

Turned



RADIO WORLD'S MANAGEMENT MAGAZINE

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WOR Thrives In New York With the Gamblings

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The Fabulous
Sports Babe
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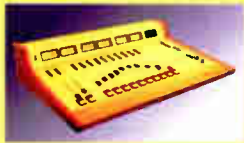
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Michael Reagan

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World Radio History



Keep Playing Field Level



Vol. 3, No. 3, March 1996

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The new Republican Congress elected in the fall of 1994 promised major changes in the way government regulated — basically less of it.

The landmark telecommunications bill Congress passed and President Clinton just signed delivers on that promise in a big way.

But before we all run out and start buying stations, we should take some time to digest what the law really means for radio. I for one favor deregulation, generally speaking, because it can be effective when it removes impediments to a thriving radio business.

With this new law, the role of the Federal Communications Commission (FCC) becomes even more crucial when it comes to ensuring that in a *laissez-faire* world the smaller players can still play — possibly by a tax incentive plan or other means. Tax incentives and market-incubator options were suggested four years ago during deliberations when the minority ownership limits were increased from 20 to 25 nationally. Those need to be enhanced and kept center stage immediately.

Back in the late summer of 1992, when the FCC decided to relax the ownership limits to 30 AM/30 FM, the hue and cry from legislators and broadcasters alike was heard in every corridor of the nation's capital. A short four years later, Congress has eliminated national ownership limits and allowed for substantial ownership concentration per market.

The much-ballyhooed threats to program diversity and opportunity for minorities remain — our willingness to risk losing these two vital components of the radio business is alarming.

Broadcasters should be allowed to own more stations than the past limits allowed, as long as they have the means and desire to do so and the licenses are available.

However, care must be taken to ensure that the new rules do not block out all but the well-funded media monoliths from entering the radio business. Our free, over-the-air resource is scarce and valuable. It should be divvied up wisely — with every player, however small, enjoying equal opportunity to be a player in the field.

Lucia



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Tune in to Our Station

This letter is in response to two letters in the January issue of Tuned In.

First, Paul Jensen of Destin, Fla., needs to come to Springfield, Mo., and tune into KTOZ(AM) 1060, a 500-watt day-timer, to hear something different and unique in radio today. We have an all-volunteer staff, are local and broadcast within a 60-mile radius to area citizens. Everything we do is on a local basis. In other words, "real radio," with which our listeners agree.

Second, Michael Flowe, the DJ at

WHCJ-FM in Savannah, Ga., should listen to our station as well, as we allow all DJs to program their own shows (a total of 22 DJs throughout the week). We play swing, jazz, blues, pop and big band. Two nights a week are dedicated to jazz, another night to blues.

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*Ron Johnson
General Manager
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Can't Say Enough

This entrepreneurial radio consultant thanks you for transforming what was already a terrific magazine into Tuned In, now even greater than ever! The layout, graphics and color are just beautiful, and except for the glaring error (the photo of James Dobson miscaptioned as Mike Trout, Sr.), it was a total treat.

It was wonderful that you had chosen to focus on religious broadcasting. Fortunately, there are some high-quality stations broadcasting high-quality Christian programming today. However, a good 85 percent of them need vast upgrading. Networks such as Moody and USA have been providing technically high-quality programming for some time. But we must not fail to realize that their motivation is that of commercial stations, and despite the nonprofit status of religious organizations, many are extremely prosperous. And, because of the division of church and state, they answer to no one. Secular stations, on the other hand, are continually scrutinized by a myriad of government agencies. Religious stations should be monitored as well.

Please keep those excellent Market Watch features coming. And I cannot close this letter without thanking you for not-just-another article on Casey Kasem but the only in-depth one I have seen to date. I was actually moved as Casey told how he, as an Arab-American, loved and appreciated our country, how vital it is to have humility yet also an aggressively positive attitude and how crucial radio personalities continue to be.

I would love to see an intensive article written on brokered-time stations, as yours truly has proved that they can be

highly profitable for entrepreneurial talk hosts, as well as creative station owners. Thanks so much again.

*Sheldon J. Swartz
Entrepreneurial Radio Consultant
West Palm Beach, Fla.*

Right on the Money

You really caught my attention with the hot-looking new version of the magazine I already love. When I read the comments in "Station to Station" (January), I felt compelled to write. Tuned In could not be more on target. Consolidation, technology and the Internet are the top issues to broadcasters in this second half of the '90s. I am very much looking forward to your continued coverage of these vital topics.

As the creative services director at one of Norfolk, Va.'s several duopolies, I was engrossed by Judith Gross' excellent analysis in the September 1994 Technology at Work column of The Radio World Magazine. I still keep that issue at work and urge new co-workers to examine it.

More recently, Flip Michaels really saved my station a large hassle with a deep-pocketed client. In the May 1995 On the Spot section, Michaels wrote a clear, concise report on the dangers of using music not cleared for use in commercial spots. It was written well enough that I attached a photocopy to the standard operating procedures manual I give every new account executive. As you can tell, I've been an avid reader since the magazine came out. This new look is fantastic, but best of all, the features I have come to appreciate are still in place. Good luck and best wishes. I'll be tuned in...

*Tom Anthony
Creative Services Director
WFOG(FM)/WJQI-AM-FM
Norfolk, Va.*

All letters received become the property of Tuned In, to be used at our discretion and as space permits. Correspondence may be edited for clarity.

Why hold it in? Address letters to Whitney Pinion, Managing Editor, Tuned In, 5827 Columbia Pike, Third Floor, Falls Church, VA 22041; fax: 703-998-2966; or e-mail: 74103.2435@compuserve.com



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Pitches Knowledge

by Cara Jepsen

She calls flamboyant power forward Dennis Rodman of the Chicago Bulls one of the best players that ever lived — and one of the smartest marketers around.

Nanci Donnellan could be talking about herself, as for the latter part of her claim. That's Nanci Donnellan, aka The Fabulous Sports Babe, the outspoken talk show host who combined sports talk with personality and humor to become the nation's first nationally syndicated female sports host.

In 1994, she launched her ESPN/ABC talk show with 34 stations. A year and a half later, Donnellan's four-hour midday show, which broadcasts from ESPN headquarters in Bristol, Conn., airs on some 174 stations nationwide. It's also televised on ESPN2.

Donnellan is perhaps best known for her combination of sports knowledge and brashness — especially when it comes to dealing with her callers. She calls them bubba, booger, sugar, honey and son. ("Talk to me, Bubba.") She hangs up when they fail to respond intelligently, present a fantasy sports situation ("What if he'd made the field goal in the second quarter?") or ask her to predict a score. The gesture is usually accompanied by the sound of an explosion.

At home, listeners keep score on who's going to get it next.

"The show is an entertainment show whose focus is sports but wrapped liberally in humor," Donnellan says. "We're going to give you the information in an entertaining way. Someone else may do it in a straight-laced, methodical way, giving you the exact same information I give you in the space of four hours."

Talk usually centers on baseball, football, hockey and basketball. Guests include coaches and players, as well as analysis from ESPN personnel like baseball expert Peter Gammons. A chat with him can fuel a half hour of phone calls.

Then there are the features, like on Thursdays when listeners vote for the Geek of the Week. The day we spoke, it was Lin Elliot, kicker for the Kansas City Chiefs. Other days it's "anyone high profile who cries about money."

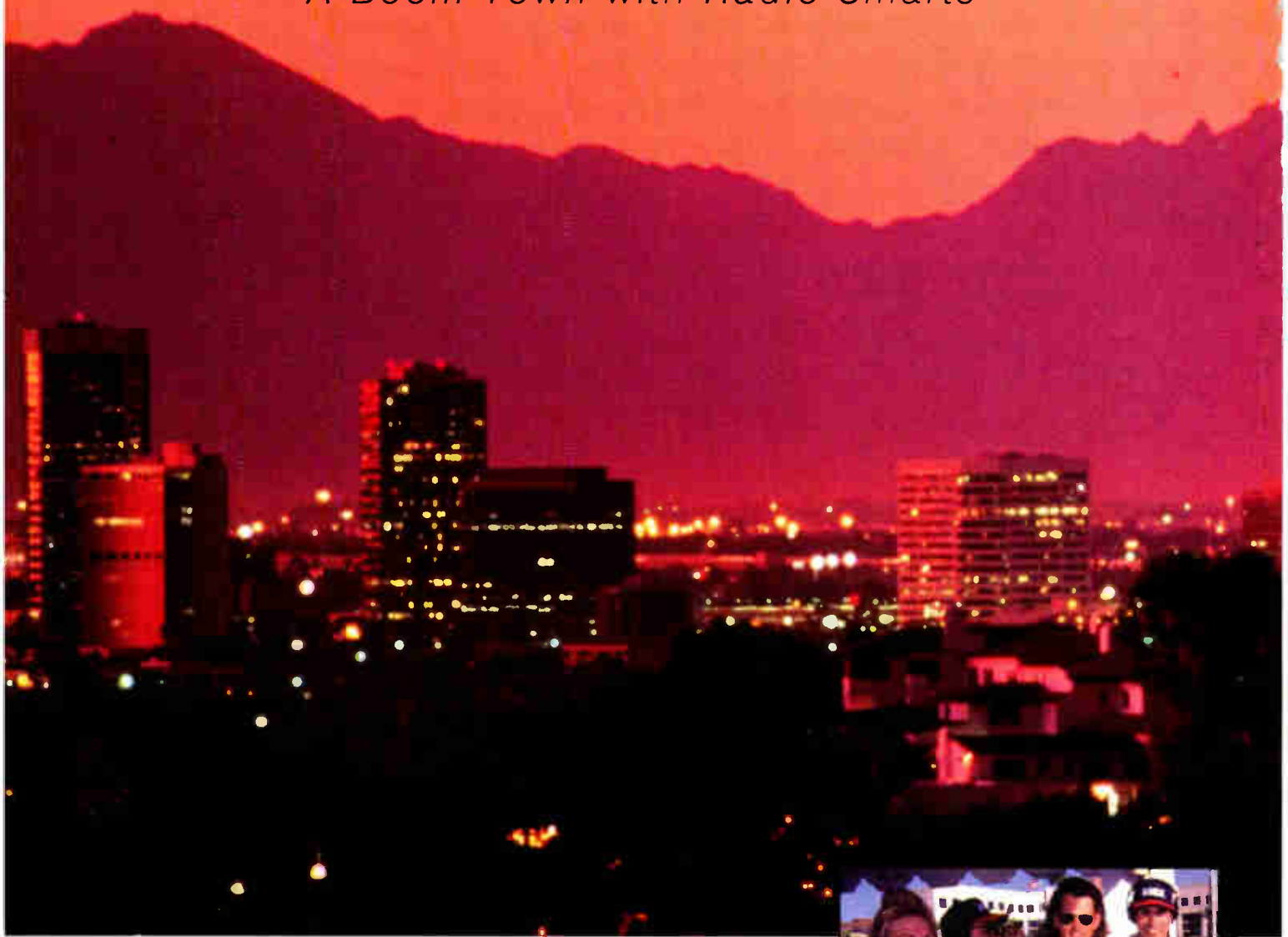
"She not only knows sports but understands the entertainment aspect of it," says sports radio consultant Rick Scott, who hired Donnellan in 1991 when he programmed KJF(AM) in Seattle. Donnellan's ratings went from an 0.7 to 7.0 in her three years there. ➔



market watch

Phoenix

A Boom Town with Radio Smarts



P

Phoenix, the crown jewel of the Southwest's Sonoran Desert, continues to sprawl. The borders reach farther and farther north and west, while neighboring suburbia imitates Arizona's largest city by annexing more of the vast water-parched lands to the south and east.

