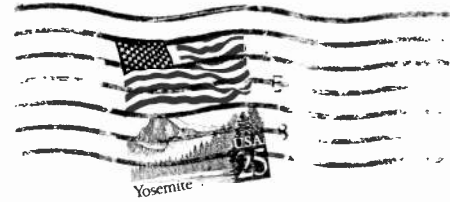


**S**mall  
**M**arket  
**R**adio  
**N**ewsletter  
Inc.

Bill Taylor  
KQSS  
P.O. Box 292  
Miami



AZ 85539

Bob Doll - Publisher and Editor  
Barbara J. Doll - Circulation

VOLUME VII - Issue #39 - February 22, 1990

**N. A. B's 5th ANNUAL "GROUP HEAD FLY IN"** brought 40 operators representing about 300 mostly major market stations to Chicago 2-9/10. General consensus: business was down in January. February and March look better.

The attendees don't see 1990 as anything like a "boom year" for station trading. Financing is tougher. Major problem: finding air talent. General agreement: radio needs a "farm system." "Buying business" with customer trips is increasingly questioned as a way to raise grosses.

**A DOZEN SMALL MARKET GROUP OWNERS** met a week later in Moberly, Missouri. The #1 topic of discussion: the "Wal Marting" of small town America as mass merchandisers (generally not good radio advertisers) replace independents. Although it is the #1 problem, near term and long term, an answer seemed to be illusive.

The majority of the small market groups enjoyed increases in the "mid single digits" last year and most of the operators are planning for the same in 1990 in their matured properties. Expansion plans for 1990 are for the most part "conservative."

**JANUARY CONSUMER CONFIDENCE INDEX** (Conference Board) is a "mixed bag: While the general confidence index was down from December (113.0) and January, 1989 (115.8) to 105.1 in January. Expectations were down from 104.4 in December and 104.1 a year ago to 94.9. Plans to buy within 6 months were up and down (December, January '89, January 1990): a new car 3.3, 3.5, 4.1; home 3.3, 3.0, 3.4; refrigerator 4.1, 5.4, 5.1; washer 4.4, 3.7, 3.9; TV set 7.9, 5.7, 6.6; air conditioner 1.7, 2.9, 2.6.

**EXCELLENT CHOICE** - In 1954, at age 36, with a growing family, Al Fuchs gave up his secure, well paying job as manager of a small city owned utility in Texas, to build a daytime radio station in Hobart Oklahoma (K T J S). In 1978, at age 60, he obtained a helicopter pilot's license in order to build a tower for a Class C FM station (K Q T Z) on an otherwise unaccessible mountain top. At 72, he is still active in the operation of the Hobart stations and K S I W/ K W F X, Woodward. He's first winner of the Oklahoma Broadcasters Association "Pioneer Award."

At the F. C. C. ....

NEW STATIONS (Granted):

ARIZONA (Flagstaff) FM Flagstaff Broadcasting Partnership  
100.1 50 kW 498' (Equivalent)  
CALIFORNIA (Merced) FM Great Scott Broadcasting 107.7 3kW  
328'  
KENTUCKY (Berea) FM Berea Broadcasting Co. (W K X O (AM))  
106.7 3kW 328' (This reverses an earlier action).  
OHIO (Ripley) FM James P. Gray 99.5 3 kW 328'  
SOUTH CAROLINA (Loris) FM Robert L. Babon 105.9 3kW 328'  
TENNESSEE (Rockwood) FM Roane Broadcasting Company, Inc.  
105.7 600w 728'

TO RECEIVERSHIP:

TEXAS (Big Spring) W B Y G (Class IV AM) to Henry C. Seals,  
Trustee in Bankruptcy, 2417 Hulen St., Ft. Worth, TX -  
76107 (900123EF).

AND:

MINNESOTA PUBLIC RADIO has filed an application to build a  
new educational FM station on 88.7 with 1 kW -11m at  
DECORAH, IOWA.

Some Money Saving Operating Tips .....

In purchasing equipment, consumer grade may serve your  
purpose just as well as professional equipment. Check the  
"specs" and the warranty carefully. You can save a lot of  
money on many items.

Set up a preventative maintenance schedule on every piece of  
equipment in your operation. Make sure your engineer or  
contract engineer keeps it up to date and that it's easily  
available for your periodic inspection.

Obtain an F. C. C. Checklist and check it periodically. The  
small amount of time it will take is 'cheap' in comparison  
to paying the fines F. C. C. field personnel are levying.

Insist that purchase orders be submitted. In this day of  
"outside" contract engineers with other interests, it's an  
especially good practice. Also, whether you know anything  
about engineering, you'll be able to spot troublesome  
engineering problems early.

Make sure you are getting the best prices. They do vary  
from supplier to supplier. Keep a file of direct mail  
offers from various suppliers and review it periodically..

SMRNewsletter's "99 Money Saving  
Idea\$"

MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

N. A. B's. "Best of the Best" Promotion contest. Awards will be presented at the N. A. B. Spring Convention in Atlanta 3-31/4-3. Each station gets a plaque and \$250.00 cash and a complimentary convention registration.

THE SMALL MARKET WINNERS

- "SANDWICH WARS"                    2 Augusta, Maine sandwich shops concocted special sandwiches named for the state's Governor. Each claimed its sandwich tastiest. WKCG (FM) let its listeners judge. "Taste testers" became eligible by making a donation to a local charity through the station.
- "COW CASH"                         During Country Music Month (October) W C O W-FM, Sparta, Wisconsin, gave its listeners a chance to win "COW CASH", bills with portraits of country music stars on them. The bills (\$100,000.00 worth) could be redeemed for items at area businesses. The promotion will be repeated.
- "30th ANNIVERSARY"                In 1989, K J A M, Madison, South Dakota, celebrated its 30th year on the air. For the event, a 1959 Chevy "El Camino" was purchased and restored. Sign ups were a 50 area businesses.

About Ad Budgets (Worth Quoting)

"A quick rule of thumb says that the ad budget in a retail store should be 3% of total sales. But, I've never known a retailer who increased the budget to 4% to 5% and did it well who didn't increase sales proportionately."

Retired Advertising Man Jack  
Rice in "Farm Store  
Merchandising" 2-'90

Sales Tip .....

Never lie to your prospect. Your ethics are as important a tool to the sale as your product. Don't say you will only take 5 minutes of your prospect's time when you know you will need 15. Not only will you lose trust, but you'll convey a lack of integrity.

Sales Trainer Stephan Schiffman  
in "Sales/Marketing Management"  
2-'90

## \$ale\$ - Bringing Them Back .....

Even the best stations have them, former customers - still in business - who are not NOW using the station. Most small market radio station operators know they operate in a customer universe with limits and take pains to preserve relationships. But, as in all endeavors, accidents happen. How many former customers are no longer on the station? Check your records of 2, 3 years ago.

If you're going to call on a former customer, step #1 is: Do your homework. Was there a collection problem? Did the station make a serious billing, co-op, scheduling problem? Was the account sold something that in retrospect he/she shouldn't have been sold? Was he/she oversold? Find out what you can before you make call #1.

In most cases, you won't want to arrive unannounced. Call first. If you have trouble getting an appointment, say, "I understand you're busy, but, I'll only take a little of your time." Make sure when you get there you keep that promise!

When you get there, the best idea, experts in other fields say, is to be "up front", "I notice you used to be a good account. Why aren't you using us now?" Then, let him/her have their say. As a farm account salesman in the Midwest advises, "Let him dump his bucket on you."

Don't expect him to say, "I wondered when someone would come by, I was thinking of ---." That happens sometimes, but not often. Expect a list of grievances (real or imagined). Listen carefully until he/she recites his whole list. If there were problems and they have been corrected or can be corrected, tell him so politely. Be emphatic, but be careful. You're selling a good station.

If there was a legitimate problem, don't settle it on the spot. Instead say something like, "I need to think this over," or if you should, "I need to talk about this with my boss." Get another appointment to offer a solution..

In most cases, "getting back in" is harder than "getting in the first time," or "staying in." It takes time to regain trust once it's lost. How much is the customer worth to you? Set up a regular time to see him (every week - every 10 days) and go prepared with something to say and something to sell. Keep calling and keep trying. If you don't, you're giving him/her another reason not to do business with your station.

Once you "get him back," do your very best. The fact is that any human relationship (even the sales/client relationship) is usually stronger once it has weathered a crisis.

About Your Customers - The Farm Supply Store .....

"Farm Store Merchandising" has just completed its 27th annual survey of business at the nation's farm stores. After evaluating the questionnaires returned, the editor's say that farm stores are "cautiously optimistic."

Sales results for the year show 78% of the respondents reporting an increase over the previous year (compared to 80% the year before). The size of the increase is pegged at 10% or less, off from 15% the year before. The residual effects of the 1988 drought and "bad weather" in 1989 were generally blamed.

The trends in farming and other businesses are being experienced in the farm supply business: fewer, but bigger operations. 1 in 4 dealers responding to the survey reported a competitor went out of business in 1989. More than 15% reported that a competitor's business was for sale. However, about 25% reported that a competitor had expanded or bought another store.

About half the respondents reported plans to do something new and different this year. About half of them planned to expand their product lines and add new things to appeal to non farmers. Typical was a \$12-million dollar grain elevator that has added lawn fertilizers, chain saws, and other miscellaneous items for non farm residents.

To target their core business, the farmer, most have "beefed up" their "on the farm" selling effort. The quality of the salesperson (rather than quantity) is being stressed - salespeople who know what they're doing and work hard.

The independent dealers biggest problem in working with farmers is the increasing presence of manufacturers selling direct at prices to the farmer which are often below the wholesale price the dealer pays.

To combat this, aggressive dealers are increasing their service (soil analysis, custom blended feed and fertilizers, etc. To survive a shrinking customer base and increased competition dealers are having to do a better job of merchandising and defining their image, make more contacts, and increase advertising.

The % of dealers showing increases 1989 vs. 1988 in lines:

Pet foods	43.1%	Seeds	42.3%
Bagged feeds	40.7%	Agri-chemicals	33.3%
Animal health	31.7%	Lawn/garden	30.9%
Bulk feeds	26.8%	Bagged fertilizer	26.0%
Pet supplies	23.6%	Livestock equ.	22.8%
Hardware	22.8%	Custom Spraying	20.3%

About This 'n' That .....

ABOUT THE MINIMUM WAGE - The increase of 90¢ per hour (26.9%) comes in 2 steps. April 1, 1990 and April 1, 1991 to \$3.80 and \$4.25. It's the first raise in the minimum wage since 1981 (9 years).

There is a sub-minimum training rate set at the old rate of \$3.35. It applies only to new hires on their first job under 20 years of age. It applies only to the first 6 months of employment.

6 states have minimum wage laws that are higher than the new Federal rates. They are Alaska (\$3.85), California (\$4.25), Connecticut (\$4.25), Hawaii (\$3.85), Minnesota (\$3.85), Rhode Island (\$4.00).

NO MOVIE SCREEN ADS - Walt Disney has announced it will prohibit paid screen advertising in all movie theatres showing the company's films. The policy will begin with release of Disney's new film, "Pretty Woman."

"Our patrons don't dislike screen advertising, they hate it," said company executive Richard Cook. (From an AP story)

WOMEN NOW MAKE UP 47% of the new car buying market and influence 80% of all new car sales, according to Chrysler Corporation.

GOOD SMALL MARKET RADIO ADVERTISER, Hardee's, has now become the nation's #3 fast food chain with the acquisition of the Roy Rogers chain, located largely in the Northeast. Under consideration is the adding of a new fried chicken called "Roy Rogers Fried Chicken" to the menu. Hardee's hopes it can convince about 40% of the Roy Rogers franchises to change to Hardee's. If it does, Hardee's will have its signs on 4,000 locations - just 1,200 behind #2, Burger King." (AdWeek/Marketing Week).

MANAGEMENT - The difference between the boss and the leader:

The boss uses "I." --- the leader uses "We."  
The boss "creates fear" -- the leader "inspires trust."  
The boss "orders" --- the leader "asks."  
The boss "knows how" ---- the leader "shows how."  
The boss relies on "authority" to get things done.  
The leader relies on "co operation" to get things done  
The boss "provokes resentment" --- the leader "inspires enthusiasm."

Author Unknown  
from W X V W, Jeffersonville,  
Indiana Client Letter

"Very Small Market - Very Tough Times" .....

Several of Lou Mueller's family had retired in Blanding, Utah. When she and her husband, Phil, came to town for a family get-together in the early 1980s, they decided it would be a nice place to live and raise their 8 children. Phil, who had spent 25 years as a major market news/talk air talent/programmer, approached the local radio station's owners. "The price was far more than I could pay. We went back to Washington, D. C. and put the idea out of our minds. Then, 2-1/2 years ago, when we came out again, I tuned the station in. It was silent."

This time, Phil found the price to be something within his reach (with some help from relatives). "After all," he says, "It was not a going business."

K U T A's home county has a population of 12,100 people and a land area of about 6,000 square miles (about the size of the state of Rhode Island.). There are 2 towns, Blanding (1980 census 3,118) and the county seat, 20 miles away, 1,929. The area's major industry was uranium for which there's been little demand in recent years. Agriculture in the area (beef, wheat, and beans) have been tormented by "up and down markets" and last year's drought.

The bright spot, he says, is the tourist area growing because of the large recreational lake and 2 near-by national parks, "but tourism is very seasonal."

How do you make it in such a small area? (The home county retail sales are just \$17,815,000.) "You work very hard and you work very long hours, Phil says. His day starts on the air at 6:00 A. M. to 9:00 A. M. doing a full service morning show: news, weather, sports, trivia, birthdays, community events, and call ins SOLO. "I do the same thing I did in Denver and Seattle with 5 other people," he says.

Most days, after 9:00 A. M., Phil is "on the road." He solicits advertising from over a dozen communities and "crossroads" over a 75 mile area. "Our signal, a 1kW at 790 gets out well. There's a \$10-million or more retail sales outflow into 2 cities in New Mexico (Cortez and Farmington). We're developing a growing customer base there."

When he returns from "the road," Phil attends to his management duties. Evenings are often taken up with community meetings. He's beginning his second year as chairman of the county's industrial and tourist development committee.

Joining in the marathon task of running K U T A is Phil's wife, Lou. In addition to being mother to the couple's 8 children (3 of whom are away at college), she serves as the station's bookkeeper, part-time salesperson, copywriter, etc.

Actually, in addition to Phil and Lou, there is only 1 other full-time staffer, the daytime announcer-operator. Nights and weekends are handled by part-timers from the local college and high school.

Even though his station is in a remote area, there's good outside competition, particularly from an FM country station and an FM C. H. R., carried on local cable systems. "Even here an AM station can't make it as a music station. We carry 3 hours of talk 9:00 A. M. to Noon from the satellite and 2 hours of sports talk evenings from 5:00 P. M. to 7:00 P. M. from a regional sports network. When we do play music, it's country crossover."

Phil editorializes on his station on an occasional basis. "I think the community needs it. We do it maybe once a month. I pick something of local importance and run it 5 times a day Friday through Monday."

"The smallest place I lived before I came here was Salt Lake City (where he grew up)," he says. "It's funny. Almost everything I read about on the air, people already know about it. I guess it's sort of like the old weekly newspaper editors used to say, they tune in to see if I've got it right."

Even in the face of the long hours and hard work which he and Lou are putting into K U T A and the hazards of a tough economy, Phil says of his 2-1/2 years at Blanding, "There are no guarantees in life, but, this is a lot more secure than those jobs with the big group operations in big markets", where he spent his first 25 years in radio. "You know the people you're talking to and dealing with. You make it yourself - or you don't."

#### THE LAST WORD

One of the most positive pieces of information concerning the future of radio appeared in a recent issue of "Advertising Age" magazine. It showed radio as the most used media among college students (daily time spent with media):

Radio	2 hours 13 minutes
Network Television	1 hour 34 minutes
Cable Television	59 minutes
Newspaper	49 minutes
Magazines	40 minutes

And, 55% spend more time with radio than they did during their high school years.

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SMALL MARKET RADIO NEWSLETTER (Inc.) IS PUBLISHED WEEKLY AND MAILED FIRST CLASS TO SUBSCRIBERS IN 50 STATES, POSSESSIONS, AND CANADA. SUBSCRIPTION: \$109.00 PER YEAR (26 WEEKS: \$57.00). ADDRESS: 275 19th STREET, OTSEGO, MICHIGAN - 498078 - PHONE: (616) 694 9357 --- FAX: 616 692 6789.

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**S**mall  
**M**arket  
**R**adio  
**N**ewsletter  
Inc.

Bob Doll - Publisher and Editor  
Barbara J. Doll - Circulation

VOLUME VII - Issue #38 - February 15, 1990

**COMMISSION GETS TOUGH** - It reversed itself in a 12-23-'88 decision allowing Rowland Gulf Radio, Inc., a non applicant, to buy out 7 applicants for a Class A FM at Marco, Florida. The Commission decided its earlier decision "would encourage the filing of sham applications conceived only for the purpose of entering into profitable settlement agreements." ... It refused to grant a 2nd extension of the construction permit for W B P K, Flemingsburg, Kentucky. It canceled the 7-21-'84 C. P. .... It denied the renewal application of Mid-Ohio Communications, Inc. for W B B Y, a Class A FM, at Westerville, Ohio. Lack of candor was cited. The 24.5% owner who was said to be full-time station manager was manager of an auto agency 120 miles away. .... It renewed the licenses of 6 South Carolina stations with deficient E.E.O. showings, but fined 4 of them from \$5,000.00 to \$10,000.00 each/

**TURN BACK THE CLOCK** - Bill Wertz, co-owner of 2 Midwest AM-FM combos thinks AM could benefit by re-instituting the non-duplication rule which forbid stations in cities of 25,000 and over from simulcasting more than 50% of the time. Wertz was on an AM improvement panel at the "Radio and Records" convention in San Francisco.

**R.A.B. SALES TRAINING** - This year's schedule:

1 day Sales Training:	3 day Sales University:
Houston 3-8	Dallas 3-9/11
Atlanta 4-26	Orlando 4-27/29
Pittsburg 5-17	Richmond 5- 18/20
Hartford 7-12	Buffalo 7 13/15
Chicago 7-25	Milwaukee 7-27/29
Kansas City 7-26	San Diego 8 17/19
Portland 8-6	Cincinnati 10-26/28
Detroit 10-25	

(\$150. - non member \$275)(\$225.-non member \$325)  
Info: 1-800-232 3131

**PEOPLE** - Houston Pearce, Alabama-Mississippi small market group owner, appointed N.A.B. Board Member(AL-GA) to 6-'91. He succeeds the late D. Mitchell Self. ... Jim Lutes, retired chief meteorologist Keesler Air Force Base joins Jackson, MS based National Weather Network (Edward St.Pe'). The network serves 250 stations.

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

(616) 694-9357

Otsego, Michigan 49078

275 19th Street

At the F. C. C. ....

NEW STATIONS (Granted):

ARIZONA (Cortaro) FM Cortaro B'c'g. 1030 50 kW D 1 k w N DA2  
MISSOURI (Pittsville) AM Radio 850 850 250w DA-D  
NEW YORK (Frankfort) FM Raivine B'c'g., Inc. 94.9 50 kw 487'  
PENNSYLVANIA (Lewisburg) FM Town, Gown & Country B'c'g. 996.3  
3 kW 328'  
TEXAS (Jefferson) FM DLB B'c'g. Part. 104.5 1.675kW 426'  
(Post) FM Boles-American Indian Part. 107.3 50kW 321'

AMENDMENTS TO THE FM TABLE (Amended):

IDAHO (Chubbuck) 98.5 (C2) for 98.3 (A). M.: K R C D  
KENTUCKY (Paris) 96.9 (C2) for 96.7 (A). M.: W C O Z.  
KENTUCKY (Russell Springs) 92.7 (A) W.: 3-23/4-23.  
(Burkesville) 107.9 (A) for 98.5 (A). M.: W K Y R  
MICHIGAN (Beulah) 92.1 (A).

(Proposed):

ARKANSAS (Pine Bluff) 101.3 (C3) for A. M.: K P B Q.  
LOUISIANA (Shreveport) 99.7 (C1) for 100.1 (A). M.: K M J J.  
SOUTH CAROLINA (Charleston) 100.5 (C2) for 100.7 (A). M.: C.P.  
(Elloree) 100.3 (C3) for A. M.: W M N Y.  
(Andrews) 100.7 (A) for 100.9 (A). M.: WQSC.  
(Fairmont) 100.9 (C2) for A. M.: W Z Y Z  
(Little River) 100.7 (A) as 1st. Req.: Little  
River Radio  
(Marion) 100.5 (C3) for A. M. C. P.  
WASHINGTON (Moses Lake) 96.3 (A) for 99.3 (A). M.: K D R O.  
(Rock Island) 99.5 (C3) for A. M.: K X A A.

(Requests):

Florida (Avon Park) 99.01 (C3) for 106.3 (A). M.: W W O J  
(Carrabelle) 106.5 (C1). Allen Radio  
(Crawford) 105.7 (A) Req.: Wakalla B'c'g.  
(Okechobee) 103.1 (C2 for A) Req. Okechobee B'c'rs  
(Winter Park) 103.1 (C3 for A) W L O Q  
GEORGIA (Meter) 103.7 (A) for 104.9(A) Req.: Tel-Dodge  
(Milan) 104.9 (A). Req.: See above  
(Swainsboro) 96.9 (A) for 103.9 (A). Req.: See above  
HAWAII (Hilo) 95.98 (C2) Req.: J. Boyd Ingram  
IOWA (Manchester) 94.7 (C3) for A. M.: K M C H.  
KANSAS (Andover) 93.9 (c3). Req.: Jonathan Fricke  
MINNESOTA (Begley) 102.3 (C2) Req.: James Ingstad  
MISSISSIPPI (Cleveland) 106.5 (C3) for 106.9 (A) to Rosedale  
Req.: Carole Ingram  
(Okolona) 99./9 (A) Req.: Charisma Communications  
MISSOURI (Moberly) 105.5 (C3) for A. M.: K Z Z T.  
NEVADA (Fallon) 107.7 (A)./ Req.: Atrium B'c'g.  
SOUTH CAROLINA (Abbeville) 95.9 (A) for 92.9 (A) M.: WZLA  
TEXAS (Brenham) 94.1 (C3) for A. M.: K U L F.  
(Point Comfort) 94.1 (C2). Req.: Roy Henderson  
104.9 (A). Req.: Michael Escrifer.  
(Temple) 105.1 (A). Req.: Roy Henderson.

MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

"94.3 OUNCES OF MONEY" K W K S, Winfield, Kansas stuffed 94.3 ounces (weight) of money into 6 "Coke" bottles. The bottles were put on display in the lobby of a downtown bank. The Coca Cola bottler and the bank were major co-sponsors.

Listeners who viewed the bottles full of money signed up for a call from the station at 6 minor co-sponsor's stores. Names were drawn and announced randomly on the station. Listeners whose names were called were asked to phone the station giving their guess as to the amount of money in the bottles.

The answer and winner (the person coming the closest) was announced during an event at the County Fair. (The amount was \$684.00).

"BIG FISH"

It happens every year at the county 72 acre lake near Maryville, Missouri. It has become a major event held on a mid June weekend.

Fishermen compete for 13 prize packages for biggest fish, biggest "string", age of fisherman, etc. The 13 winners' names are put in a hat with the winner drawn getting a grand prize of a boat, motor, and trailer (traded with a dealer 50 miles away.)

K N I M, sponsor of the event, has unearthed some unusual revenue sources e. g. The K Mart Store pays a promotional fee for the opportunity of displaying the boat before the event, 40 to 50 retailers pay \$200.00 each to serve as free ticket outlets, major co-sponsors with the station are food and beverage companies.

The station is assisted in putting on the event by the state conservation department. In 10 years it has become a major community event and station income source.

"13th MONTH"

In Mankato, Minnesota, a very crowded media market, long term commitments come hard. K Y S M is offering advertisers who buy 12 \$300.00 or more monthly packages the 13th FREE. Many January through December advertisers use their "13th month" the week between Xmas and New Year's.

\$ale\$ - Keep Current Fires Burning" .....

Prospecting for new customers takes a lot of time, plus it can be more exciting than servicing steady customers. But, don't give present customers short shift while hunting for the next one. Here are 5 steps to keep the "old fires burning:"

1. Keep calling. Work out a schedule with present customers. Ask them what's the most convenient time for you to call on them.
2. Keep helping. Don't just stop by to see that everything is O. K. Keep making it profitable for the customer to buy from you. When was the last time you brought him/her a new idea to increase his/her profitability?
3. Show appreciation. Make sure they know you value their business. Perhaps an incentive or specialty item for present customers would fit the bill.
4. Keep promises. Don't make your customer scramble because you dropped the ball.
5. Handle complaints quickly and fairly. Doing a good job here goes a long way toward developing customer loyalty.

"Master Salesmanship"

\$ale\$ Lead .....

Brian Meekler, advertising manager for Hubbard Milling Company, notes that people remember only 12% of what they hear and 18% of what they hear and see. When devising advertising schedules, Meekler advises using both print and radio to enhance retention of the message.

"Farm Store Merchandising" 1-'90

\$ale\$ Tip .....

Also from "Farm Store Merchandising": In personal selling, make sure you've got written material to back up your verbal claims. Lead prospects through materials, highlighting and underlining salient points.

And, successful telemarketers say that adding an "OK" when closing a sale works wonders for increasing the number of successful sales. People tend to respond positively to the question "OK". Example, "We'll start tomorrow morning. OK?"

AM Radio - It's Not All Bad News .....

Recently, a reporter for the Hartford Connecticut daily, "The Courant," set out to find out how the AM radio stations in the small towns in her state were doing. The result was a half page story.

She talked first with the executive of the state's broadcaster association, Paul Taff, and a Connecticut headquartered station broker who also owns small radio stations, Mike Rice. The state has 41 AM radio stations. Neither could name a single AM station in the state's history that had gone out of business.

AM radio is apparently a very good business in Connecticut's small towns. Most of the operations are AM stand alones.

Ed Creen, who owns and operates W C N X, Middletown, put his finger on what makes such stations successful, telling her that his station tells its listeners "about the meetings they missed, the games they didn't attend, and the weather that will be with them that day. After 5 years, Creen still is part of the station's "morning team," starting his day at 5:00 A. M.

Many of the AM radio stations have "flirted" with FM-like music intensive formats without success. They quickly returned to "telling people that the local city council passed a dog-barking ordinance or that the mayor's sister-in-law was sick. The FM stations, according to Del Raycee, W L I S, Old Saybrook, "don't tell people much of anything."

Anthony J. Pescatello, who bought W M M W, Meriden in 1988 changed the station's programming from a diet of featuring local news and information to a format featuring highlights from motivational tapes and new age music, aimed at attracting a more upscale market. Seven months into the change which got widespread publicity, the station's billings were down 1/5 with little sign of improvement. Pescatello returned to playing music with local news, weather, and traffic reports. "The listeners didn't want to be educated, they wanted to be entertained."

Rice told the "Courant" that in most, small Connecticut communities, AM represents half of total radio listening. He emphasized that that's not true everywhere citing a Maine community where he had an AM station listing. "AM listening was only 10% of the total there," he said.

The major ratings services were discussed in the article. Pescatello told of running a lot of contests on his station and tracking the players to demonstrate his audience to advertisers. Ed Creen told the newspaper, "I don't believe all this business that AM is dead, that it doesn't have any audience. They call us every day out of the blue, just to say, 'Thank You.'"

## Management - About Employee Contests .....

Employee contests that pit salespeople against each other, or strain the resources of one department to benefit another, might work against your business. Management expert Rosabeth Kanter suggests that this management practice may be a pitfall that a business will want to avoid:

It kills co-operation. By making it an us against us contest, instead of an us against them (the competition), you might make coworkers hostile toward each other instead of encouraging them to cooperate toward a common goal.

Winning replaces succeeding. Instead of concentrating on the ultimate goal of improving total sales or productivity, teams of individuals may glue attention on winning and fail to help other teams accomplish more; coast if they are in the lead; or give up if they are far behind.

Competition reduces creativity. Creativity requires risk-taking; following strategies that might not work out. A contest might prohibit people from following their "gut" and taking a chance because they could lose the contest.

Good management spurs competition. It doesn't kill cooperation.

## "Agri Marketing"

### Management - Avoiding Telephone Time Wasters .....

1. Stick to priorities. Don't open the conversation by saying something like, "What's new since we last talked?" Rather, "Hi Karl, I need to ask you a few quick questions, if you have a minute."
2. List items to be discussed before you pick up the telephone.
3. Phone calls are like requests for your personal time. It's nice to feel needed, but, don't let your ego get in the way of effectiveness.
4. Preset the time limit. "Yes, I can speak for a few minutes." Gently let them know time's up. "Just, before we end this conversation..." Be frank if needed. "Sorry, I have to go now."
5. Time yourself for one day and evaluate how much longer calls take than necessary.
6. Keep telephone messages in one place or list call-backs on your calendar.

National Assoc. Self Employed  
Newsletter (1-'90)

## Marketing The Station to Advertisers .....

Lou Vito calls "A goal a dream with a deadline." In college, his major was sports management. His first job out of college was as a teacher-wrestling coach. When he was offered a sales job at a Columbus, Ohio radio station, he took it and says now, "After just a couple of days, I was 'hooked' on radio and quickly decided that I'd own my own radio station by the time I was 35."

He beat his deadline when in 1988 he and his father in law, a major Central Ohio plumbing contractor, bought the AM-FM combo at Bellefontaine, Ohio. When he set out to buy a radio station, he looked first at those stations. "They had just come out of Chapter 11 and were grossing less than half what they'd done in the mid-'70s. There was no way to justify the price the owner needed 'to come out.' The billings were low. The plant had run down because of neglect. The other stations I looked at were either 'maxed out' or inferior to competition in their markets. I decided to go ahead when one of my radio friends told me, 'You can pay what you realistically think the station will bill profitably in 3 to 5 years.'" The single station market was good (retail sales over \$160-million) and it was growing thanks to the location of a Honda plant in the next county.

"I knew we had to improve the programming and the plant. That meant expensive capital improvements and dramatically raising the operating expenses," Vito says now. "But that also meant raising the gross quickly."

When he took over the station in January, 1988, the general consensus in the business community was that "nobody listened." That was further complicated by, "I tried it and it didn't work." Vito decided that he had to involve the advertising community in the station before they would spend significant money on it. That had to be done and had to be done quickly. He outlined some of the things he did on a panel at the recent R. A. B. "Managing Sale Conference."

He divided the business community into 3 groups, "Movers and Shakers" (people who took a leadership position in the community's business and civic organizations), "Attendees" (people who belong but shy away from leadership spots) and finally "9 to 5ers" (people you don't see except in their businesses during "store" hours.)

He decided he'd go after the "Movers and Shakers" first. He made it mandatory that each department head and each member of his sales staff would be active in at least 1 community group. A morning talk show was established. "One at a time, the "Movers and Shakers" appeared "boosting their special interests." "That kind of thing is good. It gives the public a different picture of the person with whom they do business," Vito says. "Their friends and customers tell them they heard them." Each guest is given a "Certificate of Appreciation" for appearing on the show. "Those certificates do go up on walls - and stay there," he says.

To overcome the "nobody's listening" perception, Vito created a "Lunch Party Patrol." To be eligible for a party lunch in their store, office, or plant department, workers were told to send a letter saying "We're listening at work" on the business stationery. The letters were put in a 3 ring binder to be used in sales presentations. Additionally, mailing pieces were made up using the return addresses (many times trade marks) from the business envelopes. Complimentary letters were excerpted on presentation sheets saying "Our Advertiser's Say It Best."

Special attention was given to gathering "success stories." The stories were voiced by clients for broadcast on the air and were put on a cassette. During a sales presentation, Vito says, "We normally play 3 or 4, then ask, if the client wants to hear more. We have several more, if he does. We put them on a 90-second cassette. The customer automatically thinks we have dozens of them."

His first Christmas in Bellefontaine, Vito and his staff, wearing Christmas hats, toured the business community singing Christmas carols. Each Summer, he has 4 ice cream giveaways with a clown distributing free ice cream. This year, his station programmed a "Fantasy New Year's Concert." Between music sets, "Movers and Shakers" (on tape) were interviewed. Vito has invited school teachers to bring their classes to the station for "field day" tours. "A lot of those youngster have mothers and dads in business." And, using the station's camera, the station takes pictures of new businesses during their remodeling or building. The pictures, taken each week, are mailed to the owners giving them a "progress report" and a memento. "It gets our foot in the door," he says.

That camera is also used to take pictures of each station special event. "We work hard to get 'movers and shakers' in the pictures." The pictures are assembled into what he calls the W P K O/W B L L "Fun Book," also used for sales presentations.

By now, Vito's 3 step marketing concept has reached deeply into all the 3 target groups. His station's broke into the profit column in 10 months and now as he starts his 3rd year, the stations are billing more than he paid for them. Outlawed inside the station and "on the street," the word "I." We always say "we." "We want our listeners and our customers to know always that their getting the service of not just one person, but a 'team.' Well said coach!

#### THE LAST WORD

"Some people see things as they are and say, WHY? Others see things as they can be and say, WHY NOT" (Robert Kennedy)  
SMALL MARKET RADIO NEWSLETTER (Inc.) IS PUBLISHED WEEKLY AND MAILED FIRST CLASS TO SUBSCRIBERS IN 50 STATES, POSSESSIONS, AND CANADA. SUBSCRIPTION: \$109.00 PER YEAR (26 WEEKS: \$57.00 - 13 WEEKS: \$33.00). ADDRESS: 275 19th STREET, OTSEGO, MICHIGAN - 49078 - (616) 694 9357 FAX: 616 692 6789



(616) 694-9357

Otsego, Michigan 49078

275 19th Street

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**M**arket  
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VOLUME VII - Issue #41 - March 8, 1990

**N. A. B. EFFORTS TO HAVE THE 24 HOUR INDECENCY RULE** overturned are not meeting with approval among small market broadcasters. Typical comments to SMRNewsletter, "It's another case of looking after the 'big boys', we don't do that kind of thing in small towns," and "I don't see why that kind of thing has to be on the air. People who want that can rent 'dirty videos.'" N. A. B. and 16 other organizations including networks and broadcast groups filed a petition with the F. C. C. last month saying the ban is "unconstitutional" because it "reduces the adult population" to seeing or hearing "only what is fit for children."

**MAJOR LEAGUE BASEBALL TEAMS ARE EYEING THE DEAL** made by a San Diego radio station which is paying the highest rights fee ever and gets no revenue for pre, post, or in-game advertising. The station is paying that record breaking rights fee for "high" ratings to sell its other programming. Will other major league teams (and other sports) try to do what has been done in San Diego?

**30 FREE SPOTS A WEEK FOR A YEAR** - That's the N. A. B. request being made over president Eddie Fritts' signature. The spots would promote new N. R. S. C. receivers. A Virginia small market AM stand alone operator says, "This is a lot of time to promote a new receiver that most listeners will not be able to audibly tell from ones which have been on the market before. It would further appear to be a real shame to have a nationwide effort to promote the N. R. S. C. radio as 'new and improved', only to come back a short time later, I hope, to tout an even 'newer and more improved' stereo receiver."

**KEEP AN EYE ON YOUR RECEIVABLES** - The Wall Street Journal (3-1) reports that small business borrowers are feeling a credit squeeze: a wider rate differential (4 to 5 points over prime) and higher credit standards with banks in widespread parts of the country demanding equity to debt ratios of 4:1 vs. 2:1 at this time last year.

**NOT MUCH CHANGE** - "The M Street Journal" reports 325 new stations went on the air last year (same as in '88 and 1 more than in 1987). Call letter changes 576 (563, 573), city changes 15 (12, 10). 810 stations changed format in 1989.

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

At the F. C. C. ....

The F. C. C. last week (3-2) announced that 98 Class A FM stations along the Canadian border can increase their power to 6 kW as other Class A stations were granted 11-3-'89.

NEW STATIONS (Granted):

ALABAMA (Dothan) AM Holy Ground B'c'g. 700 5 kW D  
PENNSYLVANIA (Berwick) FM Robert Moisey 103.5 2,080w 394'  
SOUTH CAROLINA (Loris) FM Robert Rabon 105.9 3 kW 328'  
TENNESSEE (Loudon) FM Deborah Greenwood 105.3 3 kW 328'  
VIRGINIA (Emporia) FM Stone B'c'g. Corp. 99.1 2 kW 403'  
WASHINGTON (Pasco) FM West Pasco Fine Arts 101.3 3kW - 95'

AMENDMENTS TO THE FM TABLE (Amended):

GEORGIA (Douglas) 92.5 (A) M.: W X L Q  
(Hinesville) 92.3 (C2). W.: 4-10/5-10.  
ILLINOIS (Seneca) 94.7 (A). W.: 4-17/5-17.  
(Streator) 105.1 (A). W.: 4-17/5-17.  
IOWA (Spirit Lake) 103.9 (C2). M.: K U O O.  
MICHIGAN (Bridgeman) FM 97.5 (A). W.: 4-10/5-10  
MISSOURI (Carthage) 95.1 (C2) for 97.9 (A) M.: K K G K  
(Webb City) 95.9 (A) for 95.1 (A). M.: K K L L  
NEW YORK (Conklin) 100.5 (A). W.: 4-13/5-14.  
(Endville) 107.5 (A). W.: 4-16/5-16  
(Southport) 99.,5 (A). W.: 4-16/5-16  
SOUTH DAKOTA (Rapid City) 104.1 (C1) for 104.3 (A). M.: CP  
(Salem) 100.5 (C1) for C2. M.: K S M L.  
(Sioux Falls) 98.3 (A) for 100.1k (A). M.: KCFS  
TEXAS (Dublin) 104.9 (C3). W.: 4-10/5-10  
(Marlin) 92.9 (C2) for A. M.: K R X X  
(Mirando City) 100.5 (C2) for 100.9 (A). M.: K Z Z Q  
WEST VIRGINIA (Webster Springs) 102.1 (A). W.: 4-10/5-10.  
(Weston) 102.3 (B1) for A. M.: W S S N.

(Proposed):

CALIFORNIA (Clovis) Move K X M X from Madera and upgrade to B1.  
KANSAS (Emporia) 101.7 (C2) for A. M.: K E G S.  
(Fort Scott) 104.7 (A) for 101.7 (A). M.: K V C Y  
(Independence) 102.9 (A) for 101.7 (A). M.: K I N D  
MISSOURI (Osage Beach) 93.5 (C3) for A. M.: K L Y C.  
(Warsaw) 98.5 (A) for 93.7 (A). Req.: K L Y C.  
OKLAHOMA (Ketchum) 107.5 (C1) for A. M.: K G N D.  
VIRGINIA (Bon Air) 92.1 (B1) for 92.7 (A) upgrading W C D X  
Mechanicsville and changing its city of license.  
(Mechanicsville) New city/license for W Q S F,  
Williamsburg, Virginia 96.5 (B)  
(Chester) 93.1 (A) for 92.1 (A). M.: W D Y L  
(Ruckersville) 101.9 (A) for 92.1 (A). M.: W X Z Y.

(Requests):

GEORGIA (Bostwick) 92.3 (A). Req.: Ronald A. Reeves  
(Milledgeville) 100.7 (C3) for A. Req.: Preston Small  
KENTUCKY (Campbellsville) 104.1 (C3) for A. M.: W C K Q.  
MICHIGAN (Manistee) 101.5 (C3) for A. Req.: Patrick Lopeman

TO RECEIVERSHIP:

NEW YORK (Little Falls) W L F H (AM - Class IV) to Alan Bentkofsky, Esq., Trustee, P. O. Box 786, Auburn, NY-13021. (900119ED)  
SOUTH CAROLINA (Spartanburg) W K D Y (AM Class IV) to Charles P. Edwards, Esq., Receiver, P. O. Box 2552, Spartanburg, S. C. - 20304.

an emergency." He points out that of septic tank services, Roto Rooter gets the most calls from its "yellow page" advertising. It uses the most creative advertising. In advertising, he says, "familiarity breeds trust."

He points to florists as over-users of the "yellow pages." If the "yellow pages" have a limited usage and are central to so few businesses, why do they continue to capture such a big and growing share of total advertising? Wasser attributes it to the sales effort. "The average 'yellow pages' salesperson doesn't make his or her first call until he or she has undergone 6 weeks of intensive training."

The "pitch" seems to be centered around "dominate the classification"(by being as big or bigger than your competitor) and fear of loss (If you pass this up, you can't do anything about it for a year). "Yellow page" salespeople get a meager commission on renewals, huge commissions on upsells. Often a "yellow pages" salesperson doesn't call on a customer regularly - he/she is moved from territory to territory. The "yellow page" management believes the salesperson will sell harder if he doesn't have to see the customer again and this avoids the making of friendships where the salesperson may "start thinking like the customer" rather than pushing him for more space.

About getting advertisers to bring their "yellow pages" advertising down to a reasonable investment, making room for more creative advertising (radio), Wasser suggests:

Start 6 months before the "yellow pages" closing date (the last day they accept ads)

In opening a conversation about his/her "yellow pages" "I have some ideas to save you money" or "get more for your advertising expenditure."

Early on say, "I know you have to be in the 'yellow pages', but -----."

Big ads (which appear at the beginning of a classification get less readership because most people (75%) start at the back of a classification).

Color actually loses impact for a "yellow page" ad.

Go after the "big ticket" businesses first. They have the most to spend and the least reason for being major "yellow page" advertisers.

Suggest they use "trade mark" listings and bold print in the "white pages" as a customer convenience.

Never allow a radio advertiser to say "see our ad in the 'yellow pages.'" He's inviting listeners to see the ads of his competitors.

"We've worked with thousands of advertisers in 'sizing down' their 'yellow page' ads and heavying up their creative advertising. Not one has reported a downturn in his business," Wasser says.

## About Ratings .....

The ratings services (Arbitron and Birch) are not central to most small market radio stations, but, no matter where your station is located, estimates of the size of its audience are included in Arbitron's "County by County" and Birch's "County America" reports. No station can afford to disregard them.

The current issue of Drake Chenault's client letter includes some good advice from that firm's national programming consultant, Steve Hibbard. He advises:

"Top of mind awareness is critical. Aside from all the promoting of your call letters and dial position, what is memorable about your station to the typical listener? Remember that radio is low on the list of life's priorities for most people. Give them something besides 'more music' to remember you by."

"Consistency is important, since awareness is developed over time. McDonald's has had only 3 marketing themes in 20 years."

"Call letter reinforcement must be relentless, on and off the air, as you bring all your resources to bear."

"Actually, use the term 'call letters' regularly on the air. Listeners may not know the term, but those with Arbitron diaries will see it, and like it or not, those are the people who matter most."

"Both ratings services measure 'perceived behavior.' Birch respondents must remember what they were doing up to 24 hours ago. Arbitron diary keepers often don't record listening as it happens, but perhaps several days later. On the air we need to heighten the perception of how much the listener has used your station with liners that remind them of all the times and places they've listened (and perhaps encourage them to listen in settings where they don't yet listen). Here are some sample phrases to incorporate into your liners:

All morning long, from the time you arrive at the office .....

In the car, on the way to work and going home...

Going shopping or running errands, we're always with you .....

Set your clock radio and keep us tuned in all the way to work .....

