promotional campaigns is illustrated in a success story achieved by Interep on behalf of a major international snack food manufacturer. Snack foods/package goods are not traditionally a top advertising sector for radio, so this story also highlights another benefit of promotions: luring new ad categories to the medium.

Though the client wants to remain anonymous, the campaign's impact for his business speaks loud and clear.

The three objectives of the campaign were to create online traffic to the client's improved interactive website, increase the client's online database, and create a fun new spin on sampling the product by utilizing the company's jingle. Working with the client's agency, gkv communications, Interep created two concurrently running promotions designed to accomplish all three of the aforementioned objectives.

The engine driving this promotional campaign was a cell phone jingle contest. Listeners were invited to go to the advertiser's website to download the company's jingle as a free ring tone, which drove traffic to the website. Objective one: check.

Once on the site, consumers were urged to register in the



company's "On the Go" online sweepstakes. Prizes included laptop computers, MP3s, and portable DVD players, with multiple winners. Objective two: check.

To place the product in consumers' hands, Interep created a sampling program in which radio stations dispatched staffers in station vans to various locations, and invited listeners to visit the vans for free snack food products. Each station handed out special prizes to listeners who came to the van and demonstrated that they'd downloaded the ring tone jingle, or who could at least sing the tune. Third objective: check.

The campaign ran in Atlanta; Augusta, GA; Charleston, SC; Columbia, SC; Elizabeth City-Nags Head, NC; Greensboro, NC;

Greenville/New Bern, NC; Greenville/Spartanburg, SC; Johnson City, TN; Norfolk, VA; Raleigh, NC; Tampa, FL; and Tulsa, OK, in June and July 2005. The results were outstanding.

Mary Ann Lohan, SVP, director of media services, gkv communications, says, "The power of promotional radio was evident right from the start, and continued throughout the sweepstakes period. Unique visitors to the website rose 135 percent, and database growth was up 20 percent. And when the promotional spots aired, ringtone downloads increased over 200 percent versus a non-promotional week. All in all, a success on every level."

Perhaps the truest measure of promotional radio's success is that the client will be expanding the program to an additional nine markets for 2006.

Kirby adds, "Advertisers are seeking new and effective ways to engage the consumer. Promotions are an effective way to connect listeners, also known as consumers, to the brand. Radio is on the street, on-air, and on-line influencing consumer buying decisions at the point of purchase."

In fact, advertisers are catching on. According to the RAB, in 2005 marketers spent \$1.3 billion on radio stations in "non-spot" revenue. That includes promotions, events, sampling, and anything else outside of the media spot buy. ☑

Angela Brilis is promotion marketing director for Interep Innovations.



The Trustees of the Foundation of American Women in Radio and Television invite you to celebrate quality programming for, by and about women at the 31st Annual Gracie Awards® Gala.

# The Gracies®



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- The Suze Orman Show
- Wal-Mart/Sam's Club

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### Publications

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- *Radio & Records*
- *Radio Ink*
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## Gracie Allen Awards Sponsorship and Gala Information

For general admission tickets, please visit our Web site at [www.awrt.org](http://www.awrt.org).

- We cannot attend the 2006 Gracie Allen Awards. Here is our tax-deductible donation for The Foundation of AWRT. For this donation, we will receive recognition in The Gracies Program and pre- and post-event. \$ \_\_\_\_\_

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### Sponsorship Opportunities

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- Opportunity to distribute a promotional item
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- Recognition in marketing collateral and on-site event signage

#### Director | \$5,000

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### Send with payment to:

AWRT Foundation, 8405 Greensboro Drive, Suite 800, McLean, VA 22102-5120  
 Fax: (703) 506-3266; Phone: (703) 506-3290  
[www.awrt.org](http://www.awrt.org)

Proceeds benefit the Foundation of AWRT, a 501(c)(3) philanthropic organization, tax ID number 52-1193933.

For more information about sponsorship, contact Javier Cuebas at (703) 506-3290.

For information about the Gracies Awards Luncheon on June 20, contact AWRT Headquarters at (703) 506-3290 or visit our Web site at [www.awrt.org](http://www.awrt.org).



# Blast From The Past

## REMEMBER WHEN THE FCC REQUIRED OVERNIGHT DEEJAYS TO BROADCAST IN THEIR PAJAMAS?

An all-night broadcast of a 1940s semi-pro baseball tournament in Wichita, KS. KFH sports announcers dressed for the occasion.