Futurists predict that one day the corridor between Phoenix and Tucson, 90 miles to the south, will be one big metropolis.

While the growth of this metropolitan oasis continues unchecked, it can only mean business is good for local radio.

"We are tied to retail, and retail is driven by people," says Michael Jorgenson, president of Sundance Broadcasting, which owns radio

by Bruce Christian



KNIX's morning team on site at the Fabulous Phoenix Fourth.

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stations in Phoenix. "Just look at the movement of people to Phoenix. It's an acre an hour. It's great to be on the dashboard in Phoenix."

Ironically, this urban expansion is occurring at the very time when broadcasters predict a shrinkage in the number of radio station owners.

Since relaxation of duopoly rules, and expected changes in ownership regulations, radio stations in the Phoenix metropolitan area — including Scottsdale, Tempe, Mesa, Chandler and Glendale — are talking the talk, but few have begun to walk the walk.

They don't have to.

"The economy is too good," says Michael Owens, president and general manager of country outlet KNIX-FM. "Nobody needs to sell. The revenues in the marketplace have been up for the past couple of years. Even if you don't have great ratings, with the current economy, you are making money."

Rising revenues

The market, realizing a double-digit advertising revenue increase in 1995, surpassed the \$100 million mark. This year, advertising revenues are predicted

to continue increasing at a 12-percent to 15-percent rate, largely because the 1996 Super Bowl was played in Tempe, and it is an election year.

While everyone appears to be making money, Owens believes some buying and selling eventually will take place. But finding a good deal could be a problem. Stations will be sold at a premium, Owens predicts.

"I think they will be going for more than the eight to 10 or 11 times cash flow," he said, acknowledging that he also is in the market to buy.

"Generally, in broadcasting when the economy goes bad, broadcasters want to get out. They will sell for seven to 10 times the cash flow. But that is not what is happening right now, because there is no financial bind on anyone.

"To buy here, you would have to pay more than what traditional cash flow multiples are, and some people just aren't willing to do that."

Lingering memories of a depressed radio market less than 10 years ago, when the country was in the throes of a recession, may be the reason that there hasn't been an avalanche of action.

Jim Seemiller remembers the time too

well. He was general manager of the Adams Communication's oldies combo, KOOL-AM-FM. In 1986, Adams bought the stations for \$15 million, creating a huge debt service it couldn't handle. The stations eventually went into receivership and were taken over by the Compass Radio Group.

As the economy rebounded, so did the stations, and they were sold last year for an estimated \$24 million to Par Broadcasting Co. At press time, Colfax Communications offered Par \$35 million for the combo.

Lessons from the past

"Of course everyone remembers what happened in the '80s," Seemiller says. He now is the general manager of KBZR-FM, one of the many stations outside of Phoenix trying to boost their signals into the area to grab a piece of the advertising pie.

"The price tags today, like they were then, are too high," Seemiller says. "Everyone's talking (about duopolies) but no one is really doing it. If someone wants to do a duopoly, if people could get fabulous deals, they would do them, but what is available are not fabulous deals."

The late 1980s economic downturn made radio operators smarter, says Jim Tazzerak, owner of TazMedia, a consulting and media buying firm in Scottsdale.

Tazzerak also is the former general manager of market leader, news/talk KTAR(AM). "Nobody has seen a clear benefit in buying a station at a high price, when the market is doing so well," Tazzerak says. "It would be hard not to make money right now. So the question is, how much money will it take?"

"This isn't a bad thing," he continues. "Our economic system starts with all the investors. And what may be happening is some of those we think of as the buyers may be lining up their investors."

Even if the price of sales is 12 times cash flow or higher, Tazzerak says today's radio environment permits a station to succeed because of the lessons learned in the past. "If you look at the very, very successful companies in broadcasting, none of them is known for spending foolishly," Tazzerak says. "They are all very tight."

"And even when you talk about the players in Phoenix looking to buy, like Pulitzer and Owens, you're talking about companies that can write the check. And the reason they can do that is because they learned to spend prudently," Tazzerak says. ▶

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Pulitzer Broadcasting owns KTAR and adult contemporary KKLT(FM). The news/talk station has huge sports commitments with the Phoenix Suns and Arizona State University. Because it also has broadcast rights for the Arizona Diamondbacks expansion baseball team, which begins playing in 1998, and likely will be in the bidding war for the Winnipeg Jets' National Hockey League franchise moving to Phoenix for next season, Pulitzer Broadcasting President Ken Elkins has made no secret that he would like another high-powered AM.

If one is found, it likely would become an all-sports station, allowing KTAR to return to its forte, news and information.

Owens Broadcasting — owned by country music singer Buck Owens — is more interested in buying into a like format, which means it is looking at competitor KMLE-FM.

It could be a tough negotiation.

Success story

KMLE-FM is one of those rare success stories. In five years' time, it emerged from an almost nonrated gospel outlet to one of the market's highest-rated stations. And it often beats country outlet KNIX-FM in key demographics.

But KMLE-FM was sold last year in one of the radio industry's blockbuster, multimillion, multistation deals. It reportedly was part of a \$400 million arrangement that allowed Chancellor to become the third-largest billing radio group in the country.

KNIX's Michael Owens explains why buying in the same format would be so important. "It makes a lot of sense in terms of product-line extension," he says. "You can deal with the promoters and advertisers who traditionally play you against the other guy. You can say, 'Look I'm the product line,' and you can defend both sides of the product."

He says it also allows for streamlining and savings in the marketing areas. Cutting costs, while getting bigger, is important to succeed should the economy turn south again, Taszarek emphasizes.

Broadcasters learned during that last recession that if they can do more for less, they and the listener win, he says.

"As an owner, you have to remember, 'I can't make money without listeners, who are my customers. Without customers, I can't sell advertising. Without advertising, I can't be successful,'" Taszarek says.

Right now, owners are making the money to keep them happy, and the stations considered by many as potential targets of buyers aren't quite willing to let go.

"This is a fat town," Taszarek says. "Life is good, and radio in Phoenix is more successful than in a lot of other cities. So who has the motivation to sell?"

Still, multiple ownership in Phoenix will come.

"The duopoly and multiple ownership is no different in radio than in any other industry," Taszarek says, citing examples of major mega-mergers such as Disney/Cap Cities and First Interstate Bank with Wells Fargo.

"Today you go down the street and you see auto malls. It used to be the common wisdom was to stay away from the competition. Now you locate right next to him.

"If you are a food vendor in a mall and your location isn't in the food court, you aren't going to do as well. Radio is no different," Taszarek says.

Sundance Broadcasting has done its part to begin consolidating. When Sundance owner Mike Jorgenson came to Phoenix five years ago, it was to buy a ratings-suffering combo owned by EZ Communications. Today, Jorgenson owns four stations in Phoenix, as he also bought out Edens Broadcasting, which includes Phoenix's first radio station, 75-year-old KOY(AM).

"We were the first duopoly in Phoenix," Jorgenson says. "We did our deal about a year and a half before guys in the KDKB(FM)/KUPD-FM deal."

Sandusky Radio's KDKB is an album rock station. For years, it has been in the shadow of rock ratings leader KUPD-FM. In Phoenix's first format-combining duopoly, Sandusky paid \$20 million for KUPD.

It was the kind of offer then KUPD's owner Robert Fish says he just couldn't refuse.

"The benefits of a duopoly really vary," Jorgenson says. "If you own both country stations, you would have the programming niche and could roadblock any competitors.

"In our case, we can do different kinds of formats that are certainly unique, and which might not be able to stand alone."

Boutique formatting

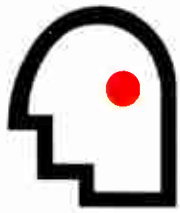
Each of the four Sundance stations has a format even more narrow than traditionally is thought of as niche

Phoenix Radio Market Overview

Station	Freq.	Format	1994 Est. Rev. in \$ Mil.	Owner	Arbitron 12+ Fall '95
KTAR(AM)	620.	News/Talk/Sports	10.5	Pulitzer Broadcasting Co.	8.0
KKFR-FM	92.3	CHR	4.0	Broadcast Group	7.0
KFYI(AM)	910.	News/Talk	5.7	Broadcast Group	6.2
KMLE(FM)	107.9	Country	8.2	Shamrock Broadcasting Inc.	5.8
KOY(AM)	550.	Nostalgia	2.7	Sundance Broadcasting Inc.	5.8
KNIX-FM	102.5	Country	10.8	Owens Broadcasting	5.7
KUPD-FM	97.9	AOR	6.8	Sandusky Radio	5.0
KOOL-FM	94.5	Oldies	3.4	Compass Radio Group	4.1
KYOT-FM	95.5	NAC	1.75	Sundance Broadcasting Inc.	4.1
KSLX(FM)	100.7	Classic Rock	4.8	Citicasters	3.8
KKLT(FM)	98.7	Lite Rock	5.0	Pulitzer Broadcasting Co.	3.5
KDKB(FM)	93.3	AOR	5.66	Sandusky Radio	3.3
KESZ(FM)	99.9	AC	4.0	Arizona TV Co.	3.2
KEDJ(FM)	106.3	Modern Rock	0.9	Resource Media Inc.	2.7
KHOT-FM	100.3	Modern Rock	0.75	G.G. International	2.7
KZON(FM)	101.5	AAA	2.8	Sundance Broadcasting Inc.	2.7
KHTC-FM	96.9	'70s Oldies	4.03	Bonneville International	2.5
KVRY(FM)	104.7	AC	4.3	Nationwide Communications	2.5
KTWC(FM)	103.5	MOR	—	New Mountain Broadcasting	2.1
KVVA-FM	107.1	Spanish	—	American Broadcasting Systems	1.0



Stations are ranked in order of Arbitron Fall 1995 12+ ratings, information provided by BIA Publications Inc. through its MasterAccess Radio analyzer Database software.