On your way to a great evening .....

Good liners invite people to do what you want them to do and remind them when they do it.

MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

New sources of income was the subject of a session at the Country Radio Seminar (Nashville, 2-28/3-3). A couple of ideas that are, or could be, used in small markets:

"LETTER TO FANS"

People who enter contests or call in requests are generally a station's most loyal followers and can be expected to respond most heavily to advertising on the station.

Several stations reported building a data base of these "core listeners." One station reports sending a monthly letter to the listeners in its data base. The letter, signed by a different on air personality each month gives them some inside news about station air people, previews upcoming contests, events, and special programming. It also carries a coupon or gift certificate from a station advertiser (for which he pays extra). Redemption rate is 9% to 21% - 3 to 7 times higher than other distribution means. The monthly mailing shows a direct profit.

"LAWYER CALL IN"

A lawyer who wanted to expand his practice approached the music intensive station to go on the air with a "call the lawyer" type show. Station instead, set the lawyer up with a telephone in its conference room. Brief ads on the air during a weekly 3 hour period ask listeners: "Have a legal problem? Call Attorney --- at no cost. He's waiting for your call now 'til --- at #."

"NEW SOURCES"

In addition to radio advertising, W I T Z, Jasper, Indiana, also sells business cards and stationery, specialty advertising products, and direct mail services (printing, mailing, etc.)

April Opportunities:

April is the #2 month for lawn and garden stores (May is #1, June is #3); It's the #2 month for sale of new homes, and a top month for re-sale houses (9.2% of the year's business). It is also an above average month for autos, auto parts, building supplies, florists, hardware, mobile homes, shoe stores, and tires. Special opportunities: Daylight Saving Time begins Sunday April 1 (April Fool's Day); Easter is Sunday April 15, April 23/27 is National Secretaries Week. April is "Keep America Beautiful Month" and National Cable Month.

## \$ale\$ - A Competitor With An Unfair Share .....

Nationwide, the telephone book "yellow pages" are estimated to equal or surpass radio's total revenues - about \$8.5-million. That's truly amazing when you consider that the average person spends 3.25 hours a day listening to radio and by the "yellow page" industry's own statistics use the "yellow pages" 34 times a year (or less than 3 times a month).

As the advertising business gets increasingly crowded and competitive, both radio stations and daily newspapers, in an effort to "unearth" new revenue are zeroing in on heavy users of "yellow page" display advertising. Several firms have been launched to consult station and newspaper sales staffs in the effort. One of those firms is American Consulting Services based in Vancouver, Washington - a Seattle suburb. Steve Wasser of that firm presented a 2-1/2 hour seminar at this year's R. A. B. "Managing Sales Conference."

Wasser said his firm's strategy is not to tell a business to discontinue its presence in the "yellow pages", but, to cut back and reinvest the savings in creative advertising (radio, newspaper, direct mail, TV). He points out that the "yellow pages" do not create desire or demand for a product or service. The desire or demand is placed in a prospect's mind by creative advertising (radio, newspaper, TV, direct mail). The use of creative advertising puts a product "top of mind" for a share of that person's discretionary income.

The average person who looks in the "yellow pages" (in order) are:

1. Repeat customers (they don't know or forget the number).
2. Referral customers (a friend or relative recommended the business but didn't know the phone number.)
3. People influenced by creative advertising.(they heard or saw an ad(s) in creative media and are looking up the number).
4. Brand name seekers. (Best reached by trade mark listings (non display) within the columns e. g. the trade mark followed by "Where to by," followed by dealers listed by geography).
5. Newcomers to town.
6. Emergency buyers.

Wasser sees category 5 and 6 as the most important segments of the "yellow page" users. Plumbers, electricians, appliance repairmen, locksmiths, glass repair providers are among the businesses he believes are wise in making major investments in "yellow pages." However, he points out they need creative advertising as well. "That creative advertising makes the business familiar to the person with

"A good foundation" .....

My ideas about how to run a business were largely shaped by my father who managed Harvey Mackay's Iowa envelope plant. Mackay is author of the best selling business book, "Swim with the Sharks Without Getting Eaten Alive." "My ideas on how to run a radio station came largely from listening to W C C O when I got up early to run my paper route while I was in high school." The words are those of 30 year old Rick Flacksbarth, co-owner/manager of K M A V AM/FM, Mayville, North Dakota.

Flacksbarth's station, located on the "strip" between Mayville (population 2,400) and Portland (1,000) dominates an area 40 miles in every direction with its 2.5 kW daytimer/3 kW Class A FM signal. The area lies between North Dakota's 2 major cities, Fargo and Grand Forks, in the Red River Valley.

His station originates some 200 sports play by play broadcasts each year, does an annual farm and home show, a golf tournament, a fishing tournament and all with a staff of 5 full-time people and some part-timers from the local college and area high schools.

The secret, he says, is a staff that makes up in dedication and interest what it lacks in size. "We pay well for a station our size, but, the people here understand that we're not hiring them to operate just within the 4 walls of this building. We expect them to 'pitch in' on outside station activities and in the community."

The sports schedule on his station features the local college's football, basketball, and baseball schedule - plus - games played by 13 high schools in his area. High school games are scheduled on a rotating basis. Non broadcast games are covered in a "call in" scoreboard show which follows the play-by-play.

All of the area coaches appear on a 3 hour Saturday morning coach's broadcast. The interest is heightened by a weekly "player of the Week" selection. Area coach's call in their nominations on Wednesday. The selection is made from the nominees by the station's play-by-play man (who is also the 6:00 A to Noon morning man and a leader in the volunteer fire department). The selection is announced on Thursday. The "m. v. p." and his coach appear on a radio interview. In late March each of the weekly winners and their coaches take part in a station sponsored dinner at which the "m. v. p." in each sport is presented with a station purchased trophy. Fans who wish to attend (several hundred) buy tickets for the banquet at participating high schools. The ticket sales cover most of the banquet cost.

Flacksbarth estimates that about 40% of his station's income comes from sports (including Minnesota Twins baseball).

Although much of the sports income comes from a 12-month a year "Sports Club", he does not use the short name and address "plugs" common in most such ventures. "We run full 30 second messages. "I want advertisers to know that we sell advertising - and are not in the business of collecting donations."

As it's located in one of the country's richest farm areas, farm news and information and agriculture related advertising are important on K M A V. One of the station's major efforts is its June "Farmer's Appreciation Days." A dozen farmers are interviewed on tape. The 30 minute broadcasts featuring a farmer from each of the community's where the station does business are sponsored by businesses in those communities. Each interview is carried twice, at 10:30 A. M. and 5:30 P. M. Farmers talk about their operations, their families, their views on current affairs.

Flacksbarth says he has taken the "Jim Williams Radio Sales Course" a dozen times since 1978. "The days when you walked in and the customer says, 'I've got the copy over by the cash register,' are over. Everybody is fighting hard for business. They expect 'the man or woman from the radio station' to have some ideas - to be of some real help. I think of this station like a retail business. The only real difference is that when a storekeeper sells something, he takes it off the shelf. We put it on the shelf. When the advertiser runs a schedule with us, it's like he's going fishing. He's got to 'bait the hook' with something to bring in the customers."

Flacksbarth's biggest sale may well have come while he was the 23 year old manager of an Iowa station. "I learned that this station was for sale. I needed a partner. One of my customers in Iowa was the owner of 6 furniture stores. I had sold him up from \$100.00 a month to \$1,000.00 a lot of months - all in just over a year. Larry Gilworth told me, 'Radio works good. It has to be a good business. I'll be your partner."

#### THE LAST WORD

From Harvey Mackay's book, "You never stop needing role models. The superstars in every field keep right on holding role models in front of their eyes long after they've become role models themselves. They study them, copy them, compete with them, and even try to surpass them. It doesn't end with childhood. They're constantly goading themselves to meet new challenges. They top old role models, then they find new ones. They top themselves, and they set new goals. What better way to measure yourself, to feel good about yourself, and to achieve, than trying to be like people whom you admire? Look at yourself in the mirror. If you like what you see, don't forget that you want to feel the same way tomorrow morning and the morning after."

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Barbara J. Doll - Circulation

VOLUME VII - Issue #40 - March 1, 1990

**A WINDFALL OR A HOAX?** - That's the question broadcasters all across the U. S. were asking this past week. Stations in all parts of the country received a "broadcast order" for 168 2 minute spots "as billed. Total audience plan commissionable to agency." The tape supplied also includes a 60-minute program which the station may schedule 1 time each week for 8 weeks. The "order" says, "We will pay for only 8 runs." The agency identifies itself as the Zubra Agency, San Ysidro, CA 92073 in behalf of its client, "The Freedom Tax Amendment Foundation."

SMRNewsletter has received dozens of phone calls and numerous pieces of mail about this. Our advice: Advise the agency that issue advertising is cash in advance (as it is on most stations). In recent years, hundreds of stations ran schedules for a Canadian based "investment opportunity" and a Florida based firm promoting "overseas job opportunities." Neither client paid.

**ABOUT THE 1991 N. A. B. CONVENTION** - It will be in Las Vegas again. For the first time on a Monday through Thursday schedule. Exhibitors rates are being raised \$1.00 per square foot bringing in another 1/3-million\$ to N. A. B.

**NEW BARTER SYNDICATION** - Unless there's a T. N. N. R. affiliate who carries it in your area, you can get Nashville Record Review with Crook and Chase via Sitcom IR Saturday afternoons from 2 - 6 PM (Eastern). Infor: (212)916 1041.

**NEW DIGITAL PRODUCTS** - Steve Bellinger is introducing a hard disc automation system for satellite stations and a floppy disc music system for live assist stations at this week's Country Radio Seminar in Nashville. Also will be displayed in Booth 6722 at N. A. B. Atlanta (3-31/4-3). Bellinger's Systemation Corporation is located at Decatur, Illinois.

**AM STATION REMINDER** - F.C.C. mandated N. R. S. C. standard must be in operation by June 30. N.R.S.C.-1 is due by this year's date. N.R.S.C. #2 by June 30, 1994. Whether you are an N. A. B. member or not, you can get full compliance information by calling N.A.B. Science and Technology (Stan Salck) at (202) 429 5346. Remember, compliance with N.R.S.C. is not voluntary - IT'S THE LAW.

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

(616) 694-9357

Otsego, Michigan 49078

275 19th Street

At the F. C. C. ....

NEW STATIONS (Granted):

KANSAS (Downs) FM Sound Broadcasting, Inc. 94.1 100kW 991'  
Oklahoma (Locust Grove) FM Michael P. Stephens 100.7 3 kW  
328'

VIRGINIA (Rural Retreat) FM Highland B'c'g., Inc. 103.1 3kW  
328'

AMENDMENTS TO THE FM TABLE (Amended):

IOWA (Algona) 92.7 (C2) for A. M.: K L G A-FM.  
(Forest City) 107.3 (C2) for 102.3 A. M.: K I O W.  
(Osage) 103.7 (A) for 92.7 (A). M.: K C Z Y.

NEBRASKA (Sargent) 92.1 (C1). W.: 4-3/5-3.

OKLAHOMA (Marlow) 92.1 (C1) for C2. M.: K F X I.

PENNSYLVANIA (Altoona) 100.1 (B) for A. M.: W P R R.  
(Burnham) 95.7 (A). W.: 4-3/5-03.

(Port Matilda) 107.9 (A). W.: 4-10/5-10.

SOUTH CAROLINA (Walhalla) 96.3 (A). W.: 4-3/5-3.

SOUTH DAKOTA (Huron) 99.1 (C1) for 92.1 (A). M.: K U R O FM.

(Proposed):

LOUISIANA (Shreveport) 99.7 (C1) for 100.1 (A). M.: K M J J.

TO RECEIVERSHIP:

OREGON (Medford) KYJC - 610 AM - 5 kW U and K F M J-FM (B)  
(at Grants Pass) to Lindavox Broadcasting, Debtor in  
Possession, 1257 N. Riverside, Suite 10, Medford, Oregon  
- 97501 (89229EC) (891229ED).

SOME MONEY SAVING OPERATING TIPS:

If your station is on 24 hours a day, you may be eligible  
for a "bulk user" contract with your power company. You're  
using a lot of electricity during "slow" periods.

Put a timer on your thermostats.

Investigate the availability of 3 phase power at your  
transmitter site. Changeover should be inexpensive and, if  
it's available, it will lower your power bill.

If you're buying equipment, check lease contracts very  
carefully. It's a very expensive way to finance purchases  
e. g. on a lease, the total financing cost is often 2.5 or  
more times the cost at which banks lend money to credit  
worthy customers.

From SMRNewsletter's "99 Money  
Saving Ideas for Your Small  
Market Radio Station"

MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

"INDUSTRY SALUTES  
LABOR"

The idea is from Bernie Brobst, longtime general manager at W E L A / W O H I, East Liverpool, Ohio, now at W D Z / W D Z Q, Decatur, Illinois.

The East Liverpool stations enjoy a banner August, thanks to a series of announcements which run the 4 weeks leading up to Labor Day. The announcements are sold to area industries and feature the plant history, growth, products made, contributions to the community, and acknowledge the contribution's of the industry's work force.

The schedules are "pitched" in March because many of the local managements have to get home office clearances. in Brobst's words, "It takes a lot of work, letter writing, etc., but it's a lot of bonus business."

AND -

K B T N, Neosho, Missouri has had excellent results with its local industries, tying them into community events and causes. Generally the announcements are 60 seconds, half in behalf of the event or cause, the other half devoted to the industry's "p. r."

"THOUGHT FOR TODAY" and

"A TIME TO REMEMBER" Bryant Gillespie, who for more than 20 years handled sales of the late Earl Nightingale's radio program, has come out of retirement to serve as host of 2 new 1-minute radio shows, "A THOUGHT FOR TODAY." (motivation) and "A TIME TO REMEMBER" (unusual happenings in history).

A dozen stations have already signed for 1 or both of the series, which are being sold on a cash basis with a 6 month contract. Demo and other information made be had by calling Gill Brian Productions at (312) 832 2169 or writing to P. O. Box 269, Clarendon Hills, IL - 60514.

Editor's Note: The shows are good. The rates make sense. Bryant is an old friend and we wish him well.

Radio's #1 Problem? .....

In a small market, a new salesperson started out with a zero list and went prospecting. In the process, she unearthed a small donut shop and succeeded in getting them on her station. Everything went along smoothly until salespeople from competing stations heard them on her station. All of a sudden, the donut shop became a priority account for the competition. In frustration, the owner said, "salespeople from other stations are coming out of the woodwork and harassing me as to why I'm not on their station. I don't have time to put up with this. If it continues, I'm going to cancel." It did continue and the donut shop is not on that station or any other radio station.

In another market, a young, entry level salesperson depended heavily on new accounts. In the prospecting process, the salesperson worked with a small business that had just recently opened. By being a real marketer, this salesperson got the business on the air by providing them with ideas and help to achieve the business's marketing objectives. The account grew in size to \$2,000.00-plus per month. Soon the account was besieged by other radio and TV salespeople. One of the competitors was particularly aggressive in trying to take the business with a courtship that included flowers, lunches, cut rates, etc. The competitor even took pot shots at the salesperson who put the account on the radio for the first time.

Who stands to gain or lose in this battle which is being staged all across the country. What methods of prospecting should stations use? Radio can't establish itself as a primary medium as long as this in-fighting continues. Radio salespeople and managements must commit themselves to processes that build value into the medium - rather than doubt. We must be client oriented marketers. What would happen if the total amount of money spent on radio increased by 20% in your market?

It's time to raise the level of professionalism in ranks of radio salespeople. The salespeople and their managements must be committed. We must be marketers. A marketer focuses on what the client wants and needs. Radio must build its value in the mind of the client. The effort has to be to serve the client. "

We radio people must quit fighting over a very small piece of the total advertising "pie" that might be on a competitor's station. Each time a radio salesperson condemns a competitive radio station (or another medium), it puts doubt into the mind of the business person. It puts that business person on the defensive. Let's not try to build our "castle" by tearing down our competitor's "castle."

Darrell Solberg  
D. D. S. Services  
5904 West 35th Street  
Sioux Falls, SD - 57106  
(605) 361 9923

## About Your Customers .....

THE AUTO DEALER - Only about 5% of a dealer's profit comes from new car sales. More than 35% comes from used car sales, 60% from the sale of service and parts. On a typical new car, the dealer has over \$1,000.00 of uncontrollable expenses: floor plan:\$315.00, advertising costs \$365.00, and rent factor (% of dealer facility) \$325.00. The National Automobile Dealers Associates believes that over half of new cars are sold at a net loss to the dealers.

In its February issue, "Auto Age" magazine is telling its dealer-readers that "Sluggish new car sales and sagging dealer profits are not a temporary phenomenon. The nature of the business has fundamentally changed from a seller's to a buyer's market. Dealers are suffering not because this transition is inherently bad, but because they have failed to recognize the shift and alter their ways of doing business to suit it." It advises, "What the product dealers should be selling is comfort and happiness - not cars or tune-ups. Retailer in other fields have long realized the true business they are in is selling themselves to the customer by promising to make his life better in some way." Consumer attracting planning is critical to a dealership's survival.

THE INDEPENDENT GROCER - "Grocers in towns of less than 20,000 used to be safe from the lions in the food industry. However, with the emergence of super, combo, and warehouse stores that draw shoppers from 20 miles away, that's no longer true." The words were those of Tom Mach, a Minnesota consultant, before the National Grocers Convention. He also pointed out that, "The size of the pie is not growing. If you're going to compete for business, you've got to take it away from somebody else."

Mach's advise, "A typical customer spends \$68.40 per week shopping for a family of 3 - that's \$3,557.00 per year per new customer. Get one more new customer a week and you've increased your volume \$94,250.00." Consumer research shows that successful stores have good meat and produce departments and the independents "have an advantage in services." "The key ingredient of success cited in research is not low price - but value - convenience plus service plus quality plus selection plus reasonable prices."(Supermarket News - 2-5-'90).

SHOPPING MALLS - They account for 55% of non automotive retail sales in the U. S. The problem, has increased by 60% in 10 years - faster than the population and the real growth of retail sales. An even bigger problem, consumers begrudge the time they spend finding a parking place and waiting in lines. Shoppers still buy on impulse once they get into a store but, their destination (store) is more often planned in advance. Shopping center managements have to help their retailers build traffic through a combination of price and non-price promotions, Gary Stible, New England based

consultant advises. "Print ads are still the industry norm, but more developers are moving into radio and TV to reach consumers directly. (Ad Week/Marketing Week -2-5-'90)

## Management - Communications Skills .....

Here are some questions to ask yourself to determine how well you communicate. They are based on an article by Ken Jatejka of the School of Business Administration at Duquesne University.

1. Do you create an atmosphere that encourages people to ask questions when they are unsure of something?
2. Do you make an effort to become aware of 'hidden agendas' that get in the way of open communication? If you fail to uncover and consider unresolved issues you won't understand what a person meant by what he or she said.
3. When speaking do you take into account the total impression you are creating? Do you consider inflection, gestures, etc? Or do you focus only on the words?
4. Are you aware that people usually will not change their minds when told or threatened to do so - that you must make them see the situation in a different way?
5. Do you often prepare a rebuttal while a person is speaking - before trying to really understand what is being said?
6. Do you really understand yourself - and how your attributes affect your communication attempts? For example, are you a "big picture person" or a "detail person?" Are you rational or judgemental?

The answer to these questions should be obvious. But even one wrong answer can impair your ability to communicate well. If you fall short in certain areas, you should work on them - or you won't be really effective as a communicator.

American Management Association

## Management - Reducing Stress .....

1. Schedule anticipated stress. When possible, space stressful situations so they don't come all at once.
2. Arrange for privacy. Find a place and schedule a time where you can think alone without interruption.
3. Maintain control. Don't allow insignificant events to control you.
4. Establish support systems among family, friends, colleagues.
5. Don't procrastinate. Stressful situations get worse the longer you tolerate them.
6. Make decisions based on your needs rather than what others expect your needs to be.

Warwick Insurance Company  
Morris Plains, New Jersey

"Billing and Collecting Big Money" .....

"Five years ago, we were a typical small market radio station. Our collection record was average or good. I decided that some businesses were using us not only as an ad media - but, a banker who didn't collect interest," Dan Parker of W C M Y/W R K X (FM), Ottawa, Illinois says.

As his area was moving out of the recession, he decided it was time to get serious about collections. "Carrying a lot of past due money in a high gross radio operation is very costly," he says. Parker put into place a uniform collection policy.

The central part of the policy is that no statement with a past due balance is mailed out until the account is called or seen personally. "When that customer gets 30 days past due, the salesperson asks, 'Is there a problem?' (billing, co-op, etc.). The customer is asked immediately, when he will pay? If he can't pay the entire amount, a payment plan is set up immediately."

Parker continues, "If he doesn't perform as agreed, his schedule is stopped. When he's 60 days out and has not paid or honored his payment plan, the account goes to an attorney for collection."

Parker says his collection policy has not cost his station business. In addition to the cost of carrying overdo accounts, he says, "far more important, asking for prompt payment establishes value. Businesses are held to that standard for most of the goods and services they buy. Why not radio advertising?"

What about agencies? Parker says, "Many stations believe and I used to believe, that having a strict collection policy with agencies would cost you agency business. That's simply not true. A buyer places the schedule. The agency's accounts payable department pays the bills. In all but the very smallest agencies, the two are separate entities."

At W C M Y/W R K X, agencies get the same phone call when the account becomes 30 days past due. The call is directed to the agency accounts payable department. "We sometimes get the same story as other stations, 'We don't have your billing' or 'There's a mistake.' We immediately deal with the problem, sending a copy of the billing or making a correction (if needed). We get the person's name and direct the communications directly to him or her. This is followed up with a call, 'Did you get the -----? When can we expect payment?'"