*Photo courtesy of the Library of American Broadcasting*

**SEARCH YOUR ARCHIVES.** Pull the boxes from your storage closet. *Radio Ink* magazine is searching for old (or should we say mature?) photographs of people, stations, or promotions to use on our Blast page. All photos will be returned, but please be sure to LABEL them with identifying captions, including a return address and contact name. Mail to **Wendy Bernstein, Asst. Editor, Radio Ink, 224 Datura St., Suite 1015, West Palm Beach, FL 33401**, or e-mail to [wendy@radioink.com](mailto:wendy@radioink.com).



## EVENTS

### ARBITRON DATES

Winter 2006: Jan. 5 - March 29  
Spring 2006: March 30 - June 21  
Summer 2006: June 29 - Sept. 20  
Fall 2006: Sept. 21 - Dec. 13

### APRIL

April 22-26 — NAB2006, Broadcast Management Conference, Las Vegas, NV. ☎ 888-740-4622 [www.nab.org](http://www.nab.org).

### MAY

May 5-10 — NABOB's 30th Annual Spring Broadcast Management Conference, St. Maarten. ☎ 202-463-8970 [www.nabob.org](http://www.nabob.org)

May 15-18 — NAB Satellite Uplink Operators Training Seminar, Washington, DC. ☎ 202-429-5346 [www.nab.org/scitech/satsem2006.asp](http://www.nab.org/scitech/satsem2006.asp)

May 15-June 16 — International

Telecommunication Union's Regional Radiocommunication Conference. Geneva, Switzerland. [www.itu.int/ITU-R/conferences](http://www.itu.int/ITU-R/conferences)

May 20-24 — Institute of Industrial Engineers Annual Conference, Sea World, Orlando, FL. ☎ 800-434-0460. [www.iiannual.org](http://www.iiannual.org)

May 22-24 — International Radio Conference (IRC Dubai), Dubai. [www.irc-dubai.com](http://www.irc-dubai.com)

### JUNE

June 1 — SCMS digital radio Communications Conference and HD Radio seminar, Charlotte, NC. [SCMSConference@laurenoriginals.com](mailto:SCMSConference@laurenoriginals.com)

June 5 — Peabody Awards presentation, location TBA. ☎ 706-542-3787 [Peabody@uga.edu](mailto:Peabody@uga.edu)

June 5-10 — National Campus and Community Radio Conference [14th Annual Women In Radio Conference June 7], Ottawa, Canada. [www.ncra.ca](http://www.ncra.ca)

June 5-Aug. 4 — Intl. Radio & Television Society Foundation (IRTS) Summer Fellowship Program, New York. ☎ 212-867-6650. [www.irts.org](http://www.irts.org)

June 11-13 — Broadcast Cable Financial Management Association & Broadcast Cable Credit Association Inc. Annual Conference, Orlando, FL. ☎ 847-716-7000. [www.bcfm.com](http://www.bcfm.com)

June 12 — NAB Education Foundation Service to America Summit & Symposium, Washington, DC. ☎ 800-521-8624 [advertising@uab.org](mailto:advertising@uab.org).

June 13-14 — NAB Summer Board Meeting, Washington, DC. ☎ 202-429-5358 [www.nab.org](http://www.nab.org)

June 19-20 — American Women in Radio and Television's 31st Annual Gracie Allen Awards, New York, NY. [www.awrt.org](http://www.awrt.org)

June 19-22 — BroadcastAsia 2006 Int'l Conference, Singapore. [www.broadcast-asia.com/](http://www.broadcast-asia.com/)

June 20-21 — ARF Audience Measurement Symposium New York City. ☎ 212-751-5656 [www.TheARF.org](http://www.TheARF.org)

### JULY

July 15-18 — NAB Executive Development Program for Radio Broadcasters, Washington, DC. ☎ 202-429-5420. [edp@nab.org](mailto:edp@nab.org)

### AUGUST

Aug. 16-20 — Natl. Assoc. of Black Journalists (NABJ) 31st Annual Convention & Career Fair, Indianapolis. ☎ 301-445-7100 [www.nabj.org](http://www.nabj.org)

### SEPTEMBER

Sept. 14 — NAB Small Market Group Executive Roundtable, San Diego, CA. [www.nab.org/conventions](http://www.nab.org/conventions).

Sept. 20-22 — NAB Radio Show, Dallas, TX. [www.nab.org/conventions](http://www.nab.org/conventions)

### OCTOBER

Oct. 20-21 — WMUC (Univ. of Maryland) radio alumni: Celebrate station's 70th anniversary and university's 150th anniv., College Park, MD. ☎ Doug Bertelmann, 888-374-3040, ext. 85. [groups.yahoo.com/group/wmu-calumni](http://groups.yahoo.com/group/wmu-calumni).

Send events to [wendy@radioink.com](mailto:wendy@radioink.com).



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Manager, Media Buying,  
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