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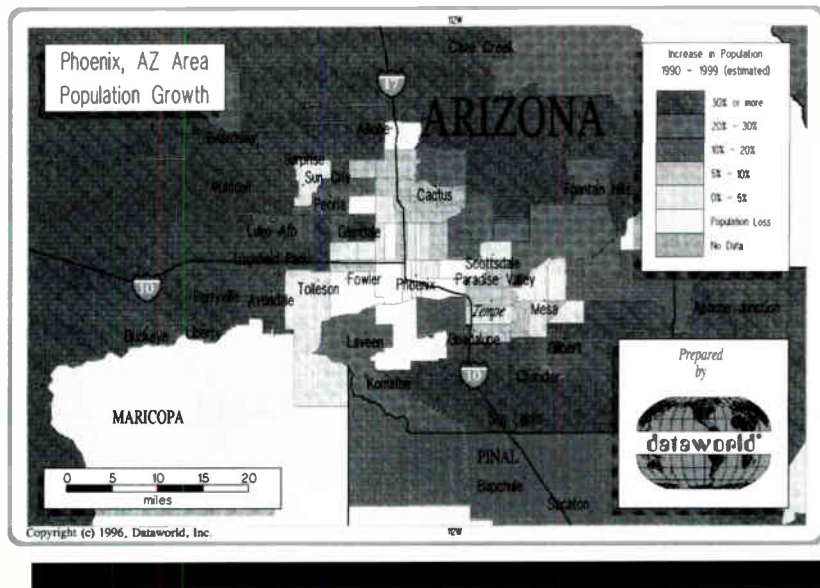


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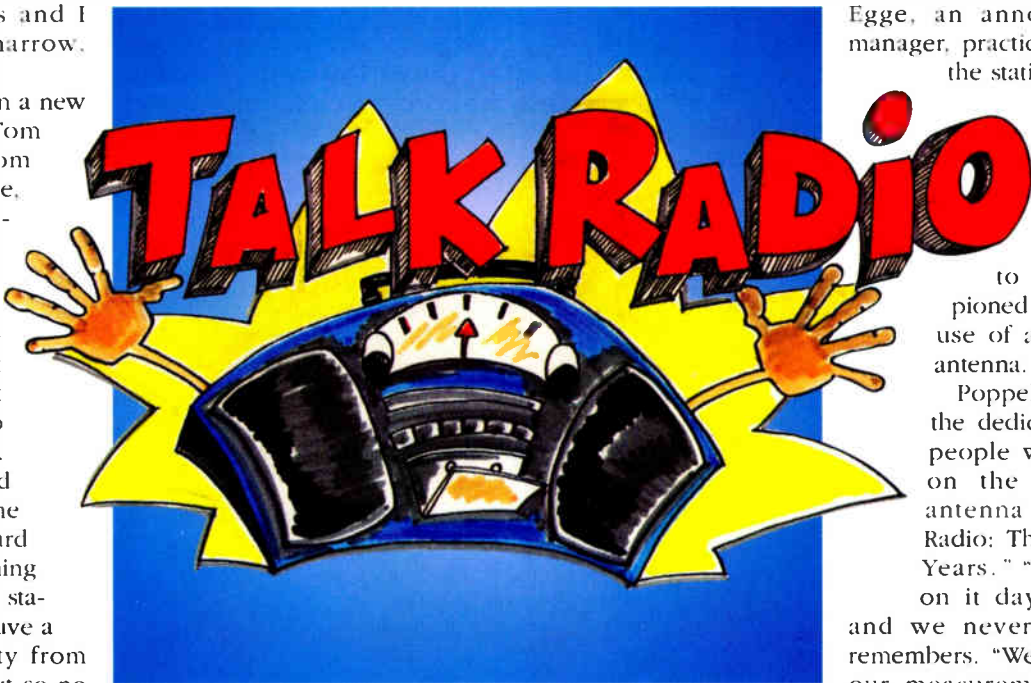
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WOR is indeed continuing to fulfill the promise of the station that started small in 1922 and is growing taller all the time. But change for the sake of change is not in the station's cards.

"I think that anytime that you make a change, it has to be consistent with a change that somebody would make in their life," Bernstein says. "To have a steady radio station as mired in tradition as this one, that tradition has to be respected, and you make the change when there's something that's relevant to today's world."

Dedication

The dedication that was in evidence right from the start back in 1922 continues to be in evidence today at WOR. Jack Poppele and Orville Orvis, two ex-Marine wireless operators, and Karl

Edge, an announcer and manager, practically lived at the station during its

launch. Poppele, WOR's chief engineer from 1922 to 1955, championed the station's use of a directional antenna.

Poppele recounted the dedication of the people who worked on the directional antenna in "WOR Radio: The First Sixty Years." "We worked on it day and night and we never slept," he remembers. "We even made our measurements in the

deep snow. There was one hole we dug for a pole to go in."

Even a potential disaster didn't slow them down. "One of our engineers fell in the hole and disappeared," he says. "So we had to get him out."

Seventy-four years after WOR first went on the air, the station is still going strong. WOR is a radio station that will always be proud of its past while it is also excited about its future. As Poppele states in "Years," "We learn from the past. But we don't live in it. We live in today. And tomorrow."

Alan Haber is a free-lance writer who specializes in radio and a variety of popular culture topics. He writes on radio personalities and the Internet for Tuned In.

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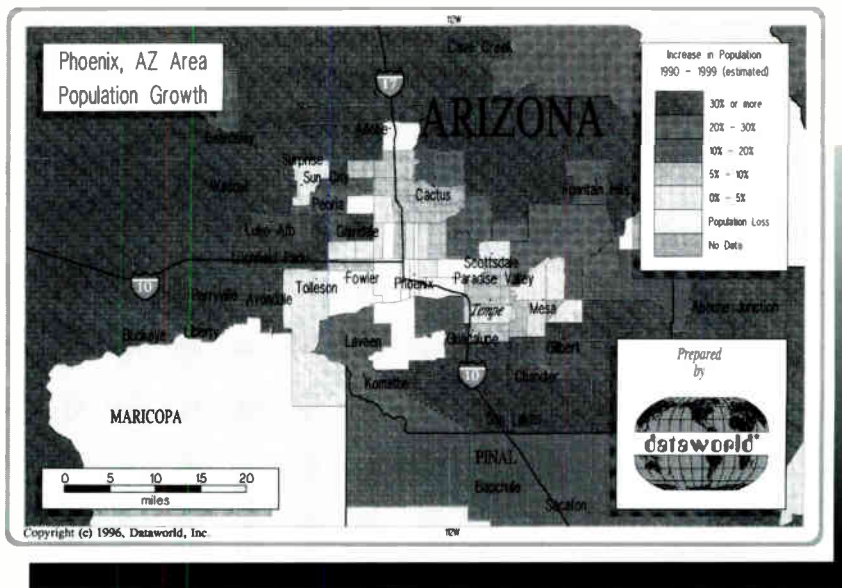
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Not Resting On Its Laurels

by Alan Haber

In the you-won't-believe-your-ears department, one of the only radio stations in the Big Apple to be operating with its original call letters for nearly three-quarters of a century is king.

Here is a station that isn't the slightest bit connected to the alternative nation, doesn't groove on hip-hop, and has nary an ounce of shock jock blood in its veins, but is still able to perform strongly against its closest competition.

With a super-charged lineup of personalities that hits home regardless of its listeners' ages and interests, WOR(AM) is delivering impressive ratings. The Fall 1995 book tells the tale: the station notched a 2.6 in its prime-targeted 35-64 demo against its competition — a 11-talk WABC(AM) had a 4.4, all-news WCBS(AM) posted a 3.8 and all-news WINS(AM) settled for a 3.4.

In the wider 12-plus demo, the newly youthful WOR delivered a 2.8 against a 4.5 for WABC, a 3.7 for WCBS and a 3.5 for WINS.

Pretty good for a station that's been around for 74 years. Yes, these days WOR is wearing a brand-new suit of clothes, and it fits pretty well.

WOR first hit the airwaves on Feb. 22, 1922, as a 250-watt promotional tool for Bamberger's Department Store in

Newark, N.J. (the retailer was looking for a way to help sell wireless radio sets); the station at first covered several hundred miles.

After a bump from 500 to 5,000 watts in 1928, WOR took a flying leap to 50

The station, which also competes with the New York City-owned non-commercial station WNYC(AM), has been able to keep its sights set squarely on serving the needs of its listeners, despite a series of ownership changes. R.H. Macy became WOR's parent company when it took over Bamberger's in 1929. The Mutual Broadcasting System took over the station's reigns in 1934 (WOR was Mutual's flagship station). RKO General came in next, on Dec. 30, 1955, and was followed by the Buckley Broadcasting Co., which purchased the station in 1989 and is its current owner.

A wide array of programming over the years, ranging from drama ("The Cisco Kid" debuted on the station in 1942) to comedy (Bob and Ray were the station's afternoon-drive funsters in the early 1970s) and thoughtful talk (Barry Gray and Joan Hamburg, among others), has helped WOR to be consistently diverse and attractive to lis-



Courtesy of WOR (AM)

Three Generations of Gamblings, Circa Mid-1950s.

kilowatts (and a directional antenna — the first in the world) on March 4, 1935. In June 1941, it became the first 50-kilowatt radio station on the East Coast to broadcast 24 hours a day.

Now an affiliate of both the Mutual and ABC radio networks, WOR has a coverage area that includes New York, New Jersey, Connecticut and parts of eastern Pennsylvania.

teners. But exactly who are these listeners? WOR — still operating with its original call letters and one of the few radio stations in New York City to have done so for nearly three-quarters of a century — has always been a highly respected New York radio tradition, but it's been perceived by some as a station that only catches the ears of grandparent-types. ■

Enter David Bernstein, WOR's program director for a little over a year, who has set out to update the information station's sound and unite its various programming under a more contemporary banner while still maintaining the station's 35-64 target demo.

From Dr. Joy Browne's two-hour weeknight program to Barry Gray's ongoing conversation with his listeners (he's been at WOR since the late 1940s) and Joe Franklin's trips down memory lane (he's been at the station since 1960), WOR's current offerings provide a wealth of opinion that listeners can use to guide them in their everyday lives.

Other programs currently on WOR include Ken and Daria Dolan's "Smart Money," New York Daily News Food Critic Arthur Schwartz's "Food Talk" show, the afternoon-drive, issues-oriented talk show "PM America," hosted by political consultant Jay Severin, and the Sunday morning law program. "Looking at the Law," hosted by lawyer Neil Chayet.

Family history

The 71-year-old "Rambling with Gambling" may well be WOR's biggest success story; it certainly is the station's longest-running one and the one with the most family history. John B. Gambling began the program in 1925; he passed the baton to his son, John A., in 1959. In 1991, John A.'s son, and John B.'s grandson, John R. Gambling, became the show's host, after sharing the microphone with his father for two years.

WOR is not only New York's hometown information station. Many of the



David Bernstein is at the programming helm of WOR.

station's programs, which all originate at WOR, are syndicated throughout the country on the five-year-old, 320-affiliate WOR Radio Network.

WOR is "a radio station that has a great respect for tradition and a total understanding of what's useful for the adult marketplace," says Bernstein. "It has never been a radio station that has been designed as a kids' station, but it's a radio station that's relevant to a family lifestyle. And we go out of our way to keep it like that."

According to Bernstein, this philosophy has never changed during WOR's history. The station "has been successful

in both a ratings and revenue standpoint, and it has also achieved its original goal of community service," he says. "That's something that I think is really important."

Toward that end, WOR conducted a blood drive on Friday, Jan. 5, and Saturday, Jan. 6, just prior to the arrival of what has come to be known as "The Blizzard of '96." Despite being hampered by the intense storm, which hit New York on Sunday, Jan. 7 after ravaging much of the rest of the East Coast, the station collected its goal of 1,800 pints of blood.

Another event, held on March 5, was a full day of programming devoted to the Variety children's charity, co-hosted with WOR personalities by WCBS-FM's Cousin Bruce Morrow, who is president of Variety's New York/New Jersey/Connecticut chapter.

Being in New York means stiff competition on an always-crowded radio dial. Bernstein concedes that WOR is "certainly in the same game that everybody else is, but there's been nothing that has knocked us off the course that we've been on for many years."