Parker says, it is rare for his station to have agency business on the books that's more than 60 days past due. "I think that every station should demand prompt payment. That's the #1 message that tells our customers we are selling something of value."

In 1989, a year Parker calls typical of the last five, W C M Y/W R K X wrote off 1/3-% of its total billing. "We do take some chances, and sometimes get caught up in bankruptcies and that sort of thing, but, the amounts we lose are small," Parker says.

"On new businesses, we have a credit form or the account pays cash in advance," Parker says. Does it offend potential customers? "No, their other suppliers ask for that kind of information and if they can't get it, they ship them C. O. D.," Parker says.

About a firm credit policy, Parker says, "I've been in this business 30 years. I have never heard a good business person say, 'I advertise on Station X because they let me pay when I want to.'"

Parker admits that his good payment record is enhanced by two factors. First, we run very good radio stations. "We can afford to, because, we bank the kind of money every month it takes to do that. And number two, it's the way we sell."

Parker says the station salespeople conduct the business professionally with appointments, consultant sell interviews, and written presentations. This kind of selling establishes value. "When you get something of value, you expect to pay for it."

#### THE LAST WORD

On Page #One of our 2-15-'90 issue, we reported that the Commission reversed a December, 1988 decision to allow a non applicant (Marshall Rowland) to buy out the 7 applicants for an FM C. P. at Marco, Florida.

We do not fault Rowland (a friend of this publication) or his attorney, Vince Pepper, for whom we have upmost respect, for making this effort. We do think that Commissioner Sikes and his associates made a very wise decision in closing the door to a new opportunity to those filing applications "to be bought out at a profit".

From the beginning, we have thought and said that the "80/90" program is the sorriest in the Commission's history. Hundreds of sincere applicants have been frustrated or financially wounded by "something for nothing" profiteers. Much of this cannot be reversed. The "genie is out of the bottle." But, by it latest action, the Commission has correctly decided not to make a bad situation still worse.

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Bob Doll - Publisher and Editor  
Barbara J. Doll - Circulation

VOLUME VII - Issue #42 - March 15, 1990

**BRAIKER CALLS IT QUILTS** - After just 6 months "on the bird", Seattle based Braiker Radio Services (satellite delivered formats without network commercials) ceased operation on Monday, March 12. Despite a heavy promotional effort and the "marquee value" of radio programming legend Rick Sklar, the service had attracted less than 15 affiliates. President Ivan Braiker gave subscribing stations 5 days notice of the service's end. Drake Chenault/Jones, which launched a similar service in April, 1989, says it has 100 station affiliates.

**AND, F. B. N. (Financial Broadcasting Network)** has gone off the air. Business Radio Network (B. R. N.) and Money Radio, which offer a full-time service of business news and features remain on the air.

**5 OF MAINE'S 100 RADIO STATIONS** have gone off the air because of financial problems during the past 6 months, according to the W D M E (Dover Foxcroft) March client letter. The latest two are W I G Y, an FM powerhouse in the Portland market (licensed to Bath) and its full service sister AM, W J T O.

**CHANGING MARKETPLACE** - Video sales and rentals totaled \$3.4-billion last year vs. theatre receipts of \$2.2-billion. Video revenues are expected to top \$4-billion this year. There are now 24,000 theatre screens in the U.S. - an all-time high. Their revenues are expected to be "flat" in 1990. (Ad Week - 3-5 '90)

**"THEY'RE GETTING LETTERS"** - The F. C. C.'s. stepped up campaign against broadcast indecency has generated 46,000 pieces of mail: 41,000 for - 5,000 against (an 8 to 1 margin for removing indecent material from the air). (Broadcasting 3-5 '90).

**NEW MEMBER OF THE COMMUNICATIONS BAR** - Bob Goldberg has joined the Washington D. C. communications firm of Lukas, McGowan, Mace, and Gutierrez. Bob is the son of Mel Golberg, longtime co owner/operator of W H J B, W O K U, Greensburg, Pennsylvania.

U. S. LOTTERY LAWS CHANGE MAY 7. See SMRNewsletter next week.

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

At the F. C. C. ....

NEW STATIONS (Granted):

ILLINOIS (Mount Vernon) FM Daniel Stratemeyer 102.1 50kW 500'  
(Nashville) FM A. C. D. Ventures 104.,7 3 kW 328'  
IOWA (Ankney) FM V. O. B., Inc. 106.3 3 kW 328'  
KENTUCKY (Williamsburg) Whitley Co. Broadcasting ((W E Z J)  
104.3 2 kW 400'  
MINNESOTA (Monticello) FM Monticello Radio Co. 102.1 3 kW  
328'  
TEXAS (Forney) AM North Texas Broadcasters 700 2.5 kW D  
.850 N  
(San Diego) FM Brent Epperson 105.9 3 kW 328'

AMENDMENTS TO THE FM TABLE (Amended):

GEORGIA (Harlan) 95.1 (A). W.: 4-23 / 5-23  
IOWA (Creston) 101.3 (C3) for 101.7 (A). M.: K I T R.

(Proposed):

FLORIDA (Crestview) 104.7 (C1) for C2. M.: W A A Z  
IOWA (Red Oak) 95.,3 (C2) for A. M.: K O A K  
LOUISIANA (Sulphur) 100.9 (C3) for a. M.: K T Q Q.  
(West Monroe) 98.3 (C1) for C2. M.: K Y E A.  
NEBRASKA (Falls City) 101.3 (A) for 95.3 (A). Req.: K O A K  
TEXAS (Greenville) 93.5 (C2) for A. M.: K I K T.  
WASHINGTON (McCleary) 96.9 (C3) as 1st. Req.: Susan Giborsky  
WISCONSIN (Stevens Point) 104.9 (C3) for A. M. W M G U and  
change city of license to Marathon  
(Portage) 95.9 (A) as 2nd. Req.: W I B U.

TO RECEIVERSHIP:

ARKANSAS (Lowell) K K I P (AM 1440 kHz - D) to First  
National Bank and Trust Company, Box 809, Rogers,  
Arkansas - 72756 (900131EG)

MONEY SAVING TIPS:

Charges for professional services vary widely. The  
"cheapest" is not always the least expensive or even  
adequate. Before engaging the services of an attorney,  
accountant, or consulting engineer, talk to some of his  
clients.

Keep an "open mind" about the "professional" with whom you  
deal. If you think the level of interest and quality of  
service is declining, tell him/her immediately.

Discuss fees "up front."

Don't hesitate to question a "bill" that you think is "out of  
line." You're the customer and have a right to an  
explanation.

Remember, professional people "sell their time." Plan  
meetings and phone conversations carefully. Be prepared.  
"The clock is running." "99 Money Saving Ideas"

MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

"APRIL FOOLS DAY  
FANTASY PARADE"

Have the biggest parade your town has ever "heard." Stage a fantasy parade on your station.

Gather crowd effects and march music from your record library. Then, contact local dignitaries and record them for "bits" during the parade (mayor, police chief, etc.) The mayor might serve as grand marshall. The police chief could give traffic reports for example.

Have your sales staff sell mythical "floats" to businesses e. g. a float sponsored by the Pepsi Cola distributor featuring a song by Michael Jackson. Tie in some "floats" by local civic organizations telling about their activities.

It's best to run disclaimers during the parade broadcast saying, "This is the April Fool's Fantasy Parade, the parade that is as big as your imagination."

Scott Kerr in  
Drake/Chenault client  
letter (3-'90)

"STATION FAIR"

W T S N, Dover, New Hampshire will run a 3 day "health and leisure fair" in April at a local shopping area. The fair will feature demonstrations and displays on how to stay healthy (sponsored by health care providers) and get more out of leisure time (sponsored by sporting goods, hobby goods retailers, lawn and garden stores, etc.)

New Hampshire Broadcasters  
Assoc. Member Letter  
(3-'90)

"THEME MONTHS"

A "big market" idea that would probably do even better in a small market. The station sets up a schedule of 30 or 60 second vignettes on a subject like spring paint up-clean up time (April) or vacation information (May). It sells complimentary ad schedules to businesses who profit from the themed activity.

"New Business" Panel at the  
Country Radio Seminar

\$ale\$ - About ales Appointments .....

Planning - Salespeople would prefer not to be tied to a time schedule. Too many things can change their plans and they want to remain flexible. Appointment selling demands planning and scheduling for more than a day at a time.

Rejection - Many salespeople feel that it is easier for prospects to say no on the phone than in person. If the customer rejects an appointment, the salesperson feels that he/she might never have permission to call on the prospect again.

But, these are not good reasons to avoid appointments, because there are so many pluses to the practice:

Time management - If you make appointments with key customers, you can plan the rest of your day around them. It improves the odds of finding your customer able to talk with you. Appointment selling increases your positive sales contacts.

Preparation and planning - You will be better prepared for your appointment call. You should have stated your reason for your visit when you phoned the prospect. Now you both know what you want to talk about. If you haven't physically prepared for the call, prepare yourself mentally as you drive to the business. What do you want to accomplish?

Customer preparation - Customers are better prepared for the call as well. Questions or problems may be brought up that wouldn't have been had you just stopped by. By making an appointment, you've chosen a time of day that's convenient for the customer.

Professional image - Most of us want to be considered professionals. If you are willing to make appointments and your competitors don't, it creates a very business-like image.

Commitment - If the customer is expecting you, it's very difficult to develop "Lockjaw of the Elbow." You can't drive by this time.

Steve Duea in  
"Farm Store Merchandising"  
3-'90

About Your Customers ....

What Penney's is up to! They are trying to attract upscale shoppers while keeping their longtime shoppers (best described as the "middle - middle class".) Penney's has gotten out of paint and hardware, auto service-centers, lawn and garden. It now has the distinction of being the nation's largest seller of denim jeans and diamond jewelry. By fall, 50% of Penney fashion merchandise will be "non house" national brands. Penney sales were up 9% (profits on continuing operations were up 21%" in 1989's 4th quarter.

About This 'n' That .....

A HELPING HAND - At most radio stations, auto dealers are the largest business category. During the current sales slump, many radio stations are running generic, free "spots" encouraging listeners to buy an auto now. The "spots" tell listeners that inventories are high (larger selection), rebates and discounts are widespread, low interest financing is available. Some of the "spots" also point up the fact that auto dealerships are important contributors to local economies (big tax payers and employers).

Advertising Age (2-19-'90)

NEW FM STATIONS - The Commission is currently receiving about 60 applications per month. The backlog is about 2,200. New procedures are shortening the time between filing and final action. A new policy, announced in mid-February, is expected to reduce the number of applications returned for trivial matters and should allow uncontested applications to move through the processing line more rapidly than in the past.

E. Harold Munn, Consulting  
Engineer Client Letter

DO YOU HAVE THEM? When Garrett Haston bought W N Y P/W K RT at Cortland, New York, the station's inventory included a collection of old Jason Jennings sales tapes. Missing from the collection were "Finding Good Salespeople" and "How to Sell Radio." If you have them, Garrett would like to hear from you at (607) 756 2828 or you can write him at 340 Wildwood Road, Stamford, CT - 06903.

KEEPING AN EAR ON THE COMPETITION - Joe Dorison, who owns W A R E, Ware, Massachusetts, has invented a piece of equipment that will record your competitors' commercial load for 4 or more hours and play back in a matter of minutes. He's sold about 40 of them in the last month. Information: (413) 967 6231.

LITTLE STATION! BIG JOB! 3 of the air personalities on W A G E, Leesburg, Virginia raised \$5,500.00 in a 6 hour Saturday auction for the Blue Ridge Speech and Hearing Center. It's been run annually for 23 years. This year's auction was the biggest ever and ran 10% over its goal.

NETWORK TELEVISION PRIME TIME SHARES in February ("Sweeps Month") were down 8% from a year earlier. On average, the 3 networks now reach 40.7% of Americans in "Prime Time." The Fox and independent "over the air" TV stations, the 30+ cable networks and pay-TV together have 1/2 the audience of the 3 major networks.

Most Frequent Rule Violations in F. C. C. Inspections .....

1. Tower lighting - daily checks and quarterly checks. The F. A. A. is to be notified within 30 minutes of the failure of the Tower Top Light. The event should be logged and the light repaired. The F. A. A. should be notified upon completion.
2. Tower Painting - Inspectors are finding more and more faded towers. Budget periodic repainting.
3. AM Antenna Fencing - A fence of sufficient size with locked gate is required.
4. No evidence of responsibility when multiple antennas are located on the same tower. It is recommended that tower leases specifically identify the party responsible for the daily and monthly check of tower lighting.
5. Operator on duty unlicensed - The Commission now issues a license pursuant to a relatively simple procedure. However, inspectors are finding more and more operators without a license. And, contrary to Commission rules, at some stations visited, the written designation of a chief operator has not been available upon inspection.
6. Remote control not properly working - Stations controlling the transmitter by remote control must insure that the remote controls function properly. They will be checked by the inspector.
7. Public Inspection File - either missing or not complete. It is estimated that 25% to 30% of the stations inspected fail the public inspection file list. Is your Public File Complete?
8. Emergency Broadcast System (E. B. S.) - the E. B. S. will be thoroughly checked. A current checklist and authentication must be available with the E. B. S. log. Staff personnel will be required to do a test. Inspectors find that there is no signal generator and that if it is present, it is not functioning. It is estimated that 25% to 40% of inspected stations fail in this area.
9. E. R. P. - and modulation vary from licensed parameters. AM stations operating with directional antennas are often found to have an array out of adjustment.

More "quick inspections" are being made, according to the Engineer in Charge of the New Orleans F. C. C. Office. This is nationwide policy.

Walker, Bordelon, Hamlin,  
Theriot and Hardy,  
Communications Attorneys  
Client Letter

## Buying and Selling .....

At the height of the 1985-1987 "go go" days of high leverage "junk bond" major market station trading "binge," critics outside and inside the industry were complaining that broadcast properties were being bought and sold like commodities. That era seems to have passed. Small market properties, unless they had the potential of "backing into" a larger market did not share in the frenzie. From our observation, small market radio station trading has dropped dramatically this year. About 30 small market properties were sold the first 10 weeks of 1990 - about 1/3 the number in 1988 and 1989. Only an average of 3 small market properties sold per week this year, compared with 10 the two previous years.

Although there is an abundance of small market properties available (for sale formally or informally), good "cash flow" producing properties are hard to come by. Most brokers will tell you a "cash flow" small market property is worth 7 times its "cash flow." The broadcaster who has such a property sees little value in parting with it at that price. In the absence of special tax treatment (formerly 1/2 regular rates), he believes he's better off enjoying his ongoing profits and retaining his asset.

Of the 30 small market properties sold so far in 1990, 1/3 sold for all cash. The remainder sold on terms with down payments ranging from 13.1% to 45%. Financing ranged from 5 to 15 years (average and most often 10 years). Interest rates ranged from 9% to 12-1/2% (average and most often 10%).

20% of the stations sold were in counties without local competition. These were Class A FMs or AM-Class A combinations. Comparing the sale prices to the retail sales, the buyers invested 2.82% to 4.1% of the estimated retail sales in the stations' home counties. These stations, being purchased on their performance, seemed to be bringing a traditional multiple of 2x gross or a little better. The stations were in a variety of locales, including the "oil patch" and farm areas. Apparently, a well managed small town station with income enough to support a good payment still brings a good price.

Only 10% of the 30 sales studied were repossessions.

"Turnaround properties" are the real problems right now. A station without a record of "cash flow" is almost impossible to move, several brokers told us. Good jobs and "locked in high interest" in safe investments (bank C. Ds., bonds, etc.) have diminished the pool of prospects for such stations. Adventurous station owners have become far more conservative in "growing" their station portfolios.

Typical is SMRNewsletter subscriber Tommy McDaniel. He currently has 2 AM-FM combos and an FM standalone - all within an hour's drive of his headquarters. The stations are in Mississippi and Louisiana. "I never bought a station with a 'cash flow' going in," he says. "I always did well on the sales, but, things are different. It takes so much more money to 'buy a guy out of his trouble,' there just isn't enough upside to take the risk."

"Today, with so much more competition, I won't look at anything unless I have somebody lined up to run it." He also believes that the stations have to be close enough "so you can help when you're needed."

He also believes, "You can't buy a 'turnaround' with the idea of 'cleaning it up and building it up' for a 'quick sale.' I believe you have to look at what you can make by operating it. You have to plan to stay."

His thoughts are certainly bourn out by the experience of 2 broadcast entrepreneurs in the Midwest. Both bought "turnarounds" at the bankruptcy court. Both improved their properties, but -----

The first buyer, an out of state professional man with a broadcaster-manager-minority investor saw his station's gross grow 2-1/2 times in just a little over a year. A buyer was brought in who agreed to purchase the station at a 100% profit over the professional man's investment. The buyer's plans did not include keeping the manager who quickly found another job. The buyer's financing did not materialize. The professional man still has the station. The gross has dropped to about half its peak and a new buyer has not been found - even at enough to cover the original investment.

A college instructor bought a station off the air. Within 2 years, the gross (and "cash flow") had grown enough to warrant an offer of 3-plus times what had been paid for the station. Again the manager left upon announcement of the sale which did not materialize because of financing.

Good radio stations that are good businesses are still bringing good prices. The multiples do not seem to have changed. Properties that are in trouble are in a lot of trouble.

#### THE LAST WORD

If Tommy McDaniel's thinking is typical and it probably is - that's good for small market radio. This is now a matured business attractive to people who are in it "not just for the money," because with maturity comes the realization that "Just the money is not enough."

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Inc.

VOLUME VII - Issue #43 - March 22, 1990

**JUST AS AD TAX IS BEATEN IN KENTUCKY**, it "popped" up in New York State (4% on radio, TV, newspaper ads) and in Rhode Island where the legislature is thinking about lifting advertising's exemption from that state's 6% sales tax. A. A. A. A. believes that the "ad tax problem" may break out in as many as a dozen states this year.

**AGENCIES GETTING TOUGH ON SLOW PAYING ACCOUNTS -**

"Advertising Age" reports this week that Grey Advertising has dropped Stroh's Beer because it refused to pay in advance; J. Walter Thompson dropped Continental Airlines when they refused to pay "up front" and McCann-Erickson asked for and got "payment in advance" from Weintraub Entertainment. "Slow pay - no pay clients" were a major subject at the A. A. A. A. meeting in Palm Desert, California. One major agency person is quoted as saying, "I've never seen so many businesses in financial trouble."

**WHEN A BUSINESS GOES "CHAPTER 11"** the chances of it recovering are 1 to 1.5 in 10 according to Baltimore attorney Edward Patz (in "Auto Age" 3-'90).

**A MCGRAW HILL ECONOMIST** expects radio advertising revenues to grow much slower in the next 5 years than they did the last 5 years. Thaddeus Fletcher gave the prediction to a group of minority broadcast entrepreneurs in Washington. Station trading will slow because of a tighter economy and new, tougher Federal bank regulations.

**LOW POWER FM IS NOT IN THE COMMISSION'S** recently released rulemaking for FM translators. Program origination will continue to be limited to 30 seconds per hour. "Fill ins" will be allowed to be built and operated by stations being carried or independent groups. "Stations serving "other areas" outside the station's predicted contours will continue to be licensed only to independent groups. Stations being carried may not pay for construction or operation in whole or in part. E. R. P. translator power limit = 1 kW.

**N. A. B. IS FIGHTING AN EFFORT** in Congress which would require radio and TV stations to give 8 hours of free time a year to state and national Democratic and Republican parties.

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

(616) 694-9357

Otsego, Michigan 49078

275 19th Street

At the F. C. C.

ALABAMA (Winfield) FM James Boyd Pate 105.9 3kW 328'  
ARKANSAS (Texarkana) FM State line B'c'g. 106.3 3 kW 328'  
CALIFORNIA (Auberry) FM Mountain Air, Inc. 105.1 50kW 498'  
(Garberville) FM Joseph Milliken 104.7 60 kW 2950  
GEORGIA (Crawford) FM Ga. Family Radio 102.1 3 kW 328'  
(Richmond Hill) FM Richmond Hill B'c'g.105.3 3kW 328  
MAINE (Kennebunkport) FM Radio Kennebunkport 104.7 3 kW 328'  
MISSISSIPPI (Monticello) FM Monticello Radio 102.1 3 kW 328'  
MISSOURI (Warrenton) FM Kaspara B'c'g. 99.9 3 kW 328'  
NEW JERSEY (Ocean Acres) FM Seaira Assoc. 98.5 3 kW 328'  
PENNSYLVANIA (Huntingdon) FM Mary Lou Maierhofer 106.3 3kW 328'

AMENDMENTS TO THE FM TABLE (Amended):

ARKANSAS (Lonoke) 106.3 (C2) for A. M.: K W T D.  
GEORGIA (Bolingbroke) 102.1 (A). W.: 4-30/5-30  
(Unadilla) 103.5 (A) W.: 4-30/5-30.  
(Warner Robbins) 102.5 (A). W.: 4-30/5-30  
ILLINOIS (Sullivan) 106.7 (B1) for 106.3 (A). M.: W S A K.  
(Newton) 103.5 (A) for 106.5 (A).  
MINNESOTA (Rochester) 101.7 (C2) for A. M.: K R C H.  
(Rushford) 99.3 (A) as 1st. W.: 4-13/5-13.  
(Winona) 101.1 (A) for 101.5 (A). W.: 4-13/5-13.  
MONTANA (Red Lodge) 99.3 (C) for 99.5 (C1) M.: K A F M  
NEVADA (Elko) 95.3 (C) for A. M.: K R J C.  
NEW MEXICO (Taos) 99.9 (C2) for A. M.: K R B J.  
NEW YORK (Chateaugay) 94.7 (A). W.: 4-25/5-24.  
SOUTH CAROLINA (Myrtle Beach) 92.1 (C2) for A. M.: W J Y R  
TENNESSEE (Madisonville) 99.5 (A). W.: 4-20/5-20  
VIRGINIA (Churchville) 105.3 (B1) for 106.7 (A) M.: WJNA.  
(Coeburn) 99.7 (c3) for A M.: W Z Q K  
(Luray) 105.7 (A) for 106.3 (A) M.: W L C C  
WEST VIRGINIA (Elkins) 94.7 (B1) for 95.3 (A) M.: W E L K

(Proposed):

ARKANSAS (Lake Village) 103.5 (A). Req.: Edna Fay Stone  
IOWA (Mount Pleasant) 105.5 (C3) for A. M.: K I J L  
LOUISIANA (DeRidder) 92.1 (C3) for A. M.: K R O K.  
MISSISSIPPI (Clarksdale) 93.7 (A) for 107.7 (A). M.:WAID  
OHIO (West Liberty) 104.3 (A). Req.: Bay B'c'g.  
OKLAHOMA (Ketchum) 107.5 (C1) for C2. M.: K G N D.  
TEXAS (Benbrook) 105.7 (C)  
(Healdton) 93.7 (C2) for 105.7 (C2) M.: K I C M  
(Jacksboro) 101.7 A for 93.7 (A).  
(Stephenville) delete 105.7 (C1).  
(Wichita Falls) 103.3 (C) for 105.5 (A).