Personal spin

WOR puts a personal spin on its programming, thereby separating the station from its competition. Regular WOR listeners get the information they need and get to know the station's air personalities. This is important, says Bernstein, because it helps listeners "know where they're getting their information from. We're living in a huge information society right now. And there's ➔

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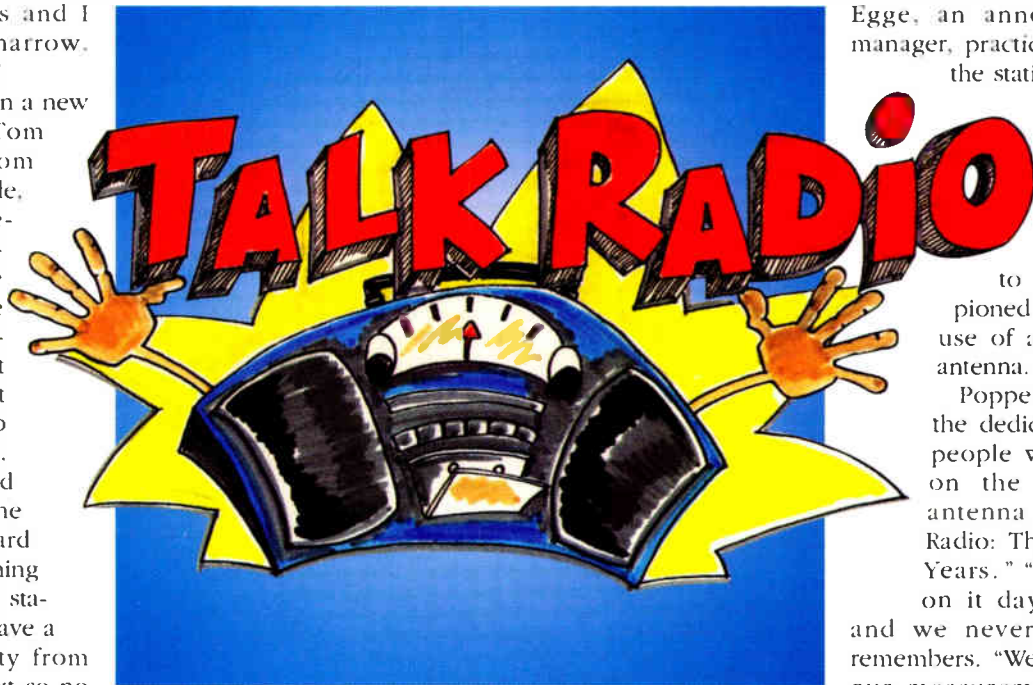
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his programming career. He likes to work with his on-air talent, rather than direct them from on high. "I believe that the program director's role is to be a tool for them and give them the tools that they need to get their job done," he says.

The veteran programmer, who's helmed such stations as WBZ(AM) in Boston and WTIC-AM-FM in Hartford, Conn., says he will keep WOR "on the steady path. I'm a big believer in consistency, and I have a great respect for the heritage of this radio station. It does have an image in the community, and it's a positive image. I want to continue that, and I think I can do that by providing relevant programming to (the 25-54 and 35-64) target demos."

WOR is indeed continuing to fulfill the promise of the station that started small in 1922 and is growing taller all the time. But change for the sake of change is not in the station's cards.

"I think that anytime that you make a change, it has to be consistent with a change that somebody would make in their life," Bernstein says. "To have a steady radio station as mired in tradition as this one, that tradition has to be respected, and you make the change when there's something that's relevant to today's world."

Dedication

The dedication that was in evidence right from the start back in 1922 continues to be in evidence today at WOR. Jack Poppele and Orville Orvis, two ex-Marine wireless operators, and Karl

Edge, an announcer and manager, practically lived at the station during its

launch. Poppele, WOR's chief engineer from 1922

to 1955, championed the station's use of a directional antenna.

Poppele recounted the dedication of the people who worked on the directional antenna in "WOR Radio: The First Sixty Years." "We worked on it day and night and we never slept," he remembers. "We even made our measurements in the

deep snow. There was one hole we dug for a pole to go in."

Even a potential disaster didn't slow them down. "One of our engineers fell in the hole and disappeared," he says. "So we had to get him out."

Seventy-four years after WOR first went on the air, the station is still going strong. WOR is a radio station that will always be proud of its past while it is also excited about its future. As Poppele states in "Years." "We learn from the past. But we don't live in it. We live in today. And tomorrow."

Alan Haber is a free-lance writer who specializes in radio and a variety of popular culture topics. He writes on radio personalities and the Internet for Tuned In.



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Arbitron Asks:

Language enumeration. In Arbitron speak, it means measuring listening choices by language preference. And it has received a lot of press lately.

Arbitron currently surveys listeners by race. When the fall survey in Los Angeles ranked Spanish-language station KLVE(FM) in first place, several nearby general managers balked. Arbitron, they said, did not reach the Hispanics that listen to their stations.

Half of the problem, the managers said, is that Arbitron started using exclusively bilingual interviewers in High Density Hispanic Areas(HDHAs), which had a large impact on the survey and the number of Spanish speakers they found.

Prior to the fall survey, Arbitron had mixed English-only and bilingual interviewers in the HDHAs. Callbacks in Spanish were made to people with whom English-only interviewers could not converse.

Arbitron is not convinced the use of all bilingual interviewers in HDHAs jacked up the percentages for KLVE. The new practice was used in 15 markets according to Arbitron. In 11 of those markets, Spanish-language station listening increased both inside and outside the HDHAs.

But the second part of the problem, according to a task force of 13 general managers chaired by KLOS(FM) General Manager Bill Sommers, is that Arbitron does not take into account what language people prefer to speak when they survey Hispanics.

General market broadcasters are not the only ones interested in language enumeration. Some Spanish stations are concerned about "wobbles" between books. Their figures dip and rise depending on whether more Spanish-speaking or more English-speaking Hispanics are reached.

"The only way to stabilize these swings, which affect all stations, is to establish a language benchmark or norm against which the Hispanic returns can be measured," wrote the task force in a letter to Arbitron Radio President Pierre Bouvard.

Arbitron did a breakdown of the comments gathered from Hispanic diaries in Los Angeles this fall. Out of 2,149 Hispanic diaries, they found 665 comments — 314 written in English and 351 written in Spanish. The breakdown gives

an idea of the language preference percentages in the survey, but does not necessarily reflect the language preference breakdowns of the total population.

According to recent census data, 36.7 percent of the 12+ population in Los Angeles is Hispanic. There is no handy data on how many of those people prefer speaking English to speaking Spanish, however.

During a meeting held between Arbitron and the general managers who subscribe to the service in the area, Arbitron presented data that suggests that stations may want to be careful

¿Habla Español?

by
Lynn
Meadows

what they ask for.

In a test on language enumeration performed last summer, Arbitron asked three questions both in the interview and in the diary: what language do you speak at home; what language do you speak away from home and what language do you prefer.

They discovered two things. First, the proportion of Spanish vs. English diaries returned closely matched the proportion encountered during the interview process.

Second, there were dramatic differences in reported listening between the control sample, which did not get asked the three questions, and the test sample, which did. In the test, they found a 26.7 percent increase in reported Spanish-station listening marked by a decline in every other format.

Los Angeles subscribers asked Arbitron to do a language enumeration test in Los Angeles this spring, separate from the spring survey. If nothing else, the test could give broadcasters an idea of the percentage of English-dominant Hispanics vs. Spanish-dominant Hispanics.

KLVE General Manager Richard Heftel said he is comfortable with Arbitron trying language enumeration. Heftel already knows the breakdown of KLVE listeners by language preference. The greatest number of listeners speak Spanish more often than English, but 35 percent speak equal amounts of Spanish and English.

Miami, New York, and a handful of other markets with HDHAs are sure to keep an eye on what happens in Los Angeles. Language enumeration will vary city by city so there will be no hard and fast rule to come out of Los Angeles.

Alfredo Alonso, general manager of Spanish-language station WSKQ-FM in New York, said that if Arbitron measured Spanish-speaking Hispanics exclu-

sively, his station would never be No. 1. Around 70 percent of the station's listeners are bilingual, according to Alonso. The station placed second in the New York City market last fall.

In El Paso, where more than 70 percent of the 12+ population is Hispanic, Dan Wilson is the general manager of Spanish-language stations KBNA-AM-FM.

"If Arbitron were to measure according to language preference, I think the Spanish stations would go through the roof," said Wilson. Arbitron ranked KBNA-AM-FM second in last fall's survey. Wilson said he thinks language enumeration would make the station's numbers even better.

That depends on the half-billion dollar question of whether more Hispanics prefer English or Spanish. Los Angeles general market broadcasters know they have bilingual listeners. Advertisers, programmers, buyers and sellers are waiting for Arbitron to tell them how many.

Lynn Meadows is a staff writer for Radio World newspaper, Tuned In's sister publication.

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Who's Minding The Store?

by Harry Cole

Life used to be simple. If you were a broadcast licensee, the FCC expected that you (or some other honcho(s) of the licensee) would hang out at the station's main studio on a full-time basis every day. You knew where you were supposed to be and the FCC knew where to find you.

But that was back in the halcyon days when your main studio had to be located in your community of license, unless you went to the FCC hat (formal waiver request) in hand and got written permission to plunk your studio down somewhere else. It was also in the days when the FCC required that you originate more than half of your programming from your main studio, meaning that that studio really was the center of the station's activities.

But things have changed. Nowadays, the importance of a station's "main studio" has been — how shall we say it politely — somewhat diluted.

In the view of some, perhaps many, the traditional notion of a "main studio" is a quaint joke.

Today, all that is required to satisfy the definition of "main studio" is that: a) it be located somewhere within the station's city-grade contour; b) it include production and transmission equipment capable of allowing station operation; c) it include a copy of the station's local public inspection file; d) residents of the community of license must be able to contact the station by local call (or by toll-free number); and e) the station must have a "meaningful and significant staff presence."

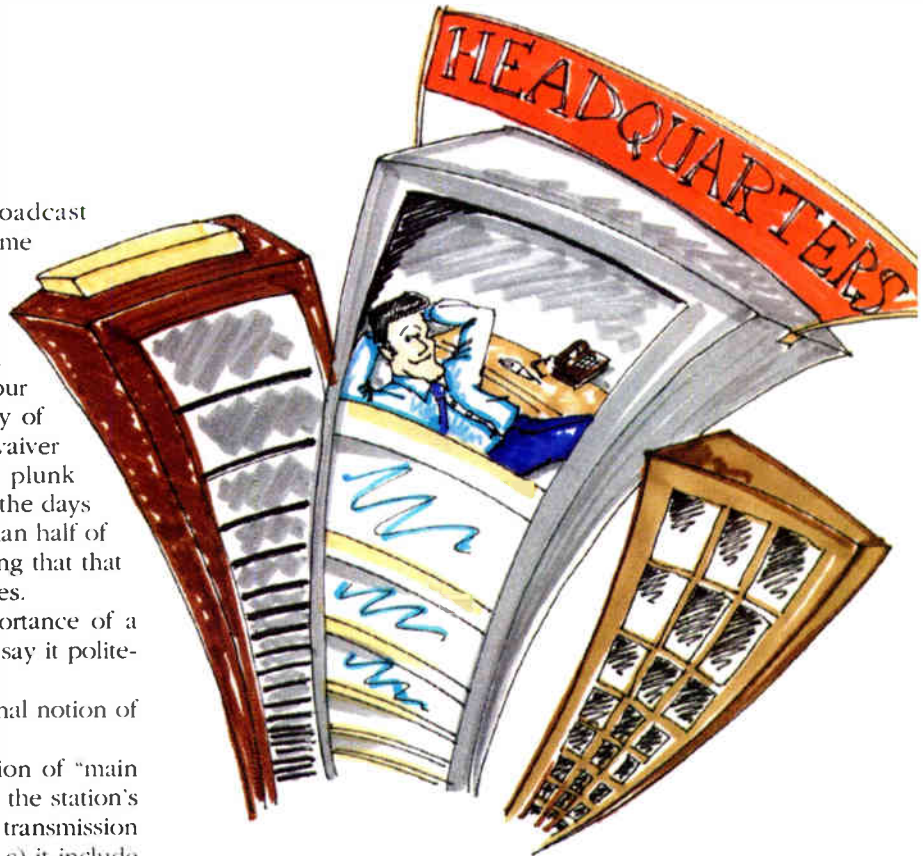
In other words, you don't have to originate any programming from there, if you don't want to. You and most of your staff don't even need to show up there at all, ever, if you

don't want to, as long as a "meaningful and significant staff presence" is maintained.

A number of broadcasters have taken advantage of the, er, flexibility that these guidelines afford. They have established "auxiliary" studios well outside their city-grade contours that look just like what those old-fashioned "main studios" used to look like. Not surprisingly, these "auxiliary" studios tend to be located in or near larger communities or markets that the broadcaster would prefer to serve, even if his/her city-grade contour falls short. The so-called "main studios" in these cases tend to be somewhat sparse little pied-a-terre, barely recognizable as a "studio" but still well within the commission's current definition.

The sticking point in this brave new world of studios, where "auxiliaries" look more like "mains" and vice versa, has been the staffing requirement. As noted above, the only guidance the FCC initially provided on that score was to say that a "meaningful and significant staff presence" had to be maintained.

In 1991 the FCC announced that a main studio must, at a minimum, maintain full-time managerial and full-time staff personnel. This could consist of either full-time or part-time employees, but the staffing had to be on a full-time basis. ➤



This ruling was clarified a year later to provide that the management-level employee(s) at the "main" studio need not be "chained to their desks during normal business hours," but must nevertheless still report to work at the "main" studio on a daily basis, spend a "substantial amount" of time there, and use it as a "home base." (Stop me if this starts getting too specific for you.)

▲

In the view of some,
perhaps many, the tradi-
tional notion of a "main
studio" is a quaint joke.

▼

Additional guidance

Late last year, the commission provided us with some additional guidance on this point.

In one case, the FCC found that a licensee had a "main" studio staffed by three management-level employees and one other nonemployee. Of the three management-level types, one worked exclusively out of that studio, but the licensee was — for some reason not explained by the FCC — unable to satisfy the commission that the presence of

any or all of the three could "fairly be characterized as 'full-time.'"

The nonstaff person turned out to be the station's landlord, who happened to own a business located in the building. On this point the commission found that it could not credit the licensee "for a person who is not employed by the station and who cannot be held accountable to its management as a result."

The bottom line on this case? A \$7,500 fine for violation of the main studio rule.

Moving along to a second case that also came out late last year, we have a licensee who claimed that its "main" studio was staffed "in a meaningful fashion, with its station manager present there on a daily basis and its general manager and operations manager present on alternating days." That, at least, was the licensee's initial story. Apparently, the FCC got some "subsequent information" that caused it to ask

some more questions and, lo and behold, 18 months later the licensee fessed up, saying that its earlier response had been "incorrect" and acknowledging that its main studio had lacked a meaningful management presence.

In this latter case, the FCC has not provided us with the full details underlying the inadequate staffing situation. The commission did note, however, that the licensee attributed its failure to learn of the problem in part to the fact that the licensee's corporate headquarters is in Vermont, while the station in question is in Georgia. Needless to say, the FCC was less than impressed with this excuse.

The damage on this second case? A \$9,500 fine — \$7,500 for the main studio violation, and a second \$2,000 hit for a separate public file violation.

Re-evaluate your staffing

So it's clear that the commission is still very interested in the staffing of your "main studio," and it's ready to fine you if you can't satisfy it that you do have a "meaningful and significant" staff presence there. If you have the kind of "nouveau main studio" situation that

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In one case, a licensee's
headquarters was in
Vermont, while the station
in question was in Georgia.

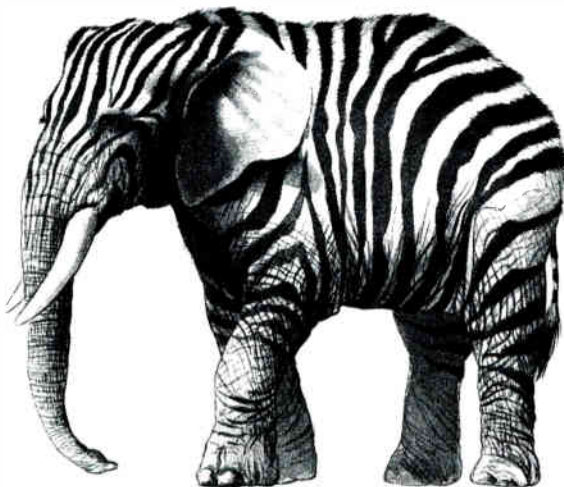
▼

might attract the FCC's attention along these lines, you should probably take a close look at your staffing arrangements for that studio. In doing so, you should be sure not only that the station's practices comply with the rule, but also that you will be able to prove that compliance to the commission if it ever asks you to.

Of course, if you have any questions about this, or if you need assistance in assessing your compliance, you should consult with your communications counsel.

Harry Cole is a principal in the Washington-based law firm of Bechtel & Cole, Chartered. He can be reached at 202-833-4190.

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Management Journal

by Vincent M. Ditingo

Trends in Business Applications, Information Systems and Strategic Planning

In Search of Today's Radio Growth Markets

For those media executives and equity investors vigorously looking to buy or expand their holdings in today's new duopoly-driven radio industry, this installment of Management Journal focuses on the first major step — that is, determining the fastest-growing radio revenue markets of the mid-90s.

The following is an examination of those markets based upon estimated gross revenue comparisons for 1994-95 (by percentage of growth) for Arbitron-rated markets. The data was supplied by Broadcast Investment Analysts (BIA), a Washington-based financial services consulting firm for media.

BIA received billings information from more than 3,000 stations in 1995, making this study of market revenues one of the most comprehensive ever conducted for the U.S. radio industry. The estimated revenue reflects total cash sales for radio time, including political advertising.

Looking at the top 25 radio markets, Cincinnati, which is ranked 25th, witnessed the largest estimated gross revenue growth, going from \$70.8 million to \$81.1 million for a 14.5 percent increase. It was followed by Denver-Boulder, up 12.9 percent (\$96.2 million to \$108.6 million) and Houston-Galveston, up 11.6 percent (\$168.6 million to 188.1 million.)

Big revenue gains in South

When widening the scope of BIA's analysis to include the top 50 Arbitron-rated markets, we see the market of Charlotte-Gastonia-Rock Hill, N.C., ranked 37th, emerging as the fastest growing, with estimated gross revenues climbing from \$49.4 million to \$57.3 million, an increase of 16 percent.

The Southeast continues to do well in the top 50 rank with Greensboro-Winston Salem-High Point, N.C., which is ranked 42nd, coming in second at an estimated market revenue increase of 14.9 percent (\$28.8 million to \$33.1 million.)

For the 250-plus Arbitron-rated markets, Austin, Texas, ranked in the 54th position, showed the biggest estimated gross revenue increase at 17.9 percent (\$36.3 million to \$42.9 million).

Why have these and many other small- to medium-size Southern radio markets been in good position for continuing revenue growth? The reasons are most likely linked to new work cultures and lifestyles that began during the '80s and have peaked in the mid-90s.

During this time, a number of Sunbelt markets experienced a major population influx from the North due, in large part, to the relocation of corporations, particularly technology-oriented firms, which sought favorable local economies and tax rate cuts. The Southern-tiered markets of the United States also provide a more desirable

climate and less hectic pace than the more Northern cities.

These moves have all contributed to increased retail sales and a stimulated economy throughout the Sunbelt region. Meanwhile, many financial analysts have painted a rather rosy economic picture for a large measure of Southern markets through at least the year 2000.

Long-range planning

Having a barometer of radio's emerging revenue growth markets helps to establish the necessary framework for a new, long-range acquisition strategy or investment plan for the late '90s and beyond.

This planning should begin with a market-by-market acquisition analysis of the current relationship between radio sales volume for the desired property and retail sales volume for the market, in addition to all advertising dollars spent within or for that market. One should also compare radio and retail sales on a historic basis as well as broadcast cash flow, past and present. The key here is to reasonably project future revenue growth of the targeted radio property for a minimum of three to five years.

Affecting this projection, however, and critical to all of today's radio financial plans, is the expanding ownership factor. This is a determination as to what "probable" extent the potential buyer or investor can expand radio ownership in the market, which can directly bolster both local sales and overall cash flow.

Growth in the largest markets

Highlighted below is a chart of where the fastest-growing Arbitron rated radio markets fall within the top 10 largest U.S. markets, according to the BIA analysis. Again, the growth rate is measured by the percentage of estimated gross radio revenue change for each market from 1994 to 1995.

MARKET RANK	MARKET ESTIMATED REVENUES (\$ Mil.)		PERCENT CHANGE
	1994	1995	
1. Houston-Galveston 9	168.6	188.1	11.6%
2. Philadelphia 5	174.1	194.1	11.5%
3. Detroit 6	155.7	170.0	9.2%
4. Dallas-Ft. Worth 7	186.9	202.9	8.6%
5. San Francisco 4	196.9	212.4	7.9%
6. Boston 10	167.8	179.1	6.7%
7. New York 1	424.2	451.7	6.5%
8. Los Angeles 2	482.4	511.6	6.1%
9. Washington 8	190.6	201.7	5.8%
10. Chicago 3	309.6	326.7	5.5%

(Note: BIA makes both radio and retail market data available through the company's database software, MasterAccess.)

Vincent M. Ditingo is a business writer, media consultant and educator. He is also president of Ditingo Media Enterprises, a New York City-based corporate communications and strategic marketing company.

Heyday for Networks

by
Andrew Bowser

Communications consultant John Tyler was surprised to find that his friends in an upscale but crime-tinged urban neighborhood armed themselves for casual evening strolls.

"The lady said, 'Let's take the dogs for a walk.' And the man said, 'OK, let me get the gun and the leash,'" recalls Tyler, the man who founded Satellite Music Networks and subsequently sold it to Capital Cities/ABC. "It was just a commonplace statement. It wasn't a joke or anything."

For Tyler, the incident crystallized why syndicated talk

radio programming is on the upswing of popularity: "A lot of people probably feel more isolated than they did 20 or 25 years ago. Some of the difference is made up in talk radio," he says. "The desire for contact with other humans is gaining momentum."

Continued growth in network revenues is projected into the next century, led by syndicated talk, news and hot 24-hour formats. Additionally, a fall RADAR study found that network radio and network radio commercials are heard by 137 million, or 64 percent of, people over 12 years of age.