(Requests):

MISSOURI (Malta Bend) 101.7 ( C3). Req.: Miles Carter  
NORTH CAROLINA (Albemarle) 101.7 (A for 101.5 (A). M.: WABZ  
and change city of license to Harrisburg, N.C.  
OREGON (Bend) 105.7 (C2) for C1 M.: K W B X.  
TENNESSEE (Celina) 93.7 (C3) for A and change assignment to  
Baxter. Req.: Bayard Walters.

MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

"COUNTRY MUSIC  
RADIOMAP"

Radio Retailing Network (best known for the "69¢ Dollar") introduced a new product at the recent Country Radio Seminar. It's a U. S. interstate highway map on which the nation's 2,000+ country music radio stations are pinpointed.

It's a premium for vacationing country music fans. It can be offered as a value added in a sales promotion. R. R. N. has several suggested plans to turn a profit.

Maps carry a \$2.50 printed price. They can be purchased at \$1.87 in quantities of 500. Larger quantities carry a lower cost. Info: 800 451 3622.

"SECRETARIES  
WEEK"

Stations ask bosses/supervisors to enter their secretary's name for a chance to be selected as one of 5 "secretaries of the year." They simply send the name of their secretary on the back of their business card or on a piece of the firm's stationery. Each day one name is drawn and broadcast. The 5 winners are treated to flowers and lunch on Friday.

AND ---

The station sponsors a luncheon/style show. Station telemarkets Secretary's Week Salutes to businesses, professional and government offices. Purchasers get 5 short announcements saluting a secretary and a ticket for her to the luncheon. Firms with more than 1 secretary, buy 1 for each.

Additionally, employers are invited to submit letters saying why "--- should be the Secretary of the Year." Presentation is made at the luncheon/style show.

About Your Customers .....

60% of all women consider themselves to be overweight. Weight loss centers are big business. Weight Watchers International dominates the business (\$1.3-billion a year). #2, Nutri/Systems are growing fast with \$700-million a year sales. The average weight loss program costs \$600.00.

(Ad Week/Marketing Week 3-12-'90

\$ale\$ - The Difficult Customer .....

Here are 10 ways to react to an over-demanding or hostile customer. ONLY 4 ARE ACCEPTABLE FORMS OF BEHAVIOR. Check those you believe to be acceptable and match your opinions with those at the bottom of the page.

- \_\_\_\_\_ 1. Show slight disgust on your face so that the customer will know you consider him or her a problem.
- \_\_\_\_\_ 2. Challenge the customer with your eyes.
- \_\_\_\_\_ 3. Let the customer talk through his or her anger.
- \_\_\_\_\_ 4. Consider the customer in an objective manner; refuse to take negative comments personally.
- \_\_\_\_\_ 5. Listen with your eyes.
- \_\_\_\_\_ 6. Become distant and less communicative.
- \_\_\_\_\_ 7. Disarm the customer by asking, "Are you trying to give me a problem?"
- \_\_\_\_\_ 8. Start to whistle.
- \_\_\_\_\_ 9. Send back the kind of behavior you're receiving.
- \_\_\_\_\_ 10. Immediately steel yourself with a pleasant smile and say to yourself, "I'll show everyone I can handle this customer in such a way he or she will want to return to us for business."

Acceptable: 3, 4, 5, and 10

Sales Training Basics by  
Elwood N. Chapman(Crisp)

\$ale\$ - Winning Back A Lost Customer .....

Never ask pointed questions about the customer's previous purchase, and never criticize his decision to do business with someone else. Know that mistakes only exist in hindsight; almost everyone makes the best decision he can at any given moment, and no one likes to be reminded of his mistakes.

You must subtly permit the customer to take back his initial refusal to do business with you. You also must be aware that this customer may feel a bit embarrassed, nervous, or defensive when he invites you to sell him again. He might test you to see if you criticize, even with body language or your tone of voice, what he has done. If you do, you will reconfirm his decision not to do business with you. Be careful to avoid any judgement or criticism.

Dr. Ernest Dichter in  
"Income Opportunities"3-'90

## EASTER GREETINGS

\_\_\_\_\_ sincerely hopes this special holiday will be filled with all the blessings of the Easter holiday. Best wishes for a truly happy Easter from \_\_\_\_\_.

Happy Easter from your friends at \_\_\_\_\_. This very special time gives them a special opportunity to let you know how much they value your friendship and patronage. Thank you and happy Easter from \_\_\_\_\_.

This is a very busy and quickly changing world. Fads come and fads go, but, the old values endure. \_\_\_\_\_ hopes that you and your family are enjoying an old fashioned holiday with family and good friends. \_\_\_\_\_ extend their best wishes for a Happy Easter.

If you're traveling this weekend, \_\_\_\_\_ reminds you that you'll be sharing the roads with many other Easter travelers. Many are not familiar with the area. \_\_\_\_\_ says, "Start early! Be alert!. Drive with extra care!" \_\_\_\_\_ says, let's do our best to make this a safe and happy holiday for everyone.

Most churches in this area will be having special Easter services. \_\_\_\_\_ hopes you'll join them in observing the true meaning of the Easter holiday by attending church. Best wishes for a blessed Easter from \_\_\_\_\_.

The beauty of Spring! The richness of the Easter tradition. This is truly a special time. \_\_\_\_\_ sincerely hopes that this is one of your very best Easters ever. Happy Easter from \_\_\_\_\_.

\_\_\_\_\_ hopes the blessings of Easter will fill your holiday. Best wishes for a happy holiday from \_\_\_\_\_.

If your Easter weekend plans include a trip, \_\_\_\_\_ says, "Make it a safe trip. Start early. Drive carefully." \_\_\_\_\_ wishes you and your loved ones a safe and happy Easter.

This weekend, \_\_\_\_\_ hopes your Easter holiday is full of family, friends, and thoughts about the true meaning of this most triumphant day in Christendom. Best wishes from \_\_\_\_\_.

\_\_\_\_\_ hopes your home is full of the joy of Easter this weekend - with family and friends sharing this very special holiday. Happy Easter from \_\_\_\_\_.

There are special services this weekend at most of the churches in this area. \_\_\_\_\_ believes church attendance gives the Easter holiday special meaning.

\_\_\_\_\_ hopes this will be the happiest Easter ever for you and your loved ones.

Minding the Store .....

Beginning May 7, broadcasters will generally be allowed to advertise, promote, and provide information about lotteries conducted by:

- non profit groups
- government entities
- commercial organizations.

This opens a whole new category of business for most small market stations. It also, for most, eases the problems that often arose with advertiser generated promotions that could not pass muster under the long standing, strict prohibitions against broadcasting or publicizing anything which involved chance, prize, and consideration.

Broadcasters still may not accept advertising promoting gambling in commercial gambling casino. Whether such activity is legal or not in a state or municipality, the federal law on the subject remains unchanged.

Broadcasting information or a lottery sponsored by a commercial business is only permitted, under the new federal law, if it is, in the words of the law, "clearly occasional and ancillary" to the sponsoring commercial business's primary activity.

Charity games may be advertised only if sponsored by a nonprofit organization as defined by Section 501 of the Federal Tax Code.

The limits placed by the federal government, described in the above two paragraphs, demand very special attention. Furthermore, many states and municipalities have lottery laws that are more stringent than the federal laws. The new easing of the federal lottery ad laws does not pre-empt state or local laws.

N. A. B's. legal staff has revised its longtime publication, "Lotteries and Contests: A Broadcaster's Handbook." It's at the printer's now. It includes not only a detailed explanation of the new federal law, it also includes information about state lottery laws and games on Indian lands as well as state government and state broadcaster association contacts. Orders are being taken \$20.00 for members - \$40.00 for non members at (800) 368 5644. Stations placing order now should have the book in hand by early April - a month before the federal law changes.

## Vegas Comes to the Black Hills .....

Since the first regional mall was built in the late 1970s in Rapid City, South Dakota, 45 miles north of Deadwood, the town saw a steady and growing outflow of its retail dollars. The town, the seat of Lawrence County (population 20,100), had experienced a worsening local retail economy. The most recent estimate of county retail sales was \$97,670,000.00 - split principally between Deadwood (population: 2,300), Lead, (population 4,500), 3 miles from Deadwood and Spearfish (population 5,251) - 14 miles from Deadwood.

The area's principal economic base comes from gold mining and the manufacture of gold jewelry. Tourism (2 ski lodges and historic sites) was not growing in recent years. A group of local business and professional people decided they had the answer: legalized gambling in Deadwood. They formed the "Deadwood You Bet Committee." Lengthy lobbying with state officials brought the matter to a vote in the "sleepy little town" in the far western part of the state. The idea got voter approval.

On November 1, Deadwood became the only town between Nevada and Atlantic City with legal gaming. The first month the handle was \$16-million and it's been growing each month since. By summer, that figure is expected to double (during the peak tourists season in the Black Hills). A Chamber of Commerce official told SMRNewsletter, "We didn't expect anything like this."

Three and a half months into legal gambling there are 39 gambling locations in operation (some 24 hours a day). The Deadwood-Lead area's 534 motel rooms fill up quickly with the overflow reaching into communities as many as 100 miles away. 240 new motel rooms are planned for the immediate future in Deadwood-Lead. More are on the drawing boards.

Much of the tax collected from the gambling locations is being earmarked for restoration of Deadwood's historic landmarks. The Chamber spokesman says, "That was part of the sales story promulgated by the "Deadwood You Bet Committee." By fixing up those historic buildings, the tourism business would improve from non gamblers.

Three years ago there were about 30 businesses on Deadwood's Main Street, Cindy McNeil, manager of Class C FM, K S Q Y, estimates. Since gambling came to town that number has been reduced to 4: a small hardware store, a womens store, a jewelry store, and a drug store (which has slot machines in it).

The town may soon be without a new car dealer. One sold out to a gambling casino (the building was worth too much to run an auto agency out of). The second who was leasing saw his landlord sell his building to a casino operator. The third has lost his lease to a gambling operation. Only one of the

three would like to stay in town. Whether or not he can enlist "factory support" to maintain a "point" where the other major auto manufacturers are not represented is questionable.

The restaurants, bars, and motels who benefit from the influx of gambling tourists are filled to more than capacity. Advertising is not a necessity now.

Cindy McNeil, manager of K S Q Y, says Deadwood is a small, but important part of her A. O. R. formatted station which reaches into 5 states for listeners and revenue. For all of it's 8 year history half its income has come from Rapid City. Deadwood is really on the map now and that could improve our 'cume," Ms. McNeil says.

Pam Cummings is sales manager of K D S J, the fulltime AM station which has been on the air since 1947. It is a traditional small town station catering to the immediate area and looking for its income there. "The arrival of gambling which has replaced many retailers has not helped our business. But construction employment and employment in gambling and other tourists businesses should improve the economy and retail activity. That should help us ultimately." K D S J has been owner-operating by Al Decker since 1982.

The two stations 14 miles away at Spearfish, generally thought to be the best business town in Lawrence County are Class C FMs catering to wide area audiences and revenue bases. They may benefit from the overflow in the economy prompted by the growth of tourism in Deadwood.

The first full year of legal gambling in Deadwood is likely to generate a gambling handle equal to all of the effective buying income in Lawrence County in the last year before legalized gambling (\$231,402-million) (Sales and Marketing Management). The jury is out as to how much of the new money will find its way onto the income statements of the county's 4 radio stations.

#### THE LAST WORD

This year marks the 70th anniversary of commercial radio. One must wonder how much longer the medium can survive when you read some of the trade press. Example: March issue of "Radio Only."

Articles recommend finding out which hour in a daypart has the least listeners and running "the spots" there so that the music can be exposed to more people. Writer Steve Butler tells his readers, "There are two facts of programming life that you can't get around. Consultant George Harris calls it Research 101:

1. People hate commercials.
2. People want to hear more music."

Imagine the pain we've been inflicting for 70 years.

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**M**arket  
**R**adio  
**N**ewsletter  
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VOLUME VII - Issue #44 - March 29, 1990

**COMMUNICATIONS ATTORNEY** Thomas Root, 37, has been indicted on 20 counts of wire and mail fraud, 7 counts of filing false legal documents with the F. C. C., 4 counts of using counterfeit and altered federal documents and 1 count each of forgery and obstruction of a grand jury investigation. He faces up to 200 years in prison and \$8-million in fines.

Root made national headlines when his single engine plane ran out of gas and plunged into the Atlantic off the Bahamas last July. He claimed he was unconscious, but Navy fighter pilots flying alongside Root's plane reported seeing him moving in the cockpit. Root is tied into an "80/90 application mill" headquartered in Georgia (Sonrise Management Services). (Associated Press 3-25-'90)

**FARM AID IV SCHEDULED FOR** Saturday, April 7, will be broadcast live by T. N. N. R. Stations, outside the areas served by the Nashville based network, who wish to carry the Noon to Midnight (E. D. T.) broadcast (via satellite) should call (212) 916 1041.

**RADIO SCANNING BY FORMAT** - Listeners will soon be able to scan the dial to find their favorite kind of music by format, rather than dial position. The radio flashes the call letters and frequency on the radio's dial. N.A.B., which is demonstrating R. D. S. at its Atlanta convention, estimates a station will have to spend \$5,000.00 to \$10,000.00 to take part in the R. D. S. System.

**RETAIL BUSINESS - HOW BAD?** Not bad at all, according to the February Commerce Department figures. Retail sales were up 5.1% from February '89 and if you take new car sales out, + 5.9%. Even though auto sales were down - 6% from January, they were 2.3% better than February '89. Other year to year comparisons: building materials/hardware +1.9%, furniture/home equipment +2.6%, general merchandise + 8.3%, food +6.4%, service stations +7.3%, apparel and accessory store + 7.5%, eating/drinking places +4.2%, drug stores +5.7%.

**SMALL MARKET BROADCASTER**, Alan W. Harris (K U G R, Green River and K Y FM, Rock Springs, Wyoming) has been elected to the N. A. B. Board (District #20 - Wyoming, Montana and Idaho).

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

At the F. C. C. ....

NEW STATIONS (Granted):

ARIZONA (Claypool) FM Claypool Broadcasting 105.5 3kW 328'  
CALIFORNIA (San Jacinto) FM H. S. C. Radio 96.1 3 kW 298'  
FLORIDA (Panama City) FM Ladies III 101.5 50 kW 492'  
IOWA (Winterset) FM AFM Associates 94.7 3 kW 328'  
KANSAS (Manhattan) FM Little Apple B'c'g. 104.7 50 kW 492'  
NEVADA (Sparks) FM Comstock B'c'g. 92.1 440w 804'  
NEW YORK (Delhi) FM Delaware Co. B'c'g. 100.3 630w 689'  
SOUTH DAKOTA (Watertown) FM Radio Watertown 92.9 100 kW 981'  
TEXAS (Huntsville) FM Dara, Inc. 103.5 1.55 kW 456'  
(Los Ybanez) FM Isreal Ybanez 107.9 50 kW 459'  
UTAH (Richfield) FM Richfield FM Part. 97.5 24.59 kW 3,546'

AMENDMENTS TO THE FM TABLE (Amended):

CALIFORNIA (Baker) 101.5 (B) as 1st. W.: 5-8/6-7  
INDIANA (Austin) 92.7 A as 1st. W.: 5-8/6-7  
WISCONSIN (Lake Geneva) 96.1 (A) as 1st. W.: 5-15/6-14

(Proposed):

ILLINOIS (Morris) 103.1 as 2nd. Req.: W J E Z  
(Pontiac) 93.7 A for 103.7 A. M.: W J E Z  
SOUTH DAKOTA (Pierre) 92.7 C1 for 92.7 A. M.: K G F X  
WISCONSIN (Menominee) 103.7 C3 for 103.9 A. M.: W C J L.  
(Oshkosh) 103.9 C3 for A. Change community of  
license to Winneconne. M.: W M G V.

(Requests):

ALABAMA (Anniston) W H M A (100.5 C) - change city of  
license to Sandy Springs, Georgia (near Atlanta).  
MISSISSIPPI (Wiggins) 97.9 (A) - change city of license to  
D'Iberville, Mississippi and upgrade to C2.

MONEY SAVING IDEAS .....

A 2% discount for accounts who pay cash by the 10th of the month is very expensive. You're paying that 2% to the customer who would pay promptly anyway (average about 50%) to encourage the few whose paying pattern would be affected by the discount. A 2% by the 10th is equal to an annual interest saving to the customer (and cost to you) of 36%.

Stations with receivable problems generally find a system of rewards and penalties to the salespeople effective e. g. the station pays, for instance, an extra 1% commission for cash or payment by the 10th. 1% is deducted after 30 days, 2% at 60 days, 3% at 90 days and no commission on accounts 91 or more days past due.

"99 Money \$aving Idea\$"

MONEY PAGE - \$ALE\$ AND PROMOTION IDEAS\$

Special Opportunity: "Earth Day" (20th) April 22

A special effort will be made this year to alert the public as to environmental problems. It's the 20th anniversary of the first Earth Day in 1970. The growing public concern on this subject is evidenced by the millions of dollars Wal Mart got recently by announcing it was ridding its stock keeping units (S. K. Us.) of environmentally unsound products. The N. A. B. publications of March 19 carried an insert asking radio-TV stations to get behind the effort April 16/22.

Some sales ideas:

- "THE GAS COMPANY"      See if they'll co-op with appliance and heating dealers to promote the fact they are more energy efficient. If your gas utility paid half and the manufacturer paid the other half, your dealer would get a cost free schedule.
- "AUTO DEALERS"      Run ads featuring high mileage vehicles as "Earth Week Specials."
- "AUTO REPAIRS"      Remind motorists that having their car tuned up pays off in better gasoline mileage.
- "BUILDING SUPPLIES"      Feature insulation and weather stripping. Homeowners will not only save on winter heating bills but also on summer air conditioning costs. Feature "time of day" thermostats for savings on home fuel costs. Also, storm windows, doors, aluminum awnings, shutters, etc.

On your "talk show" feature environmental issues during "Earth Week." The week has been set up with a day devoted to each major environmental concern:

Monday 16 "Energy Day"	Thursday 19 "Alternative Transportation Day"
Tuesday 17 "Recycling Day"	Friday 20 "Toxics Awareness Day"
Wednesday 18 "Water Day"	Saturday 21 "Nature Appreciation Day"

"PRIVATE GARBAGE HAULERS" have a good opportunity to promote their business and make "p. r." points by reminding your listeners that "improving the environment is their business." For them, every day is 'Earth Day.'

LOCAL INDUSTRIES might want to run announcements about their environmental and energy conservation efforts - again "p.r."

\$ale\$ - Customer Service .....

Do you have what it takes to provide outstanding customer service? The people in your organization think so or they wouldn't have hired you.

MAKE YOUR CHOICE NOW!

Service Successes:

Service Failures:

Those with a positive and cheerful attitude.

Those who seem depressed or angry.

Those who genuinely enjoy working with and for other people

Those who would rather work alone or with "things"

Those with the ability to put the customer on "center stage" rather than themselves

Those who have the need to be the center of attention

Those with a high energy level and who enjoy a fast pace

Those who work at their own relaxed pace

Those who view their job primarily as a human relations professional

Those who consider technical aspects of the job more important than customer satisfaction

Those who are flexible and enjoy new demands and experiences

Those who must have things happen in an orderly and predictable way

Those who can allow customers to be right (even on those occasions when they are not).

Those who need others to know they are right

Differences between effective and ineffective service is a matter of sensitivity, sincerity, attitude and human relations skills - all of which can be learned.

William B. Martin in  
"Quality Customer Service"  
(Crisp Publications)

The Zubra Agency 2036 Dairy Mart Rd. #128-109 P: 619-662-1658  
San Ysidro, CA. 92073 Fax: 619-662-1659

16 March 1990

Mr. Bob Doll  
Publisher  
SMRN  
275 19th. Street  
Otsego, MI 49078

Dear Mr. Doll,

The enclosed sheet of paper recently received from one of our media contacts appears to be the front page of your industry newsletter. If this letter is misdirected, please accept my apologies.

'WINDFALL OR HOAX?' is certainly a grabbing headline and does make one's head turn. Well, I write delivering both aspirins and accolades and to set the 'WINDFALL OR HOAX?' record straight.

THE FREEDOM TAX AMENDMENT FOUNDATION is a non-profit organization that uses its contributions to educate the American public via their national media that there is a better way to collect and assess our nation's freedom loving revenues - THE FREEDOM TAX.

THE FREEDOM TAX is a fair, simple to administer and economically viable well thought out taxing system that will give new meaning to the word 'democracy' in our nation.


If you screamed bombs away at Panama over your Christmas dinner; huffed and puffed each New Year eve until the new breeze blew down the Berlin Wall; silently blessed the doctrine of imposing economic sanctions upon all countries that do not see democracy at work 'our way' then you must also get into step with THE FREEDOM TAX AMENDMENT FOUNDATION - our client - and help us to give fresh new meaning to the word 'democracy'.

To critically compare our clients efforts to those who have in the past targeted your business community for a free ride is grossly unfair and reeks of blacklisting. What the hell does our client have in common with investment and overseas job opportunities? Nothing! When your constituency is called upon by the IRS monolith to place paid advertising is it deemed 'issue advertising' and have you so advised your subscribers to request 'cash in advance'?

'WINDFALL OR HOAX' in reality crosses the boundaries of decency and fair play because you did not attempt to reach us to determine facts. You did not listen to our broadcast tape. You did not read any of our client's press. You have not read our client's book. This certainly is how witch hunts begin and the next step is to drive the stake into the ground.

Should our client's attempt to correct supercratism fail because of your malicious publishing ignorance you personally are destined to share the culpable guilt of Supercrats - when correction ultimately arrives.

Yours faithfully,

  
Trevor Phillips  
Media Director

CC: all concerned

ENC: copy of 'WINDFALL OR HOAX?'  
broadcast tape  
newspaper article  
book, Supercrats

Minding the Store - E. E. O. ....

Despite deregulation, the F.C.C. is continuing the vigorous enforcement of its E. E. O. regulations and policies. A number of stations have been fined or have become subject to reporting requirements for failure to observe these standards. The following are guidelines for avoiding these pitfalls:

1. Impress on all personnel that the station's E.E.O. policies are a continuing project, not restricted to the license renewal period.
2. Seek out several reliable sources of minority and/or female referral and check their effectiveness every 6 months. If they are doing nothing, drop them and find someone else.
3. Establish a policy of forwarding to these referral sources, wherever possible, all announcements of staff positions that become available. Indicate in the announcements how long the position will remain open. Allow sufficient time to receive applications.
4. Insert on all application forms the entry, "referred by \_\_\_\_\_" to enable you to check the effectiveness of your referral sources and to report the effectiveness of these referrals on your next license renewal. Do not rely on letters or resumes you receive in response to your recruitment efforts, because they often do not tell you whether the applicant is a minority. Develop your own application form and have a separate page - "Station WXYZ Equal Employment Opportunity Survey Form" - which contains the position, date, name, gender, and minority status of the applicant. This page should be separate from the application form when it is returned, maintained in a separate folder, and not considered when evaluating the applicant.
5. Stay in contact with local colleges and universities, particularly those with high minority enrollment. Make station personnel available for lectures and demonstrations.
6. Obtain from your local manpower agency the latest "composition of labor force" statistics. Every year, compare your station's profile with the community profile, remembering that the F.C.C.-E.E.O. processing criteria call for your minority and female employment to be at least 50% of that of the local labor force.
7. Place job availability advertising in a local newspaper having a substantial circulation in the minority community whenever you use printed media for recruitment.
8. Encourage your minority and female employees to recommend their friends and acquaintances for employment as job openings occur.
9. Check your representations in the E.E.O. portion of your license renewal application at least annually to determine if your representations are still current and accurate.
10. Designate a person on your staff to supervise and check the operation of the E.E.O. program and to maintain the records showing, most importantly, your efforts. That person is to maintain a file for each opening containing copies of your recruitment efforts (station notices, letters to organizations, advertising, etc.) and the resulting applications, along with the name, sex, and race of the person hired. (He/she may be a distant memory by the time you file your renewal).

"A Bold Move" .....

In the November 30 (1989) issue of SMRNewsletter, we reported that "Advertising Age" had published a "what's hot" and "not hot" list of advertising and promotion ideas for the 1990s. At the top of the radio "what's not hot" list was "children's radio." The magazine had reported that the Little Rock Arkansas station that had been carrying 13 hours a day of programming aimed at youngsters 12 and under had reduced the programming to 2-1/2 hours per day.

The idea of a radio format aimed at "pre teens" surfaced in the mid-1980s. It debuted and quickly faded from struggling AMs in several Large markets. Despite "advertising Age's" views on the format, views shared widely by others, at least 3 "kiddie formats" are in the works. Norman Wain head of the Metroplex group is launching it on his Orlando AM (WPRD), Ragen Henry has still another "kiddie" format destined for KIDZ, Kansas City and small market group operator, Christopher Dahl, with small stations in Minnesota, South Dakota, and North Dakota has bought W W T C, Minneapolis for the purpose of reviving the "Children's Radio Network", which operated for a couple of years out of Jacksonville, Florida.

In recent years, 65 year old W W T C has followed the pattern of many major market AM radio stations. The 5 kW fulltimer on 1280 kHz has in rapid succession been a big band, new age, and classic rock formatted station - all without success.

Dahl entered the radio business in 1987. "I had been in real estate earlier. I was looking for something to get into. My friend, Steve Adams (TV stations, radio stations, billboard companies) suggested I look into radio." Within 3 years he had purchased small market radio stations in Bemidji and Redwood Falls, Minnesota; Minot and Grand Forks, North Dakota and Sturgis and Brookings, South Dakota. "I didn't know radio, but, I think I know people. I hired strong local managers. We agreed on what kind of financial goals were attainable - and, I let the manager reach those goals." Of his 6 radio properties (5 AM-FM "combos and 1 stand alone FM), he says, "They're all doing well.

Since he ventured into radio, 3 years ago, he has kept his eye out for a possible radio investment in Minneapolis-St. Paul. He saw W W T C as such an opportunity. "Actually, this is not all that different from small market radio. We're targeting a relatively small group (412,000) pre-teens. We know we're going to have to sell our station direct (as opposed to agency) and we're going to have to deliver results (vs. ratings)."

Dahl's commitment to W W T C in Minneapolis (where he lives) and to "children's radio" can be seen in several actions he's taken. First, he hired Mel Paradis, from whom he bought Redwood Falls, to work with his small market managers, thus freeing Dahl to devote a maximum amount of time and energy to the Minneapolis project. Second, he took a major financial stake in "Children's Radio Network," whose president and creator is William Osewalt. "This type of programming," Dahl says met with excellent response from children, parent, and educators." Dahl believes it will succeed this time because it is well financed and will be better marketed to advertisers. He tells of a "six figure" commitment from a Minneapolis advertiser. "That's equal to almost all the business W W T C has being doing in a year."

Ultimately, when the programming "goes network," he feels that stations will do well financially. He intends for the network to offer its stations network income and national spot income. The stations would derive the remainder of their income from local ad sales.

What's it going to sound like? Dahl describes a typical day as follows: "From 6 to 9 AM a children's wake up show called, 'The All American Alarm Clock.' Programming continues with 'Alphabet Soup' (the learning program of numbers plus letters and information designed to improve learning skills). Radio plays and stories (classics and adventure programs) are featured at noon and 'supper time.' Additional music and features will round out the broadcast day (6 A to 9P)." What the station will program 9 P to 6A has not been firmed yet. The key, in Dahl's words, is that Osewalt's programming is "interactive." He feels it has an above average chance of succeeding in the "Twin Cities," because, in his words, "We have a great concentration of major home based businesses with above average social consciousness."

#### THE LAST WORD

On Page #5, we have included a copy of a letter received from Trevor Phillips, Media Director of the Zubra Agency, who recently placed a "blanket order" for time on small market radio stations across the country.

We publish Mr. Phillips letter without comment, other than to suggest that you read it carefully.

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**S**mall  
**M**arket  
**R**adio  
**N**ewsletter  
Inc.

Bill Taylor  
KQSS  
P.O. Box 292  
Miami

AZ 85539

Bob Doll - Publisher and Editor  
Barbara J. Doll - Circulation

VOLUME VII - Issue #45 - April 5, 1990

**RE-SHAPING OF R. A. B. CONTINUES** - The bureau has hired Jane Shapiro to head its research efforts. She will have responsibility for developing research-based sales tools for use by R. A. B. station members. She comes from Arbitron and previously was with Blair's unwired networks. Roann Evans has been named director of member service. She comes to the bureau from sales posts with stations in Dallas.

R. A. B. has put out the "help wanted" sign for 2 newly created positions: Vice President, National Sales and Marketing and Manager, Marketing Presentations. Idea is to "beef up" radio's "in front of the client" efforts with the national and regional advertisers (including chain retailers). R. A. B. activities in this direction have been widely criticized by local stations - particularly small market stations.

**AM DAY IN GEORGIA** - The Georgia Association of Broadcasters will hold its 3rd annual "AM Day" in Macon on May 4. Topics include: regulatory changes (both enacted and proposed); AM stereo; N. R. S. C. standards, promotion and sales. For information: (404) 993-2200.

**N. R. S. C. STANDARD (#1) MANDATORY JUNE 30, 1990.**  
SMRNewsletter reminds its AM station subscribers that this is mandatory - not voluntary. It will not take an inspection for the Commission to find out that a station is not complying - it can be done by the F. C. C.'s Monitoring Station. Best guess: AM stations found not complying will be fined. (N. R. S. C. #2 goes becomes mandatory 6-30-'94).

**MINDING THE STORE** - Your quarterly "Issues and Programs List" is due in your Public File this week.

**ABOUT YOUR CUSTOMERS** - A General Motors executive at a G. M. reception at the recent N. A. D. A. convention said that G. M. was within 90 days of deciding whether to put into production the electric car it recently unveiled at Hughes headquarters in Los Angeles. "The amount of public interest has been incredible," he said. "We've gotten customer inquires from as far away as Australia. With the 'greenhouse issue' heading up, the timing couldn't be better." (Auto Age - 3-'90).

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

(616) 694-9357

Otsego, Michigan 49078

275 19th Street

At the F. C. C. ....

NEW STATIONS (Granted):

ILLINOIS (Mahomet) FM Adlai Stevenson IV 105.9 3 kW 328'  
(Woodlawn) FM Volunteer B'c'g. 106.9 3 kW 328'  
IOWA (Ankeny) FM VOB, Inc. 106.3 3 kW 328'  
KANSAS (Liberal) FM Smith/Triebold 102.7 100 kW 541'  
MARYLAND (Pittsville) AM Radio 650 650 250w D (DA)  
WASHINGTON (Dayton) FM Peanut Whistle B'c'g. 92.5 210w -469'

AMENDMENTS TO THE FM TABLE (Amended):

WASHINGTON (Grand Coulee) 98.5 (C) for C2. M.: K E Y G  
WISCONSIN (Altoona) 98.1 (A) as 1st. W.: 5-7/6-6.  
(Whitewater) 106.5 (A) as 2nd. W.: 5-7/6-6

(Proposed):

ALABAMA (Dothan) 102.5 (C3) for A. M.: W S E P  
FLORIDA (Graceville) 101.7 A for 102.1 A. Req.: Emerald  
Coast Communications  
(Santa Rosa Beach) 102.1 (C3) for 102.3 A. M.: WWAY  
(Springfield) 101.3 A for 101.9 A. M.: W Y O O  
LOUISIANA (Erath) 102.7 C3 for for A. M.: C. P.  
MISSOURI (Bowling Green) 94.1 (C3) for A. M.: K P C R  
(Brookline) 102.1 A. Req.: Lauriel Anharlo.  
TENNESSEE (Livingston) 95.9 (C3) for A. M.: K X K G.  
(Union City) 105.7 A as 2nd. Req.: Tri State  
Broadcasting

(Requests):

NORTH CAROLINA (Havelock) 105.1 (C2) for 104.9 (A). M. WMSQ  
(Hertford) 104.9 (C2) for A. M.: W E L Q  
(Jacksonville) 105.3 (C2) for 105.5 (A). M.:  
W X Q R.  
(Wilmington) 104.5 (A) for 105.3 (A). Req.:  
W X Q R  
SOUTH CAROLINA (Buckspoint) 107.9 C2. Req.: C & M Comm's.  
(Darlington) 105.5 (C3) for A. M.: W M W G  
(Loris) 94.9 A for 107.9 (A). Req.: W N M B  
(Longwood) 95.3 (A). Req.: W D Z D  
(Murrells Inlet) 107.9 (A0 for 94.5 A.  
Req.: W D Z D.  
(North Myrtle Beach) 105.9 C3 for 105.3 A.  
M.: W N M B  
(St. Stephen) 106.1 (A) for 105.9 (A) Req.:  
W N M B.

Involuntary Transfers:

MISSISSIPPI (Boyle) W R D C (Am 5 kW D - 1 kW N) to Robert  
C. Johnston, Trustee, P. O. Box 1737, Cleveland,  
Mississippi -0 38732 (900220EF)  
(Cleveland) (FM - Class A) to Robert C.  
Johnston (See above) (900220EG)

MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

May is awash for sales opportunities: It's the #1 month for the sale of lawn and garden items, real estate, and florists. It's an above average business month for autos, auto parts, building supplies, carpet, department stores, fabric stores, furniture, hardware, mobile homes, shoes, sporting goods, and tires.

Special opportunities include: the Kentucky Derby (Saturday 5), Mother's Day (Sunday 13), Indy 500 (Sunday 27) and Memorial Day (Monday 28). It's Home Decorating Month, Photo Month. Be Kind To Animals Week is 5-6/12.

If the "Health and Fitness Fair" featured on the "Money Page" in the 3-15 issue of SMRNewsletter interested you, May is Foot Health Month, Better Hearing Month, Mental Health Month, Arthritis Month, High Blood Pressure Month, Physical Fitness Month, Sight Saving Month and Older American's Month. Hospital Week is 5-6/12 and Nursing Home Week is May 13/20. Pick a sheltered area in your downtown business district or another shopping area. Invite health care providers and groups to set up displays, distribute literature, conduct tests (hearing, blood pressure, sight, etc.)

"MOTHER DAY WISHES"

The Friday/and/or Saturday, (May 4 5) set up a tape machine in a shopping area. Invite sons and daughters to visit the location to record their "greetings to mom" (brief). Play them back randomly the week before Mother's Day (May 7-12). Promo the taping session and the fact that the recorded messages will be broadcast.

(Remember that Mother's Day is the #1 day of the year for conventional restaurants and one of the 6 biggest gift giving days of the year).

"BE KIND TO ANIMALS WEEK" (May 6/12):

Feature pet food and supplies in ads run that week.

"THE CLASS Of '90"

Get a copy of the yearbook from your local high school. Make up "radio salutes to each member of the graduating class. Broadcast them randomly. Sell them.

## About Your New Competitor - CABLE .....

The cable television system is showing up in an ever increasing number of small markets as a competitor for advertising dollars. Armed with materials prepared by their national ad sales organization, Cable Advertising Bureau, whose president is a former longtime v. p. at R. A. B., the cable ad salespeople are "telling a good story." And they're doing business - in some cases at the expense of the local radio stations.

We have never believed that you can build your business by tearing down somebody else's, but, we believe that it's important to know what the competition is AND WHAT IT IS NOT. Cable is selling local advertising because it fills what is 14 of the 4 basic reasons all advertising is bought - it's different and therefore satisfies the buyer's need to escape boredom. He/she has been investing most of his/her ad money in the newspaper (or shopper) and on the radio for years - "the same old thing." And seeing his/her picture or his/her business "on the screen" is a great "ego massager." All of us humans have made some purchase decisions for that reason.

The problem is not keeping him/her off cable TV, but, making sure he/she doesn't confuse it with basic advertising - so essential in bringing "customers through the door" and putting "money in the drawer." Fairly and clearly, local cable advertising isn't basic advertising. To describe basic advertising, we turn to a very good business book, "Small Business Management" by William Hailes and Raymond Hubbard (Delmar). They advise their small business readers to ask themselves the following questions when selecting an advertising medium:

1. Does the medium reach a large number of prospects at a low cost?

Being generous, the answer in cable TV is NO. It is not only the fact that the cable only reach a town and its immediate surrounding area and "misses the country," the TV audience is divided as follows: the 3 major networks 66%, "over the air" independents 10%, public TV 4%. The cable networks (about 20 on an average system) garner a total of 20% - 1% average for each cable network. TV's total audience in the highest prime time hour is 43.2% of the population which means that the average cable network in TV's biggest hour reaches .432% of the population. Outside prime time, 1 of the 20 cable TV networks reaches 15/100s of the population average. In the 16 hours of non prime time TV, radio reaches 10 times as many people as the combined audience to the 20 or more cable networks available on the average system - and there aren't 20 good radio signals in the average market. The figure is about 1/2 that in most markets.

In choosing an ad media, Hailes and Hubbard also ask:

2. Does the medium provide for an adequate selling message?
3. Does the medium present any difficult, time consuming, or creative problems?
4. Can the copy message be changed easily?

On these 3 points, advertising on cable is seriously limited. Most sellers of cable advertising charge an extra \$300.00 to produce a "spot." In radio, as well as successful newspaper advertising, the long standing rule is that a good ad makes an offer, prices it, and asks for action by limiting the offer by time or quantity. At \$300.00 production cost "per spot," and with the "difficult, time consuming, and creative problems inherent in television production, making the message compelling and timely is almost impossible. Few cable systems selling in small markets have local production facilities. Clearly the constraints and expense of producing a "TV spot" prohibit it serving as basic advertising and meeting the following:

5. Does the medium actually sell products and services or does it merely announce them?
6. Does the medium provide excitement for special promotions (a necessity in today's marketplace)?

It is necessary to understand the basic difference between radio and television. In radio people listen to stations ("My favorite station.") In TV, they watch programs.

As almost all cable TV ads are delivered randomly on an automated system and "fixed positions" are not available or extremely expensive, building frequency against even a very, very small audience is rarely possible or practical.

7. Does the medium fit the type of business in prestige and distinction?

Taking its cue from radio, many of the cable channels target specific demographic groups (age, sex, income, lifestyle). If more people were watching, they might provide a good "atmosphere" for a business's message. But, how much prestige and distinction can a \$300.00 message have when it's run alongside a national "spot" on which \$125,000.00 to \$250,000.00 has been spent on production?

It is foolish to say that television doesn't have strengths (particularly the "I saw you on TV" customer or friend comment.) But, small market radio broadcasters with local cable ad competition need to keep in mind the television medium's growing problem, "Much of the audience is too young, too old, too poor," and fairly in the case of local cable channel advertising, TOO SMALL.

## About Customers - Looking for Winners .....

The success of any small radio station is a constant infusion of new business: looking for that tiny start-up that can grow into a substantial customer. In her book, "How to Advertise and Promote Your Small Business" (Wiley Press), Connie McClung Siegel says, "Somewhere, some way, some day, someone is struggling to build a small business that will become a multinational corporation, spurred on by the knowledge that the international headquarters of both Reader's Digest and Xerox used to be in garages."

"The free-enterprise system is built on a million shoestrings, fueled by human motivation and nourished by dreams. Horatio Alger is alive and well and thinking up a clever promotion for a small business."

Finding the Winners. Ms. Siegel quotes a government sponsored study which compared business in 5 cities in order to learn what makes a business grow. Here are the most common traits of growing, successful businesses:

Those who liked their business best tended to grow the most.

The growers tried to serve their customers instead of serving themselves.

The rapid growers took less money out of their businesses in the early stages. They also spent more hours working.

Growers became sound managers in all phases of their businesses.

The growers could identify more problems, but could also come up with more solutions.

The growers constantly asked advice, free and paid, took the advice seriously, and applied it to their business.

About advertising and promoting a small business, Ms. Siegel quotes the late L. T. White, a small business researcher:

"Never suggest a purchase you can't prove is needed."

"Never criticize what the buyer is using - he (she) Picked it."

"People buy benefits, not products."

"People have 4 buying motives:  
To live  
To learn  
To love  
To laugh."

"Business is the activity of helping people through selling."

"A Community Asset" .....

In 1947, 15 business and professional people in Troy, Alabama (40 miles north of Montgomery) decided the town should have its own radio station. Its beginnings were similar to many small stations, but, the 43 year history of W T B F have been quite different from most of its contemporaries.

Until 1986 (39 years later), many of the same stockholders maintained their W T B F interests. A local real estate man was the station's president and a local attorney was the corporate secretary for all of those years. "They wanted to profit from their investment," Asa Dudley, now a partner and manager of the station says, "but, more importantly, they wanted the station to be a real asset in the community."

The station's office-studio location is unique - it's on the campus of Troy State University (current enrollment: 4,500). "The college administration saw the station as an opportunity to give its students in journalism and broadcasting practical experience and income," Dudley says. "For the station, it was a pool from which to draw employees at reasonable cost. We still lease from the University and still employ students for much of our operation."

Dudley himself got his start in broadcasting and at W T B F, while attending Troy. "I was a journalism student, writing sports for the school paper. The station wanted to schedule a daily 15-minute sports program. I auditioned and got the job." That was in 1949. When he finished school in 1951, he went to work full-time at W T B F.

Since it began, W T B F has regularly employed 4 to 8 college students. "We start them out with 'light duties.' As staff members graduate, we move the college students up into more advanced responsibilities in our announcing and programming. This part of the country is 'dotted' with leaders, not just in broadcasting, but in other fields, who worked at our station during their college years." One is Congressman Earl Hutto from Northern Florida.

While there is a regular turnover among the college students, the full-time staff changes little. Dudley's 2 1/3 partners, Joe Gilchrist and Jim Roling have long histories with the station. Gilchrist started as engineer when the station went on the air in 1947. Jim Roling, the station's sales manager/morning man was a college student employee in the 1960s. After graduation, he worked at several other stations, returning to Troy and W T B F in 1979.

The other full-time staff members are the program director and co-host of the morning show (5 years), a salesperson (10 years) and the receptionist (10 years).