Deregulation is the major catalyst for the growth, and the locomotive that's going to drive the growth will be radio station operators looking to increase market share and spend less money. No one is expecting a replay of the double-digit growth of the '80s, but a sales growth of 5 to 7 percent per year doesn't sound unreasonable.

Tyler sees more program offerings as an after-effect of that activity. "We are

Deregulation and Niche Formats Drive Business Into Next Century

going to see more niche formats," he says, pointing to USA Radio Network's weekly "Talkin' Pets" program as an example. "That type of niche show will develop a niche following. Everybody's got pets, and it's an easy show to sell advertising on — not necessarily tonnage advertisers, but advertisers who want that pet owner."

Revenues are up for the USA Radio Network, provider of news, sports and talk, including the upstart "Internet @ Night" and the venerable "Marlin Maddoux Commentary." For example, January 1996 was up 20 percent over January 1994.

Best buy in America

"For all network radio, it will be a good year," says David F. Reeder, vice president and general manager of USA, which serves more than 1,300 affiliates and the Armed Forces Radio Network. "Network radio is the best buy in America, if you look at your cost and the number of people you reach."

USA is still in a news acquisition mode, Reeder says. A nonsensational, positive-spin "alternative" news style and dedication to radio will continue to be the network's selling points. "Radio is our middle name and our only business," says Reeder. "We are not owned by a television news company."

Once-tightly formatted stations are now demanding news product, says Jeff Lawenda, president of Westwood One Radio Networks, which is home to four major news services, including CNN Radio News and CNBC Business Radio. "News has become a more important element to any radio station's operation," he adds. "It's almost like air today. All the audiences want it."

Meanwhile, CBS Radio Networks is expanding offerings in the talk arena. The Mary Matalin Show, introduced in January and currently carried by 35 affiliates, has exceeded expectations in sales and affiliate response, says Robert Kipperman, vice president of CBS Radio Networks.

Matalin's program actually capitalizes on two hot trends — talk and news. "This industry is cyclical, and we are finding that there is more of a hunger for our news product than there had been 3 to 4 years ago," Kipperman says.

Ownership by Westinghouse should strengthen the position and expand the product offerings of CBS Radio Networks. CBS Radio Stations Group president Dan Mason has indicated a willingness to work with the network "so that we can become number one," Kipperman says. "There are so many resources that we as a radio network can tap into from these 39 radio stations, and in turn, we have resources that can be offered to them."

Top spot

To be "number one," Kipperman would have to challenge ABC Radio Networks for the top spot. With an ➤



Tim Kelly
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The screenshot shows a software interface for audio control. At the top left, there's a yellow box with '02:29:32' and 'ON' with a green dot. To the right is a yellow box with '22:09'. Below these are stereo level indicators (L and R) and a 'SALSA' logo. On the right side, there are status indicators for 'ON AIR' (green dot), 'PAUSE' (white circle), and 'ERROR' (white circle). A central playlist table shows tracks with their titles and durations. At the bottom, there's a 'SPORTS NEWS' section with a scrollable text area. On the right side of the interface, there are several control buttons: 'ON AIR', 'PAUSE', 'STEP', 'MENU', 'CLOCK', 'TIME EVENT', 'SEARCH', 'TEXT', 'TITLE', 'NEWS', 'ARTIST', 'SPORTS', 'ALBUM', 'WETHR', 'TEMPO', 'STOCKS', 'THEME', 'LOCAL REPORT', and 'TIME', 'FARM REPORT'. A callout line points from the 'SPORTS' button to the text 'User Programmable Database Search and Store Parameters'.

00:	ALABAMA	BORN COUNTRY	03:07
03:	HIGHWAY 101	WHO'S LONELY NOW	03:09
06:	ALAN JACKSON	CHASIN THAT NEON R	02:58
09:	THE JUDDS	LOVE CAN BUILD A	04:04
13:	THE BROWN ADOBE	SALSA SPECIALS	00:30
14:	WVBU LEGAL ID	SPRING MARATHON ID	01:00
14:	LEWISBURG PHOTO	SPRING FEVER SALE	00:30
15:	CARLENE CARTER	COME ON BACK	02:46

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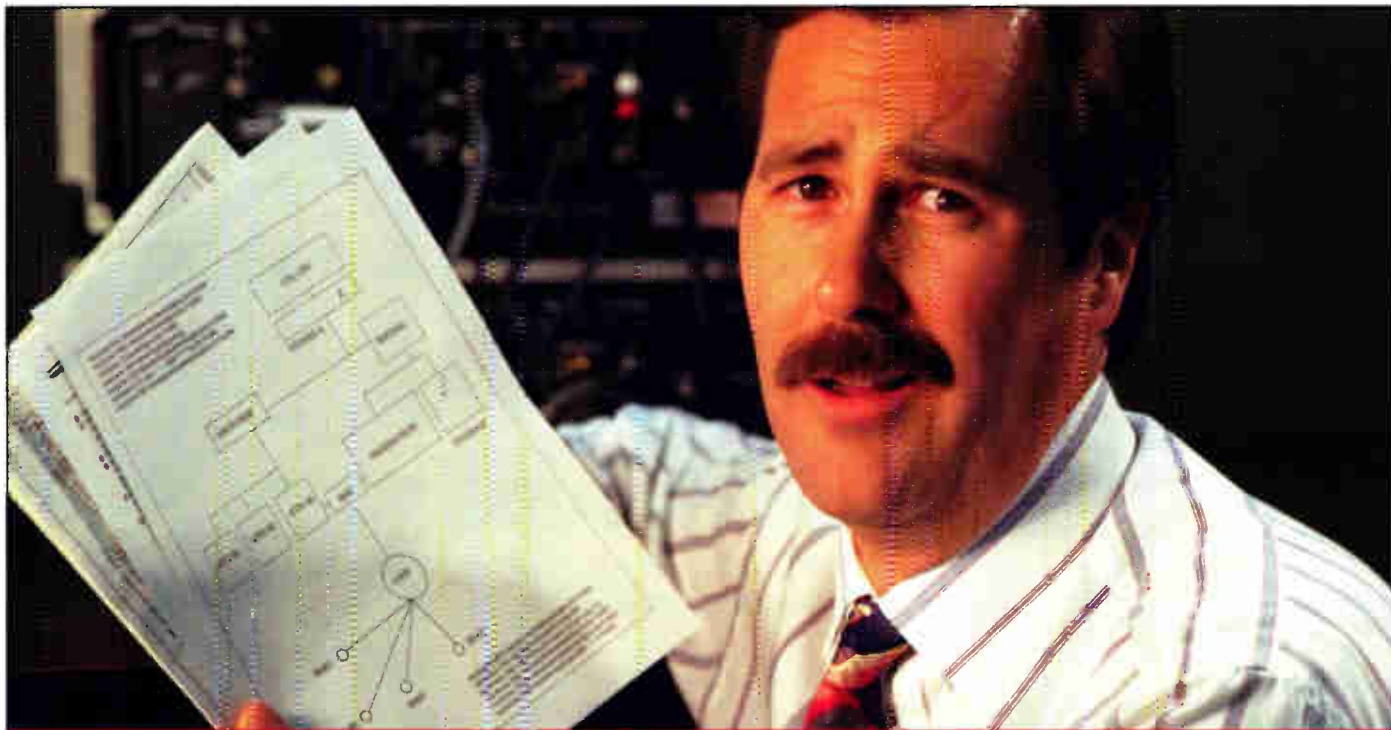
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2-4

NAB State Leadership Conference, Washington. Call 202-429-5402.

8

National Association of Black-Owned Broadcasters 12th Annual Communications Awards Dinner at the Sheraton Washington Hotel. For ticket and advertising information, contact Fred Brown at NABOB at 202-463-8970.

28-jun 19

Arbitron Spring Survey

10

Golden Mike Awards, New York's Plaza Hotel. The Board of Directors of the Broadcasters Foundation will present a Golden Mike to Norman Knight, and the Knight Quality Stations, of Boston and New England. Guests joining in the salute include Pat Buchanan, sportscaster Curt Gowdy and Jay Leno. For more information, contact the Broadcasters Foundation at 203-862-8577.

15-18

NAB '96, Las Vegas Convention Center, Las Vegas. The world's largest broadcast convention drew 83,408 last year. This year, the madness expands into the Sands Expo & Convention Center. Speakers, awards, sessions, exhibits—it's all here. Contact the NAB in Washington, at 202-429-5409; fax: 202-

429-5343. (Future shows are all scheduled in Las Vegas: April 7-10, 1997; April 6-9, 1998; April 19-22, 1999; and April 10-13, 2000.)

19-21

1996 CES Mobile Electronics Show, Orlando, Fla. For information, call CES in Washington at 202-457-8700.

4-7

RAB Board of Directors meeting in Boston. Call 212-387-2100 for more information.

11-14

100th AES Convention, Bella Center, Copenhagen, Denmark. The spring Audio Engineering Society Convention celebrates its 100th convocation. Contact AES at Zevenbunderslaan 142/9, B-1190 Brussels, Belgium; telephone: +32-2-345-7971; fax: +32-2-345-3419.

15-19

Annual Public Radio Conference in Lake Buena Vista, Fla. Call 202-414-2000.

21-26

National Religious Broadcasters makes a pilgrimage to Jerusalem for its International Conference. Contact NRB in Manassas, Va., at 703-330-7000.

3-5

Euro '96, Leipzig '96, Leipzig Fairgrounds, Germany. The European Program and Media Exchange (Europrom) will bring together program makers and program ideas from both Eastern and Western Europe. Contact Leipziger Messe in Germany: +49-341-223-0; fax: +49-341-223-20-41.

4-7

BroadcastAsia96, World Trade Centre, Singapore. The fourth Asia-Pacific Sound, Film and Video Exhibition and Conference will be held in conjunction with Professional Audio Technology96. Contact organizers in Singapore at +65-338-4747; fax: +65-339-9507.

6-9

Radio Montreux, Montreux Convention and Exhibition Centre, Switzerland. The third Montreux International Radio Symposium and Technical Exhibition is

held in association with the European Broadcasting Union (EBU), the Association of European Radios (AER) and the National Association of Broadcasters (NAB). Contact organizers in Switzerland at +41-21-963-32-20; fax: +41-21-963-88-51.

19-22

Promax/BDA Conference & Exposition, Los Angeles Convention Center. The industry's most beautiful crowd gathers to trade promotion and marketing secrets. Last year's attendance topped 5,400. Contact Promax in L.A. at 310-788-7600; fax: 310-788-7616.

27-29

The 45th Annual National Convention of American Women in Radio and Television will be held in Naples, Fla. For more information, contact AWRT at 703-506-3290.

27-sep 18

Arbitron Summer Survey

19-dec 11

Arbitron Fall Survey

28

NAB Radio License Renewal Seminar in Kansas City, Mo. Contact the NAB in Washington at 202-775-3527.

9-12

NAB Radio Show, Los Angeles. This annual radio gathering moves back to the L.A. Convention Center and runs concurrently with the conferences of RTNDA, SBE and SMPTE. World Media Expo, the combined exposition serving all four groups, is open Oct. 10-12. To register, contact the NAB in Washington by phone at 800-342-2460, 202-775-4970, or via e-mail: register@nab.org

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Largest Radio Groups

The following list comes from BIA's State of the Radio Industry 1996 study. According to the report, consolidation in the radio industry has resulted in control by a number of publicly traded radio groups. Twenty of the 50 largest radio billers are publicly owned, with seven of those among the top 10.