While it does not employ a full time news director, the effort gets high priority. The news gathering is shared by a journalism student from the University, the sales manager, the program director, Dudley, and the retired member of the local Social Security office. "He did a weekly program about Social Security for years. He was really interested in what went on at city hall. He had run unsuccessfully for mayor. When he retired, I asked him if he'd like to cover the meetings and other happenings there. He took the job and has held it for over 5 years," Dudley recalls.

The "morning show" is the centerpiece of the station's heavy community involvement. "Every morning there's a guest talking about a local issue or promoting a local community effort," Dudley says.

The station's sales effort, he says, has always been the sale of basic advertising. "We're not much into big giveaways." The station's customers include 3 who have been on the air every month for all of W T B F's 43 years: a drug store, a tire sales, and a hardware store.

In addition to "ads," the station does a heavy schedule of sports and remotes. To make the remotes exciting, W T B F has a 16' by 4-1/2' helium filled balloon which flies above the remote location. It is transported in a trailer big enough so that it does not have to be inflated each time (cost: \$150.00). "We spend about that amount every 3 months now." Replicas of the balloon are distributed at the remotes. The station owns a pop corn machine (cost less than \$400.00) and a soft drink dispenser.

Dudley believes that the real "heart" of the station is the causes it promotes e. g. a collection of food, clothes, and toys at Christmastime (\$30,000.00 this last year), its "Community Yard Sale" in the city park where people sell unwanted items, its most recent effort to raise funds for people ravaged by high water. Dudley and his 2 partners believe "in a place like this (county population 30,000), it's not doing big things. It's doing a lot of little things right day after day after day."

#### THE LAST WORD

In a recent correspondence, Mel Goldberg W H J B/W O K U, Greensburg, Pennsylvania, enclosed several cards. They are used as "bill stuffers." They are humorous "bits" e. g.:

"When I am right,  
No one remembers.  
When I am wrong,  
No one forgets."

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Bob Doll - Publisher and Editor  
Barbara J. Doll - Circulation

VOLUME VII - Issue #46 - April 12, 1990

**RADIO BEER AND WINE ADS - BYE BYE! MAYBE!** Democrats Senator Albert Gore and Congressman Joe Kennedy have introduced bills that would require beer and wine advertising to carry "health warning" of up to 30 words, including an 800 #. This would surely take these advertisers off radio. Who would want to pay to have his product attacked?

**3 YEAR RULE AND FINANCIAL REPORTS MAY RETURN** - Again from Senator Gore, the possible introduction of a bill that would bring the 3 year holding rule for radio-TV properties back. The F.C.C. lifted the 3 year requirement in 1982. Gore and others think the relaxed rule has lead to speculative buying and selling and a lowering of service to the public. And, former broadcaster Commissioner James Quello thinks the Commission should again collect financial data from licensees "so we can see what the actual figures are - what people are earning or not earning." Financial reporting ended in 1983.

**MARCONI AWARDS** again this year. Selection process changed. Stations and personalities will nominate themselves (or someone else). Committees will pick winners. This reverses last year's process. Forms available from N. A. B.

**AMERICAN MUSIC LICENSING COMPANY** continues to randomly bill stations for performance of what it claims are its copyrighted songs. Invoice carries a list of titles including "Crying in the Chapel," "Mandy," "Dear Hearts and Gentle People," etc. According to an attorney, Sally Sun may have copyrights to songs with these titles, but, they are not the popular songs. There are no known commercial recording to American Music's copyrighted songs.

A song can be copyrighted, but, a song title cannot. SMRNewsletter was unable to reach Sally Sun, who identifies herself as American's principal.

**AM FREEZE - HOW LONG?** Probably a long time. The F.C.C. is trying to solve problems, some of which are 70 years old.

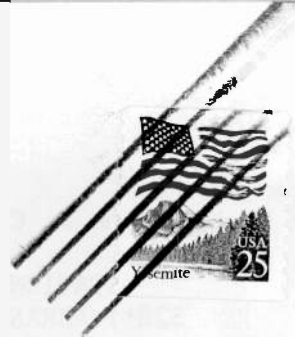
**BANKRUPTCIES AND DELINQUENCIES ARE HIGH**, but, unemployment is low - personal income was 7.3% higher in February than a year earlier, but, consumer spending, in constant \$s was down -6.4%, durable goods up+3.3%, other -0.4% (Commerce Dept.)

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

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275 19th Street



At the F. C. C. ....

NEW STATIONS (Granted): ALABAMA (Trinity) FM Victoria Coffee 92.5 3kW 328'; ARKANSAS (Beebe) FM Judith Davis & B. J. Faith 101.5 3kW 328'; ALASKA (Soldotna) FM Eagle Rock B'c'g. 95.5 10 kW 250'; CALIFORNIA (San Luis Obispo) FM Clamshell 97.3 25 kW 328'; (Sutters Creek) Susan Targetto 101.7 1.23 kW 414'; CONNECTICUT (Poquokock) AM Thomas Kron 870 1 kW D .410 kW N (DA-2); DELAWARE (Fenwick Island) FM Collins B'c'g. Sys. 92.1 3 kW 328'; KENTUCKY (Louisa) Louisa Communications 92.3 3 kW 328'; (Radcliff) FM Bill Walters 103.5 3 kW 328'; MAINE (Winslow) FM John Bulmer 95.3 3 kW 305'; MICHIGAN (Pentwater) FM C and S B'c'g 94.1 3 kW 328'; MISSOURI (Huntsville) FM Contemporary B'c'g. 92.5 6 kW 328'; (Osceola) FM Valkyrie B'c'g. 92.3 3 kW 272'; NEBRASKA (Hastings) FM Bott Broadcasting 98.1 100 kW 1968'; NEW HAMPSHIRE (Bedford) FM Donna MacNeil FM 96.5 3 kW 328'; NEW MEXICO (Albuquerque) FM FM Partners 101.3 2 kW 400'; NEW YORK (East Hampton) FM Chester Assoc. 95.7 3 kW 200'; (Warrensburg) FM Karamatt B'c'g. 100.5 .185 kW 1312'; NORTH DAKOTA (Langdon) FM Continental B'c'g. 95.7 3 kW 328'; (Searles) FM Timothy Martz FM 105.9 100 kW 991'; OHIO (Delta) FM Dickey B'c'g. 106.5 3 kW 328'; PENNSYLVANIA (State College) FM Advanced B'c't. Tech. 94.5 3 kW 328'; SOUTH DAKOTA (Sioux Falls) FM Kirkwood B'c'g. 101.9 19.5 kW 783'; TENNESSEE (Calhoun) FM Carroll, Carroll & Rowland 104.1 3 kW 328'; (Jellico) FM Janice Surber 102.7 3 kW 328'; (Parsons) FM Ralph Cheney 97.3 3 kW 328'; (Rogersville) FM C and S 106.5 1 kW 539'.

AMENDMENTS TO THE FM TABLE (Amended): CALIFORNIA (Corcoran) 102.3 (B1) for A. M: K L C Z; (Kernville) 102.5 A for 102.3 A. M: K K R V; (San Rafeal) 100.78 A for 100.9 A. M: K T I D; INDIANA (Roanoke) 94.1 (A) for 105.1 (A). M: C. P.; IOWA (Decorah) 100.5 C2 for 100.9 A. M: K R D I; (Oskaloosa) 100.9 C2 for A. M: K O S K; (Perry) 101.7 A for 100.9 A. M.: K D L S; KENTUCKY (Stamping Ground) 99.1 (A) as 1st. W: 5-8/6-7; NEBRASKA (York) 100.9 C3 for A. M: K A W L; NORTH CAROLINA (Hatteras) 97.1 (C1) for (C2). M.: W Y N D; TENNESSEE (Dresden) 95.1 (A) as 1st. W: 5-14/6-13; TEXAS (Monahans) 102.1 (C) for cl. M.: K W E S.

AMENDMENTS TO THE FM TABLE (Proposed): CALIFORNIA (Columbia) 98.9 (A) as 1st; (El Rio) 103.7 (A) as 1st; Goleta) 105.9 (A) as 2nd; (Ojai) 107.7 (A) as 2nd; (Susanville) 96.3 (C2) as 2nd; FLORIDA (St Augustine) 105.5 (C3) or 94.1 (C3) for 105.5 (A). M: W S O S; (St. Augustine Beach) 94.1 (A) as 1st; MISSISSIPPI (Bay St. Louis) W Z K X, Poplarville (107.9 C) to Bay St. Louis. M.: W Z K X; MINNESOTA (Blackduck) 98.3 (C2) for for A. MISSOURI (Cassville) 101.3 (A) for 93.3 (A); (Doolittle) 104.5 (A) as 1st; (Seligman) 93.3 (C2) for 95.3 (A). M: K J E M.

#### INVOLUNTARY TRANSFERS:

GEORGIA(Augusta) W R D W (11480 5 kW U) to A. Stephenson Wallace, Trustee in Bankruptcy, 462 Telefair St., August, GA - 30901. (900226GE) (Wrens) W R D W-FM) (Class A). See above. (90026GF).

NORTH CAROLINA (Southern Pines) W E E B (10 kW D - 990) to Richardson Broadcasting Group, Debtor in Possession, Box 1855, Southern Pines, NC-28387 (900220 EI).

TENNESSEE (Clinton) W Y S H (1 kW D - 1380) to Ann Mostoller, Trustee, 1265 Illinois Ave., #104, Oak Ridge, TN - 37830 (891117EC).

MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

"NEVER WORK AGAIN"

Bob McLimans, station manager of Dick "Boom Boom" McBroom's W N D H, Napoleon, Ohio (FM) and AM W O N W, Defiance, Ohio, doesn't believe you have to give away the station in a promotion. Both stations are telling listeners, "Listen to us at work. You may never have to work again." Listeners are asked to send their name and address of the business where they work on the firm's stationery. Drawings are held 9 A to 5 P daily, asking the person whose name is announced to call within 5 minutes. The prize: tickets on the Ohio Lottery.

"WE APPRECIATE YOU"

The first 2 weeks of this month, Tom Anderson's K O A L/K A R B, Price, Utah, joined his Radio stations in a 50% / 50% promotion with the local newspaper. 50 retailers spent an extra \$500.00 to tell people, "Castle Valley We Appreciate You."

Advertisers received 50 radio ads and 2 1/4 page newspaper ads + radio promos and news items in the newspaper. Only extra direct expense was "theme buttons" for store personnel.

"We won't do this often," Tom says, "But, it was good for the business to see we were both interested in them."

"BLOCK PARTY"

Lou Vito at W P K O/W B L L, Bellefontaine, Ohio, is telling listeners to gather the signatures of people on their block and deposit them in an entry box at a local supermarket.

The winning entry will get a "block party" (food and refreshments).

Did You Know? .....

The communications business now has the largest % of women in its salesforces of 16 major industry groups. According to Dartnell Corporation research, 50.9% of communications industry sales people are women. They make up 28.5% of insurance salespeople and 32.2% in retailing.

\$ale\$ - "The Hard Reality" .....

For the foreseeable future, most parts of the country will enjoy little population growth or retail sales growth (with accompanying advertising budget growth). In effect, most radio stations will have to get their growth at the expense of other media and other radio stations.

The March issue of "Sales and Marketing Management" addresses the issue in an article titled "How to Steal A Satisfied Customer" by Edward Doherty.

Doherty advises his readers to select their targets carefully. The prospective customer should be a good "fit," that is, likely to benefit substantially from your business's service. The prospect should also be potentially lucrative enough to justify the large amount of time and effort that will be required to land it.

Careful preparation is essential. The salesperson must be knowledgeable not only about his own and the competitor's service but about the target customer's business. One sales consultant advises that manager assign each of their salespeople a customer industry or group of industries in which he or she should become expert.

The initial step in prying away a satisfied customer is to open a dialogue with the key decision maker at the target company; to get him (or her) to talk about himself, his company, his needs. It's important to listen carefully and to probe for his real concerns and problems. Success ultimately depends on convincing him that you can satisfy his company's needs even better than his current supplier or at least that you deserve a chance to prove you can.

A salesperson should attempt not so much to plumb the purchaser's mind as to change it, to persuade him to reinterpret his business's needs and opportunities in the light of new information. Build rapport. Personal and professional elements often merge imperceptibly, subtly reinforcing one another.

One of the worst mistakes a salesperson can make is to denigrate a customer's present supplier. That implicitly faults the purchaser's judgement. Instead, the seller should stress his business's strengths and assets. Probe carefully for information about your competitor - this may reveal where there may be an opportunity to outshine him.

Patience and persistence are essential. Even when the initial situation is not favorable, success is still possible. It is not necessary to aim immediately to supplant a customer completely. It is enough to get a modest (but adequate order) to show him/her what you can do. Once credibility has been gained and a good personal relationship is established, there are usually new opportunities to expand your position at the expense of your competitor(s).

## About the Relaxed Lottery Rules .....

In the 3-22-'90 issue of SMRNewsletter, a page was devoted to the new federal "Charity Games Clarification Act" which goes into effect on 5-7-'90. During the recent Atlanta N.A.B. convention, one of the best attended radio sessions dealt with the subject. It was a panel discussion with 5 communications attorneys.

Panel members stressed that the new federal act does not take precedence of existing state or local laws. A particular problem was pointed out for stations located along state borders. A station could not carry a legal lottery in an adjacent state if it was illegal in the state where the station is located.

In the matter of state lotteries, although the new act allows stations in states with lotteries to accept advertising from any state with a lottery (as opposed to the former rule that it had to be an adjacent state), the new relaxation is expected to yield little or no new business because it is still against the law to send lottery information or payments through the mails.

Although, if state and local laws permit, a station can advertise a merchant's promotion giving people who make a purchase a chance or chances to win a prize, the activity must be occasional. It was the opinion of the panelists that a merchant couldn't say, "Everytime you shop this year, you'll get a chance to win ----- to be given away December 31."

Although advertising of gambling casinos continues to be illegal, a station can advertise "sports books," where bets are placed on sporting events, if there is no local or state prohibition where the station is located. The feeling is that there is skill involved in picking winners.

If it's legal in the locality and state where a station is located, it can sell advertising to churches and service organizations (with I.R.S. 501C3 status) to promote their bingo games and raffles.

A panelist pointed out that the Commission has not changed its rules on the conduct of contests. Stations are advised to keep in their files scripts and entries and get releases from winners. A member of the station's top management should carefully study each promotion before it goes on the air and monitor it. Winners of prizes worth \$600.00 or more must be sent I. R. S. #1099 forms by January 31 of the year following the award.

The general feeling of the panel, which included an F. C. C. official, was that the Commission has moved from a period of "de regulation to re regulation." In the words of one of the panelists, "there are fewer rules, but those that are still on the books are going to be strictly enforced. Expect larger fines, short term renewals, and even license revocations for stations violating the rules."

A new lottery and contest handbook (including State and Indian lands rules) is available for \$20.00 (members) \$40.00 (non members). 1-800 368 5644.

## From Our Subscribers

From Roger Swan, WROY/WRUL, Carmi, Illinois: "Recently we have had calls from businesses saying they are turning off their radios because they will have to pay fees to keep them on. This has been done by phone or letter to them. I contacted N. A. B. for legalities."

"I pay a fortune each year to the licensing companies for the privilege of playing records. Now they want our small businesses to pay for the right to listen to my station. IT DOESN'T MAKE SENSE. It kind of defeats the purpose of the stations paying these fees. CAN ANYTHING BE DONE?"

From Alex Kelemen, Regional Reps, Cleveland, Ohio: "I recently joined the Retail Advertising and Marketing Association and attended their 38th annual Retail Advertising Conference/Expo in Chicago."

"There definitely could be better visibility of radio at functions like this. Every major newspaper sent representatives; the Newspaper ADvertising Bureau and the Television Bureau were there in full force. Attendees were treated to sessions by the newspaper bureau, highlighting changes in their industry and how their creative abilities will reach the changing consumer in the '90s. Sadly, radio was not there. There were few radio stations. We missed an opportunity to talk with retailers, while our competitors increased their already good standing in the retail community."

"I tried to attend most of the radio sessions. If you ever wonder why it seems advertisers are forever asking radio to provide 'merchandising', it's because they learn it at sessions like the ones in Chicago. They hear 'partnership' which means 'leveraging' buys by asking for free commercials disguised as public service type announcements. Interestingly, newspaper was not mentioned as a player in these 'partnerships.' I felt like a spy in the enemy camp."

"If the program topics were any indication, the environment will be on the top of the minds of many retailers and consumers in the coming decade. We heard as many as 3 different speakers highlight the need for environmentally sound retailers and manufacturers. They stressed consumers would be willing to pay more if they felt it would help the environment."

"Walmart's representative spoke of their commitment to local community efforts. I followed up with the speaker, suggesting radio as a good medium for bringing the environmental message home to local communities. So far, they are not interested in changing their media priorities."

## "Dispelling the Myths" .....

One of the widely held opinions in the radio business is that full service is the province of long established radio stations operating in "no growth" or "slow growth" markets. K N C O AM/FM at Grass Valley, California seems to contradict that conventional wisdom. It's AM facility is only 12 years old, its simulcast FM is 8 years old. Its marketplace (Nevada County) has had a population increase of 50% in 10 years. It competes for listeners with 25, mostly big city, stations for audience.

The stations manager, there for 5 years, says, "I believe too many radio stations fall into the trap of defining themselves by the music they play." Steve Brock says that the music on his station (a conservative adult contemporary) is the "fabric into which we weave the local information and local commercials - in certain hours of the week as much as 20 to 25 minutes." He claims he receives little complaint from his listeners "about all those commercials" and he claims, "the majority of our listeners are 25 - 45 years old."

Brock, who has a staff of 15 full-time people, 6 of whom work in the station's news effort, says, "One of the secrets here is that we don't air people who want to use us as a stepping stone to a larger market. We hire people without radio experience who live here and intend to spend their lives here." He describes 2 of his air people: the morning man is a retired colonel who finished his military career at a nearby base and wanted to stay in the area. His afternoon personality had been the office manager at a local physician's office who had busied herself in community service groups like the "united way." "Both," he says, "had very good voices and personalities - but, most of all had a good feel for what's important to people in the community. I taught them the 'radio stuff.'"

Brock says, he is often told by newcomers to his community, "You just don't sound like other radio stations." In his view, K N C O AM/FM shouldn't - it should, he believes, do for the community things that the outside signals can't. He says his idea is to, "Do the Right Thing," (the title of a new movie.)

The station, he says, looks for worthwhile events and efforts to tie into. "We always look for the sales angle." Most recently, K N C O AM/FM promoted an effort to buy jackets for 2 area girls' high school basketball teams who had gone to the state tournament. "A block was roped off downtown where a bar-b-q was held. The food was donated. High school students sold tickets to the event at \$5.00 each. A thousand were sold - far more than was needed for the jackets. The surplus went to other school athletic activities." The station sold a combination of ads and the broadcast of the event to 30 advertisers - promoting the sale of the tickets.

In Brock's opinion, "The greatest disservice to this business is being done by stations which allow outside firms to sell drug abuse, child safety, etc. "spots" at 4 or 5 times the station rate and give the station 20% to 30% of the "take". In his view, "It should be done 'in house' at regular rates. That's better for the advertiser, the station, and the radio business."

Brock admits that some advertisers are critical of the station "making a profit on non profit events and causes." "When I hear that, I simply explain that, like their business, the radio station is a business with payroll and other expenses to be met. We have to generate income so we'll be there the next time something needs to be done. They understand."

Brock who fills his station with local names (birthdays, anniversaries, salutes) and local people talking about local people and things, believes that's the way for a small station to occupy a unique position. He says, "Music formats ebb and flow. Even the greatest promotions are quickly forgotten. This is the way to do it."

The affection his community has for K N C O AM/FM is best illustrated by a recent event. His area was hit by the biggest snow emergency in 100 years. K N C O AM/FM were off the air the first 8 hours - then, when local power was restored it broadcast continuously, 24 hours a day, for the duration of the emergency. "A couple of the town leaders came to my office after the storm," he says. "They told me, we don't have to be without your station the next time something like this happens. We're going to raise the money to buy you an emergency generator." That \$25,000.00 effort by local service clubs is going on now - without publicity on the station.

(K N C O AM/FM was a "crystal Award" winner last year.) Brock appeared on a Sunday morning panel at the N. A. B. Convention in Atlanta.

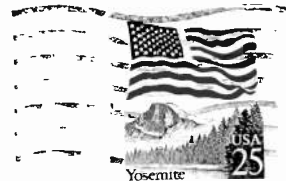
#### THE LAST WORD

Since its first year, SMRNewsletter has advocated pulling radio out of the spring N. A. B. convention - overwhelmed by TV. The association for financial reasons has resisted this. But, with the shortage of hotel space and many exhibitors being turned away, we wonder how much the spring receipts would drop if it were a TV only convention. We believe radio attendance would rise and exhibitors would increase if there was just one national "radio only" convention. It would save radio vendors money and in our view would cost N. A. B. little. It's decision time.

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**N**ewsletter  
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Miami

AZ 85539

Bob Doll - Publisher and Editor  
Barbara J. Doll - Circulation

VOLUME VII - Issue #47 - April 19, 1990

**"1610 to 1700 - THE F. C. C. PLAN"** - Those 10 new frequencies will not be used to create new minority ownership or public radio stations. They will be used to alleviate congestion on the present AM band (540 / 1600). Stations causing "the most congestion and interference" will be encouraged to move to the new frequencies. Such stations would be allowed to operate simultaneously from their present and new frequencies until the "expanded band" is matured.

The Commission's plan for restoring health to AM was unveiled Thursday (4-12). The Commission's AM improvement program, which it expects to take 10 years to become fully effective, will be incorporated into a rulemaking, followed by comment and reply periods. The rule making is expected to be released "around the first of May," according to an F.C.C. lawyer. It should be final before the end of the year.