1. CBS Radio Station Group*
2. Infinity Broadcasting Corp.*
3. Evergreen Media Corp.*
4. Walt Disney Co.*
5. Chancellor Broadcasting
6. Cox Enterprises
7. Clear Channel Communications*
8. Jacor Communications Inc.*
9. Viacom International Inc.*
10. Bonneville International
11. American Radio Systems*
12. SFX Broadcasting Inc.*
13. Emmis Broadcasting Corp.*
14. Susquehanna Radio Corp.
15. EZ Communications*
16. Citicasters*
17. Gannett Co. Inc.*
18. Greater Media
19. Secret Communications
20. Nationwide Communications Inc.
21. Jefferson-Pilot Communications*
22. Granum Communication Corp.
23. Hefel Broadcasting Corp.*
24. Tribune Broadcasting Co.*
25. NewCity Communications
26. Spanish Broadcasting System
27. River City Broadcasting
28. Heritage Media Corp.*
29. Radio Equity Partners
30. Multi-Market Radio*
31. Saga Communications, L.P.*
32. Beasley Broadcast Group
33. Entercom
34. OmniAmerica Communications
35. Noble Broadcast Group
36. Tichenor Media
37. Paxson Communications Corp.*
38. Patterson Broadcasting
39. Buckley Broadcasting
40. U.S. Radio, L.P.
41. Hearst Broadcasting Group
42. Radio One Inc.
43. Henry Broadcasting
44. Regent Communications Inc.
45. Colfax Communications In.
46. Sandusky Radio
47. Benchmark Communications
48. Dick Broadcasting Co.
49. Journal Broadcast Group Inc.
50. Citadel Communications Co

*Publicly traded companies



'Not a Nine-to-five Job'

The Promax Promotions Profile offers a look at the experiences and points of view of the nation's top radio promotion professionals. This month: Barbara Crouse, Promotion Director, WQSR(FM), Baltimore.

You've just survived the "Blizzard of '96." As a promotion manager, what can you do with a situation like that?

You make the situation work for the station. We're doing a special awards



Barbara inspects possible fleet of vehicles for winter promotions.

banquet for heroes of the blizzard at a 7-11 store that stayed open during the storm. The manager has agreed to serve lunch to everybody: Twinkies

by Scott Slaven

and burritos — the two things everyone survived on when 7-11 was the only place to get food!

Promotions have got to be fun and interesting to listeners, you have to touch their hearts. And more and more, you have to find a way to tie a client into a promotion. There has got to be a positive association for it to be a success. Every now and then we all get roped into doing something just for the buy, but that's usually not a very successful promotion because no one's heart is in it.

You've been in the promotions biz for nearly 20 years — how has the position changed?

When I first got into radio, most promotions people were women because it wasn't a well-paid position. As women got away from being the station "wife" and doing all the crummy jobs that no one else wanted to do — and demonstrated that we know

something about marketing and could bring a lot to the table — salaries rose and guys started getting into the business.

Also, back then there weren't many promotions people in their 40s, and I think that also is a function of the fact that promotions people are better

paid now. It used to be kids who were willing to work 80 hours a week for no money who would eventually burn out and then go on and have a real life.

What does it take to earn that better salary and be a good promotions manager?

It helps to be a radio groupie. I don't think you can be a promotions manager and approach this thing as a nine-to-five job. Having a good, well-rounded background is important. When I'm hiring people, I tend to look for applicants with a liberal arts background because they know a lit-



Falling down on the job

tle about a lot of things. The more you know — the less tunnel vision you have — the better off you are about the world around you. In pro-

motions, you get asked to do the most bizarre things and you have to have a sense of what's going on in the world around you in order to pull those things off.

How do you see the position evolving over the next few years?

You've got to be on top of new technology. We're developing our Web page, and though as an oldies station our core audience might not be quite ready for it just yet, we want

Premier Promotion

"Last fall we did a promotion that was a lot of fun from a publicity standpoint and cost the station only a couple hundred (dollars) in supplies. During the baseball strike, the TV and print sports guys were running out of things to talk about regarding baseball.

"So we decided we were going to build a 'Field of Dreams' for a listener somewhere. We got the grounds crew from Oriole Park to work with us on this and had people call in to tell us why they wanted a 'Field of Dreams' in their backyard. The family who won wrote a cute little song about how much they missed baseball. The grounds crew went out to their home and lined off a baseball field — they totally landscaped the yard

the neighborhood kids came out to play and loved it. We invited the sports guys from the station to come out because it was a new angle on the old story of the strike. We got beautiful coverage on all three affiliates here. They filmed the kids coming out of the woods just like in the movie.

"The Baltimore Sun even covered it and it never covers anything a radio station does. It was during a dead time of the year, right around the time the book was starting in September. It was something that didn't cost us much and got us thousands of dollars of publicity, not to mention some really nice reprints for the sales department."

to be there and have figured the whole thing out. We want to have made the mistakes and the improvements so that when the audience gets there, we've worked out all the bugs.

Barbara Crouse

Title Promotion Director, WQSR(FM)

Up the Ladder

Traffic/Production/Continuity Coordinator, WAYL-AM-FM,

Minneapolis/St. Paul, 1977-1978.

Promotion Manager, WOWO(AM), Fort Wayne, Ind., 1978-1980.

Promotion Manager, WBZ(AM), Boston, 1980-1983.

Account Executive, WBZ(AM), 1982-1983.

National Sales Manager, WBZ(AM), 1983-1985.

National Sales Manager, WHDH/WZOU, Boston, 1985-1987.

Director of Advertising & Promotion, WROR-FM (now WBMX), Boston, 1988-1989.

Director, Information Services, WCAU(AM), Philadelphia, 1989-1990.

Director, Marketing & Promotion, WODS(FM), Boston, 1990-1994.

Promotion Director, WQSR(FM), Baltimore, 1994-present.



You also have to be looking outside of the radio trade magazines for your education on how to get things done. If you're into direct marketing, you shouldn't just be listening to people who sell that service to stations or trades. You need to know what's going on inside the direct marketing associations. Those people are so far ahead of what we're doing in terms of being able to identify and target your message. If you are looking at the changing demographics of society, you need to look beyond that Arbitron book — you should be reading American Demographics and related publications.

What about nontraditional revenue sources?

If you are going to grow nontraditional revenue sources for your station, one really good way to do that is through event marketing. There are several professional associations that will not only give you advice on how to put things on but will also tell you where the money is and who the decision-makers are who have those nontraditional dollars to sponsor your event. Also, an excellent newsletter, Entertainment Marketing out of New

York, tells who the decision-makers are in the big corporations.

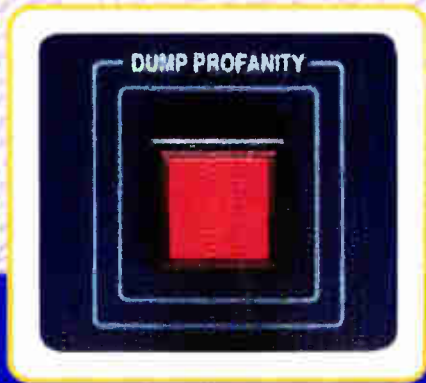
How do you personally stay on top of what your listeners are all about?

I'm smack in the middle of my station's demo so I know the lifestyle in terms of our listeners' lives and mortgages and kids, etc. But with any demo, the way you know what your people are all about is by doing research on a regular basis to gather lifestyle information.

Another really important thing is what you are doing in the grass roots. We are always out there doing appearances and remotes. Listeners are always going to come and talk to you and tell you what they think is right or wrong and what they wish you were giving away as a prize. You have to talk to them; you can't sit in an office and expect to really get a feel for what is going on.

Scott Slaven is director of communications for Promax, an international association for promotion and marketing executives in the electronic media, based in Los Angeles.

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Fair Compensation Worth the Work

Compensating your sales staff correctly is a complicated task with as many variables as there are radio formats. But it's worth the effort because a fair and equitable compensation system will energize and motivate the staff and make the life of the manager enviable. Conversely, poorly thought-out compensation systems lead to bad performances.

If you have to make a mistake, make it on the upside. If you pay draw, which I don't recommend, keep it low enough to earn the rep a reasonable commission check. Conduct annual compensation reviews. Review in the fall when you do your planning and start new plans in January.

Don't ignore staff input. I'm not saying that you should give them anything they want, just ask for input and listen. Tell them what you need, and brainstorm with them. They know the decision is yours, but they'll be less likely to criticize something if they have a chance to voice their opinion. Don't make it complex; complexity in sales compensation is unwise. You want staff members to be able to compute the monthly incentive easily without resorting to pencil and paper.

Levels of expertise

First, look at the level of expertise and type of sales position you're reviewing or looking to fill. For purposes of this article I'll limit the definition of radio sales positions to new business development manager, account executive and account supervisor. Roughly translated, these positions are rookie, junior and senior (more than five years) sales posi-

tions. The categories are not mutually exclusive. In each position, salespeople will perform a number of similar tasks, only the primary goals are different. Ordinarily an NBDM will become an AE and an AE will advance to AS, but you'll probably call them something different.

The primary goal of an NBDM is to create demand. The goal of an AE is to create demand and service a list of clients and ad agencies. The goal of an AS is to service and develop substantial accounts and service a list of agencies of various sizes and sophistication.

NBDM requires little definition. This person is hired to create demand by getting businesses that haven't adver-

it will be their duty to get an unfair share of the ad bucks.

An AS typically needs all the technical skills of an AE (often detail work is performed by assistants) and essentially does the same thing, only he or she does it on a higher level and the best ones add a personal element to his or her work that separates him from the field of burned-out AEs. This is the man or woman who can get tickets to anything and has been doing it long enough to understand the necessity of being considerate to everyone, especially subordinates at the client level and support staff at the station. An important characteristic of a top salesperson is that

Post-recession sales candidates are very wary of the words "draw" and "commission," and it has nothing to do with competence.

tised — or haven't recently advertised — with the station to start using radio or switch from another station to yours. Strong sales skills, persistence, aggressiveness, frequent-call patterns and the ability to withstand rejection are important characteristics.

AEs typically need to have developed more technical skills and are more focused on increasing business from current customers by providing them with marketing and audience information that supports reasons to advertise on your station. Many, if not all the people they call on, will be radio users, and

he or she has developed disciplined work habits. You rarely need to remind the salesperson about what's right and often can seek his or her input and expect a mature, well-reasoned response.

Balance the scales

The second step is to review the most common types of compensation systems in use today, discover how they link desired activities to compensation and then establish a balance between incentive pay and salary. The (slightly)

by **Harold Bausemer**

avored method of sales compensation in the radio business is draw against commission, next comes straight commission, then salary and commission, then salary, bonus and commission.

In my opinion, post-recession sales candidates are very wary of the words "draw" and "commission," and it has nothing to do with competence. Salary is a word beloved by candidates. They believe that more enlightened companies pay professional salespeople salary; more archaic companies offer draw against commission.

If you're hiring or interviewing to fill an NBDM position, say "salary" in your ad; it will produce many more applicants. Candidates try to read company culture in your ad: "Draw" and "commission" are vulture words to Generation X. Generally speaking, you can pay a higher percentage of a senior person's compensation as salary, and it will make little difference in what he or she produces. It should not, however, be more than 75 percent of total compensation.

You can drive the behavior of NBDMs by not paying more than 50 percent of total compensation in the form of salary or guarantee. When you get over the 50 percent level of incentives to guarantee, it becomes "make it or quit" (or find another job on this company's time), which can be counterproductive. Your plan should focus on factors controllable by the salesperson and you should at least consider paying commissions on a step-rate formula based on levels of performance.

A critically important component is the percentage at risk in the incentive portion of compensation. If you're in a large market, consider other earned perks for the top people in addition to a higher salary. Easy though — you can spoil them.



You have to know what
the competition pays
and do better.



Make market comparisons

Thirdly, compare your selection against the labor pool in the marketplace. You have to know what the competition pays and do better. If the newspaper is paying \$600 per week salary (and probably an extremely small commission), beat its offer with a combination of salary and commission. If you're in a small market, it's probably true that a skilled craftsman will earn more than your junior sales people. He or she shouldn't earn more than your pros.

The fourth step is the most difficult because it requires experience and intuition. It's called judgment.

Remember, it's difficult for salespeople to be motivated if they've never received a commission check, so don't set draws too high. Generally, the more junior the position, the more you want to pay a salary and the higher percentage (30 to 50 percent) of potential compensation you want to have at risk. The more senior the position, the less important salary becomes because he or she has a *de facto* salary in his or her level of billing, so a draw will work with a senior person.

The midlevel, which is where 70 percent of radio sales people fall, is still struggling to achieve security and status and you can get more from a salesperson with a separate commission structure.

Lastly, a good compensation plan is a part of, not a substitute for, a coherent sales management system.

Harold Bausemer is president of the Radio Management Group in Cambridge, Mass. You can contact him at 617-491-8262, or fax: 617-267-3905.



Mark Lapidus was named VP/Marketing for **Liberty Broadcasting's** 19-station group.

Lapidus will oversee marketing and promotion for Liberty's stations in Washington/Baltimore; Hartford, Conn.; Providence, R.I.; and Long Island, Albany and Richmond, N.Y. Most recently Lapidus served as the company's director of marketing.

Shamrock Broadcasting announced that **Jeffrey Dinetz** has been appointed general manager of **WHTZ-FM** (Z100).

Dinetz brings 16 years of experience to his new post including positions as national sales manager of Z100, and director of sales for WQHT-FM.

Dinetz hired **Terry Schoppmann** as director of sales for the station. Schoppmann's experience includes the position of sales manager of WQHT(FM) and account executive for WHN, both in New York.

Paul Thompson was named chief financial officer of **Odyssey Communications Inc.** This new position for Odyssey is a result of the broadcast company's growth.

Odyssey also announced the promotion of **Bill Brady** from station manager to VP/GM of **WRKL(AM)** in Rockland County, N.Y.

Are you on the move? Mail, fax or e-mail job changes, promotions, etc. to Tuned In, P.O. Box 1214, Falls Church, VA 22041; fax: 703-998-2966; or e-mail: 74103.2435@compuserve.com



Berlin: Radio Without Walls

by Michael Lawton

Scan the radio dial in Berlin, and you will hear a variety of formats unmatched in the rest of the country.

Twenty-seven stations share the airwaves, while another 34 are on cable. They offer a wide range of programming, much like you hear in a legendary radio city like New York or Los Angeles.

The radio landscape across Germany is by and large rather dull, and Berlin is not immune to the mundane. But while competition may not always be good for business, it certainly is good for the customer, and those tuning in to radio in Berlin have every reason to feel good about their choices.

Exciting market

For years Berlin was a divided city, an island in the midst of communist East Germany. The normalization of the situation with the fall of the Berlin Wall and the decision to transfer the German government from Bonn to Berlin before the end of the century, turned the city into an exciting market place for everything — including radio.

The two public broadcasting authorities — one for the city-state of Berlin, SFB, and one for the surrounding state of Brandenburg, ORB — will merge if a referendum in May 1996 is approved.

The two already cooperate on three radio stations. FRITZ is a successful and popular youth station with the second best audience in the 14-to-29 age group. B2, an information station with non-German-language rock and pop music, is fourth overall. And InfoRadio, a new 24-hour, all-digital, all-news station, is too new to have figures, yet.

Both authorities also run traditional

information-based programs with varied music and cultural programming.

Evenings, programs are broadcasted in the languages of the many ethnic minorities in Berlin.

The station always has good surprises in store: Who would have guessed that Sri Lankan Tamils in Berlin have a cricket league with 11 teams? We know it now, since a representative of one of these teams told us in an interview about an open day his team was holding.

Radio Multi-Kulti is community broadcasting of the most fascinating sort, since one can eavesdrop on so many communities that are not one's own.

Other public stations broadcasting in Berlin include the BBC, which by popular demand kept the transmitter used during the Cold War, and two national stations run by DeutschlandRadio, one information based, the other culture based.

Interesting things also are happening in the commercial sector, where the market seems to be developing a greater diversity than elsewhere.

The three largest stations — 104.6 RTL, Hundert,6 and Berliner Rundfunk 91.4 — do the usual things heard at similar operations. They have plenty of reports on local events and politics, and lots of games and audience participation. Their reporters and microphone pop shields are everywhere in the city where anything is happening.

According to 1995 audience figures



The tower at the Alexanderplatz is one of the transmission sites for Berlin's DAB system.

Antenne Brandenburg, part of ORB, is the market leader in Brandenburg, but it scarcely figures in Berlin. SFB station 88.8 does very well with a diet of German-language sentimental hits aimed at older listeners.

SFB also runs Radio Multi-Kulti, with financial support from the city of Berlin. True to its name, the station is programmed around the wide variety of cultures existing in Berlin.

Community interests

German is the language used during the day — although it is German spoken with all kinds of accents. The music is from all over the world, except mainstream Europe and the U.S. In the

ures, Hundert,6 maintained its position as market leader but with a sharply reduced audience. 104.6 RTL also lost listeners but remained at the top of the poll in the 14-to-29 age group. And Berliner Rundfunk was third but with a 39 percent audience increase.

Close behind these big three are commercial r.s.2 and public stations 88.8 and B2. As for r.s.2, it plays "super oldies and the best from today."

Plenty of choices

The liveliness of Berlin radio is created by small stations providing a lot of variety, and Berlin has plenty of those.

Energy 103.4 is a European hit radio (EHR) station that is part of the French NRJ group. It just repositioned itself in the market to concentrate on the 14-to-29 age group.

KISS-FM, part of Frank Otto's empire, plays urban black and dance music, while the national Hamburg-based cable and satellite station, Klassik Radio, plays a light classical diet.

Radio Charlie inherited the crown of the U.S. AFN (Armed Forces Network) radio and tries to keep up the American spirit in Berlin now that the troops have gone home.

Spreeradio used to be called Radio 50plus and was directed at that age group. But it now has a new manager, Stephan Schwenk, who is well known for his drastic, though effective, methods in rescuing radio stations that are having difficulties. He is directing the station at a younger audience.

Radio 50plus failed to make any impression at all in the annual audience figures, as did jfk 98.2, which just changed its name to 98.2 Soft-Hit Radio. The old name — after the late U.S. President John F. Kennedy, but no one in former communist Eastern countries picked up on it — just did not catch on. Keeping its easy listening music format, the station reintroduced the presenters.

News-Talk is a talk radio station that should have gone on the air a year ago, but it was delayed over disagreements with the licensing authority (MABB) concerning its shareholding. Now, problems finally have been solved, and the station is due to go on the air at the end of January.

One feature of the Berlin landscape, which is unique for Germany, is the use

of medium wave (MW) for local transmissions. MABB licensed two national cable and satellite stations for over-the-air frequencies on MW. Radioropa Info provides non-stop news and current affairs and RTL — Der Oldie Sender, as its name implies — offers a steady diet of oldies. Since their programs are national, their Berlin MW broadcasts cost them only the price of the transmission itself.

In addition, MABB licensed JazzRadio,

Through a subsidy, MABB supports a Deutsche Telekom project, a new project for Germany, to run more than one MW station from one transmitter. The cost of transmission thus dropped from more than DM12,000 a month to less than DM9,000.

Still more variety

For Berliners with cable radio, the range of stations is even wider, including several stations in English.

It is very likely that the Digital Audio Broadcasting (DAB) pilot project currently underway in the city did not affect listeners' habits, since virtually no one has receivers.

But the energetic radio landscape of Berlin has a downside, which explains exactly why DAB is needed.



Fully digital facilities help Info Radio keep Berlin informed.



which is owned by Wilhelmina Steyling of Eurojazz Radio in the Netherlands and makes its program specially for cable and MW in Berlin.

For eight hours a day, at morning and evening peak times, the station features well-known local jazz personalities as presenters.

But otherwise JazzRadio is a rare product on the German scene, a truly low-budget station with automated operations much of the day.

News and weather forecasts are received via satellite from the RTL-owned NSR syndicate, and traffic reports come in over ISDN from the police.

Nevertheless, medium wave is expensive, and MABB has provided some help.

There are lots of transmitters all over the city, all of different power, making it difficult sometimes to pick up stations reliably.

Where I stay in Berlin, in the daytime I can hear JazzRadio only on the third floor; to receive Radio Multi-Kulti, I have to put the receiver exactly three feet away from the window, and I cannot hear Spreeradio at all. Roll on, DAB!

Michael Lawton, a free-lance broadcast journalist, reports on the industry for Radio World from Cologne, Germany.

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KLOZ(FM) Eldon, Mo.



Owner: Capitol Media
Format: Hot Adult Contemporary
Station Manager: Denny Benne
Engineering: Mike Mayfield, Chief Engineer of Learfield Communications

KLOZ, though located in small-town America, did not want to sound like a small-town radio station.

Based in central Missouri between the Lake of the Ozarks and Jefferson City, the station's old facility was what one employee describes as "a hole."

Instilling in listeners' minds that Z-93 has a large-market mentality has to begin with the sound, says Jay Shannon, who handles afternoons, promotions and production at the station.

KLOZ kept its original location but upgraded its existing equipment in Fall 1995. The renovation was completed in about three weeks.

Z-93 uses a fine-tuned Orban Optimod and Symetrix voice processor. The clean sound mixed with the Electro Voice RE20s makes the on-air talent sound like large-market jocks. The on-air studios are complete with Cart-Ready, a 10-deck digital commercial live-assist system, along with the SAW and Fast-Eddie editing programs.

"The revamping of the production, feature programming and bits has enabled every jock, full-time to part-time, to have a smooth spot break, which increases our level of performance,"

says Mike Mayfield, chief engineer.

"Cart-Ready has cut turnaround time from one hour for difficult spots to 10 minutes," Shannon says.

At the center of daily operations are the Technic SL-PG 450 compact disc players over top of the six-channel Autogram control board. The Midland Weather Monitor teamed with Doppler Weather from the Weather Channel enables the personality to give accurate forecasts at a moment's notice. KLOZ also has computer-generated commercial and music logs with the music being scheduled on TM Century's Power Gold program.

The new sound has not gone unnoticed. Z-93's air staff received the "Best Sounding Station in the Nation" award from Broadcasting Programming for 1995, along with the honors for overall station production.

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