To the dismay of many, the Commission plan does not call for the adoption of a single AM stereo standard. It does not mandate N. S. C. standards for radio receivers, but sets which meet the standards would get an F.C.C. endorsement. Tax incentives would go to AM stations which reduce power or go off the air to reduce interference. Stations on regional channels (III) could go to 50 kW if they met engineering criteria. Simulcasting will not be outlawed, as some AM proponents suggested.

**AD TAXES** have apparently been headed off in New York and Rhode Island.

**"OUT FOR THE BUSINESS"** To get radio's story "in front of the customers," R. A. B. top management is taking part in a dozen retail conventions: banking, restaurant, food, real estate, office supplies, autos, retail merchants, health and beauty aids, shopping centers, electronics, computers.

**CONSUMER CONFIDENCE MAKING COMEBACK** - Conference Board figures show consumer confidence on the rise (January 106.5, February 106.7, March 110.2.) Expectations for the future up almost 4 points since January. Plans to make major purchases within 6 months: up slightly from March '89.

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

(616) 694-9357

Otsego, Michigan 49078

275 19th Street

At the F. C. C. ....

NEW STATIONS (Granted):

GEORGIA (Mableton) FM Bolton Broadcasting 102.5 3 kW 328'  
(Warrenton) FM Susan H. Karren 93.1 3 kW 328'  
IDAHO (Gooding) Greater Phil B'c'g. 101.3 3 kW 132'  
NEW HAMPSHIRE (Jackson) FM Jackson Radio Part. 99.5 100w 626'  
OKLAHOMA (Holdenville) FM Mary Creech & Assoc. 106.5 3 kW 328'

AMENDMENTS TO THE FM TABLE (Amended):

OHIO (Archbold) 96.1 (A) for 95.9 A. M.: W M T R

(Proposed):

CALIFORNIA (Chico) 107.1 (A)  
(Farmington) 94.3 (A)  
(Grass Valley) 94.1 (A) for 94.3 (A). M.: K N C O  
(Jackson) 94.3 (B1) for A or 99.7 for 94.3 A.  
M.: K N G T  
(Patterson) 97.1 (A)  
(Windsor) 100.9 (A).  
MISSOURI (Doolittle) 106.5 (A)

FINES:

Crusade Broadcasting Corporation, Norfolk, Virginia, has been fined \$10,000.00 for operating W I M G- AM, Trenton, New Jersey, without a license. The Commission told Crusade twice in 1989 that its operating authority had expired, yet it continued to operate until February 5, 1990. The station had been fined in 1986 and 1988 and according to the F.C.C., "has a long list of violations dating back to 1983."

About "Warnings" in beer and wine radio ads .....

Here are the 5 "warnings" that would be rotated in beer and wine radio ads, if the bill introduced by Senator Albert Gore (D-TN) and Congressman Joseph Kennedy II (D-MA) became law (SMRNewsletter 4-12-'90):

"Surgeon General Warning: Drinking during pregnancy may cause mental retardation and other birth defects. Avoid alcohol during pregnancy "

"Warning: Alcohol impairs your ability to drive a car or operate machinery."

"Warning: Alcohol may be hazardous if you are using other drugs such as over-the-counter, prescription, or illicit drugs."

"Warning: Drinking alcohol may become addictive."

"Warning: It's against the law to purchase alcohol for persons under 21."

MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

"AN OLD IDEA, BUT A VERY  
GOOD ONE"

"Promotion and Marketing Monthly" suggests that stations in communities with a lot of "out shopping" distribute a mylar sticker to local stores for display on their doors.

One side of the sticker reads, "PUSH for (NAME OF COMMUNITY)" - plus - station call letters and frequency. The opposite side of the sticker has the same copy with "PULL for --- etc."

"BARTER OPPORTUNITY"

Thanks to cable TV and movies, auto racing is enjoying impressive growth in fan interest. "Ned Jarrett's World of Racing," a 5x/w 5' racing news and commentary show is now on 260 stations. National advertiser gets 1 commercial. The other is available for local sale.

Information: Steve Templeton,  
Total Media, P. O. Box 940,  
Dunn, NC - 28658 - (704)465 0254

"SELLING OVERNIGHT"

Stations that stay on all night do so mainly for competitive reasons, "We don't want people to have to tune someplace else - or remember when we come on."

Roz Stipe agrees, but she says, "If it's worth being on, it has to be worth something to advertisers." This month, KNED/KMCO offered 100 R. O. S. Midnight to 6 A.M. ads for \$100.00 per month. 48 businesses bought (\$4,800.00).

She intends to make it an ongoing sales feature. "The overnight ads pay off for the customers," she says, "a 24 hour super market had huge success by giving away 6 free tomato plants - midnight to 6 only. A service station gave a free ice cream cone with the purchase of a tank of gas."

\$ale\$ - Handling Tough Questions . . . . .

A tough prospect just asked you a tough question that you don't know how to answer. What's the best way to handle it?

1. Don't answer immediately. Too many salespeople are afraid of silence. Don't hesitate to take a moment to gather your thoughts.
2. Compliment the prospect. Your first statement might be, "That's a really good question. No one's asked that before."
3. Repeat and rephrase the question. This generally encourages prospects to talk a bit more and clues you in on the answer.
4. Rely on your presentation. If the question is to be answered during your planned presentation, ask if you can defer until then.
5. Follow up. Finding the information and reporting it back gives you another reason for a follow-up sales call. Be timely and do it in person.

Tom Quick in  
"Professional Selling"

\$ale\$ - Be Different from the Pack . . . . .

The number of salespeople, particularly advertising salespeople, calling on a customer is a major problem for many businesses. They just don't have the time.

Know when to call. Proper timing can be just as important as planning. There are times when prospects can take time to talk - and there are times when they're just too busy. Abusing a prospect/or customer's time during important tasks will be remembered.

Appointments for key prospects are beneficial. When you get to know a prospect or customer, ask him or her when they prefer to be called on. That will always be appreciated.

Use the phone to make appointments instead of just dropping in.

Between calls, keep in touch. Send information that might interest your prospect/customer. Just attach a short note to articles or literature. Say, "I thought you might be interested in this." You've just made an effective and inexpensive sales call. How many of your competitors do this?

If you have made an appointment and arrive to find another salesperson before the customer, "simply say, I'm a little early for my (10 o'clock appointment). I'll be back in a few minutes (or) ---." You've put pressure on the other salesperson - who probably didn't have an appointment.

Steve Duea in  
- 4 - in "Farm Store"

## About Your Customers - The Downtown Shopping Area .....

Downtown! Can it come back? Robert V. Sprague, managing general partner in Durham, New Hampshire based Retail Partners believes "downtowns can come back if retailers and city planners become more responsive to the needs of the consumer."

Sprague, whose father was a downtown retailer, has held posts with the R. H. Stern Department Stores and "The Gap." In his present business, he has visited and worked with some 700 communities.

In his view, today's shopper is basically concerned with:

Easy access to the shopping district;

The aesthetics of the facility;

Product Variety;

Stores located near each other that offer companion merchandise;

Adequate and well managed parking;

Empathetic customer service;

Hours of operation that will allow consumers to shop when it's convenient;

Reasonable return policies.

In his seminar, which he conducted recently in the area where SMRNewsletter headquarters, he stepped on a few toes by pointing out that store owners and clerks who park in front of their stores are costing their business district a lot of money. He quoted a Land Union Institute study which showed that a parking space is worth \$300.00 per day in retail revenue.

His most controversial suggestion is that retailers extend their weekday and Saturday hours to 7:00 P. M. and open on Sundays from Noon to 5:00 P. M. "Being open when it's convenient for the consumer is vital to a thriving downtown district," he says.

About those extended store hours, he claims, it takes approximately 5 or 6 months for the evening and Sunday hours concept to catch on. But, he says, "Perseverance will pay off."

About This 'n' That .....

ABOUT ASCAP/BMI 20% RATE INCREASE REQUEST - Senator Larry Pressler (R-SD) writes an SMRNewsletter subscriber, "I agree that rate increase proposal of 20% is out of line. The American music industry must understand that its revenues would be only a fraction of what they are if radio stations were not promoting (the music product) over the air. Surely this should be a significant factor in setting royalty payment rates."

ABOUT SATELLITE AUTOMATION - John Schad has developed a hard disc storage system that stores 120 minutes (8 kHz). The system can be backed up on "floppy disc." The system interfaces the ads, liners, and other local cut in material with computer billing and logging. The system is "on the air" at K K A Q, Thief River Falls, Minnesota. Dale Olmstead is so happy with the equipment that he's hosting an open house for fellow broadcasters at this station on April 25. The "Smartcaster" cost \$7,600.00. Information: John Schad 1-800 74SMART.

ABOUT STATION INSURANCE - N. A. B. and Royal Insurance have entered into an agreement to offer stations tower, tuning and retuning, special event liability, personal and advertising injury liability insurance coverage. Broadcasters have the option of using their own agents for securing the coverage. Information can be obtained by calling N. A. B. 1-800 368 5644.

ABOUT MISSING CHILDREN - Radio stations are being asked to help the public remember missing children. On National Missing Children's Day, May 25, at 7:15 A. M. every radio is being asked to play the song, "Somewhere Out There" and to remind listeners of the number to call with information about missing children (1-800 THE LOST).

ABOUT SELLING - Art Sobczk, editor of "Telephone Selling Report," tell telemarketers - or any other salesperson - to find something new to say when making a call. "It can be a new idea about how they can benefit from what they buy from you, or perhaps you have a special this week." Sobczk notes, "Regardless, make it interesting for them to speak with you. You want them to view your call as enjoyable, interesting, and most important, an opportunity for them to gain something from the call."

ABOUT RADIO'S STRENGTH - Since 1980, the sale of radio sets has increased by 31%. Half the radio stations in the U. S. program 1 of 3 formats: 20% adult contemporary, 17% country and 13% top-40 (C. H. R.) The fastest growing format, oldies (mid '50s through mid '80s). The number of oldies formatted stations increased by 166% between 1985 and 1989, according to the "Format Trends" study conducted for McGavern Guild, the national radio rep firm.

"Diversifying" .....

When Shellby Hendee bought 500 watt daytimer (on 1360) KMRN at Cameron, Missouri (population: 4,519) he embarked on 2 station promotions that had been successful at K W B E, Beatrice, Nebraska, where he had worked 13 years - a January "Farm Show" and a March "Home Show." The community was without a fairgrounds building or community center, so, he rented an abandoned auto dealership. The events were held there for 2 years - then the building became unavailable.

Hendee then decided to make use of some surplus land where KMRN's studios and transmitter are located. He constructed a 15,000 square foot pole building at a cost of \$150,000.00. "That was cheap," he says, "because I did a lot of the finish work myself. It's a hobby of mine."

In addition to the 2 station events, Hendee has added several others - dances every quarter and a New Year's Eve celebration. Additionally, the building is rented out for civic club events and occasions like wedding receptions. "We'll average renting it 2 to 3 times a month. It's shows a profit," he says. Jokingly, he asks, "Have you ever heard of a radio station that has a liquor license?" He tells us the facility has a "B. Y. O. B. license" for groups having events where alcoholic beverages are served.

About the building, he says, "In addition to providing us with a modest profit and an assured place to hold station events, the building has made the station a high visibility part of the community."

Although he is building an FM station at Cameron, his station's success to date has been strictly on AM. He says that success (grosses about 3 times what they were 9 years ago when he bought K M R N) has come because, "We realize that we sell advertising for a living. If that's done right, we have the money to do the other things." Secondly, he says, there are 4 very good AM radio stations in his area: W D A F (country), K C M O (talk), W H B (oldies) all from Kansas City and K F E Q (farm) from St. Joseph. "Thanks to them, AM radio is still viable in Western Missouri. It doesn't have image problems as AM radio has in some other parts of the country."

K M R N carries a heavy news and information program schedule with modern country music. 1 full-time person works on the effort with help from all members of his staff of 7 full-time and 4 part-time people. "The number one equipment investment I've made is the installation of weather radar. Programming from the weather radar brings in \$2,000.00 to \$3,000.00 per month. "I've never had a customer say, 'I want to buy some advertising because I like your new tape machine or C. D. player, but, weather radar really generates income."

The sales effort at K M R N reaches into 20 to 25 communities and "crossroads" every month. It is carried on by Hendee and 3 full-time salespeople and a half-time "telemarketer." Advertising is centered around long term schedules emphasizing "price, item, benefit" ads. Telemarketing of events and causes represents 8% to 10% of the gross. "In my opinion, if it gets higher than that on a radio station, the regular sales effort is not doing what it should," he says.

Hendee says he told Bud Pence (now retired, then longtime owner-manager of K W B E) that he wanted to "go into business for myself." Pence said, he understood and would help him, if he wished. Hendee, with Pence advising, looked at 25 small market stations in a 2 year period. He finally settled on the Cameron property.

When he arrived at Cameron, "the ag crises" had begun and got worse. "We improved the business despite that by selling basic advertising," he says. Cameron has changed from a primarily agricultural community to a combination of what agriculture is left and small industry - the most important being a prison located there 2 years ago, which now employs 600 people.

Hendee calls his present situation "overwhelmed by good luck." A 50 kW FM facility is being awarded to him at Cameron. Additionally, he is building a 6 kW facility at Richmond, Missouri (40 miles away) and buying an AM facility to pair with the Richmond FM. "Both of the FM grants came after lengthy, complicated, and expensive efforts. A lot of good things have come together all at one time. The 'trick' now is making it all work."

#### THE LAST WORD

Interesting reading: The second volume (of 4) of Robert Caro's biography of Lyndon Johnson was released lately. A full chapter (38 pages of 418) is devoted to Mrs. Johnson's entry into radio broadcasting and the early days of K T B C (now K L B J). It gives an interesting insight into the radio business of 50 years ago. A sample: part of a letter written by "L. B. J." to the sales manager of Mrs. Johnson's station in the early 1940s:

"Now, Bill, I am convinced that we can put some permanent business on the books this week and next week if we will plan and concentrate on a specific few. Last week none of our sales were really permanent, and the total sales for each person was very little more than his pay-check for the week.. When this happens, we slip back and have trouble coming up).

"Means of Ascent" by Robert Caro (Alfred A. Knopf)  
SMALL MARKET RADIO NEWSLETTER (Inc.) IS PUBLISHED WEEKLY AND MAILED FIRST CLASS TO SUBSCRIBERS IN 50 STATES, POSSESSIONS, AND CANADA: NOW IN OUR 7th YEAR. SUBSCRIPTIONS: \$109.00 per year (26 weeks: \$57.00 - 13 WEEKS: \$33.00). ADDRESS: 275 19th STREET, OTSEGO, MICHIGAN - 49078 - (616) 694 9357 - FAX: 616 692 6789





**S**mall  
**M**arket  
**R**adio  
**N**ewsletter  
Inc.

Bob Doll - Publisher and Editor  
Barbara J. Doll - Circulation

VOLUME V11 - Issue #48 - April 26, 1990

**30 SECOND SPOTS AT \$2.00 EACH** - that's the offering being made by Association of Independent Stations, Conroe, Texas. 123 stations have signed contracts in 10 southern states: Texas, Oklahoma, Louisiana, Mississippi, Alabama, Georgia, Florida, North and South Carolina.

The "unwired network" proposes to sell up to 5 x 30 second spots per hour at \$3.55 each. The association says .55 will go to agency commission, .45 to sales commission, .45 to administration and .10 to promotional costs. The principals are non broadcasters R. L. Wooten and Ken Martin, whose backgrounds are in sales and marketing, primarily of soft goods. Wooten says the idea came from his son-in-law, Jack Palmore, who has an interest in K A D S, Elk City, Oklahoma.

**DOLLY'S PARTNERS** - Rod Orr and his partner station broker Charlie Earls at K O M C/K R Z K, Branson, Missouri, will be the managing partners at W S E V AM-FM, Sevierville, Tennessee - near Dolly Parton's amusement complex, Dollywood. The limited partners are Ms. Parton and investors in the Tennessee attraction and "Silver Dollar City" at Branson.

**BACK IN ACTION** - Denise Shoblom, injured in a near fatal traffic mishap last year, has returned to work at K F W J/ K B B C, Lake Havasu City, Arizona. She's co-chairing with Rusty Shaffer, K B O L, Boulder, Colorado N A. B's May 19 Manager's Roundtable in Phoenix. Info: (202) 429 5402.

**IN THE MOVIES** - The National Multiple Sclerosis Society is making a movie which is expected to be seen by 5-million+ students. Part of the plot revolves around a radio station. W A G E, Leesburg, Virginia will serve as the film's site for the radio station sequences.

**C. C. A. ELECTRONICS NEW SALES DIRECTOR** is John Binsfeld. He headquarters at the transmitter manufacturer's plant at Fairburn (an Atlanta, Georgia suburb).

**WINNERS NEWS NETWORK**, the syndicated "all motivation" format, whose creators included the late Earl Nightingale, has signed Drake Chenault for station sales of the satellite delivered format. Info: 800 876 3303.

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

(616) 694-9357

Otsego, Michigan 49078

275 19th Street

At the F. C. C.

NEW STATIONS (Granted):

DELAWARE (Shelbyville) FM Galaxy Communications 97.9 3 kW 328'  
GEORGIA (Dock Junction) FM Lorraine Wiggins 105.9 3 kW 328'  
(Mabelton) FM Bolton B'c'g., Ltd. 102.5 3 kW 328'  
(Omego) FM Shirley Marchant 107.5 3 kW 328'  
(Warrenton) FM Radio Warrenton 93.1 3 kW 328'  
IDAHO (Gooding) FM Greater Phil B'c'g. 101.3 3 kW 133'  
INDIANA (Cannelton) FM Bayard Walters 102.9 3 kW 328'  
LOUISIANA (Shreveport) FM Innovative Womens Radio 102.9  
100 kW 984'  
OKLAHOMA (Holdenville) FM Pearl Castillo Creech 106.5 3 kW  
328'  
(Lawton) FM Rick and Mellissa Fritsch 95.3 3kW 328'

AMENDMENTS TO THE FM TABLE (Amended):

ARKANSAS (Hoxie) 105.3. M.: K H O X.  
(Jonesboro) 100.1 A for 100.3 A. M.: K D E Z  
(Newport) 100.7 A. M.: K O K R.  
KENTUCKY (Philpot) 94.7 A as 1st. W.: 6-4/7-5.  
TENNESSEE (Dyersburg) 100.1 C2 for A. M.: W A S L

(Proposed):

ARKANSAS (Fayetteville) 92.1 (C3) for A. M.: K K E G  
CALIFORNIA (Barstow) 94.3 (B1) for A. M.: K D U C.  
FLORIDA (Newberry) 100.5 C3 for A. M.: C. P.  
ILLINOIS (Arcola) 107.9 A as 1st.  
(LeRoy) 104.1 B for B1. M.: W M L A  
INDIANA (Plymouth) 94.3 B1 for A. M.: W N Z E.  
KENTUCKY (Beattyville) 102.1 A for 102.3 A. M.: W L J C

Involuntary Transfers:

COLORADO (Manitou Springs) K I K X (FM) (Class C) to Glen R.  
Anstine, Receiver  
SOUTH CAROLINA (Spartanburg) W K D Y (Class IV AM) to  
Charles Edwards, Receiver, P. O. Box 2552, Spartanburg,  
SC - 29304

In Texas, Texas/Oklahoma small market group operator, Drew Ballard has bought Class IV AM, K B Y G, Big Spring, out of bankruptcy.

In Montana, the F. C. C. has approved a waiver request to allow Stephen A. Marks to purchase Channel 5 K X G N-TV and co located 5 kW AM station K X G N. K X G N-TV is affiliated with C. B. S. and N. B. C. and serves the smallest full power TV market in the country (#212). The market has just 5,000 TV homes. The petitioners told the Commission that the co located/co owned facilities save \$60,000.00 a year in payroll costs alone. They say the AM station would probably not be on the air, except for the TV profits that are invested in the AM station.

MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

"MINIATURE FM RADIO"

A Lynchburg, Virginia firm has developed an FM radio transmitter with a radius of about 150 feet. The transmitter broadcasts a message of up to 2 minutes continuously.

A sign is placed within 150 feet of the transmitter instructing he/she to tune their FM car radio to (FREQUENCY) for information about (SUBJECT).

The transmitter can be located near a home for sale, in the waiting area of a car wash, in the line at a drive through bank or restaurant, in front of a church, on a car dealer's lot, etc.

The message is recorded on a digital chip and can be changed as often as desired.

A unit costs \$490.00 complete.  
Information: Jim Shircliff, SignWaves  
(800) 777 9117.

"DOWNTOWN PROMOTION"

W T B F and the downtown Troy, Alabama merchants brought a crowd to the town square by staging a "spelling bee" for children in the 1st through 6th grades at the county's schools. Contestants were divided into 3 groups (grades 1 and 2, 3 and 4, 5 and 6). The event was co sponsored by the local World Book Encyclopedia representative. Prizes were books, globes, calculators, etc.

"CLASS OF '90"

In co operation with your school system, invite graduating seniors to submit 100 word essays on, "What I want the future of (COMMUNITY) to be. Have the best taped for broadcast around graduation day. Award a certificate suitable for framing and a small prize to each. A good sale to a bank, industry, etc.

If You Use Direct Mail to Advertisers .....

If it looks like a letter, direct mail consultant Pete Silver says that a post script at the bottom of the letter is the first thing readers look for. Make your "p. s." a hook that will force them to read the entire letter.

Broadcast Programming, Inc.  
Client Letter

## \$ale\$ - Managing Your Time .....

In his book, published by Wadsworth, Charles Warner says, "The first step in managing your time is to calculate how much your time is worth to you." If you sell on 15% commission and want to make \$30,000.00 a year, you'll have to sell \$200,000.00 worth of advertising a year. On the basis of a 5 day week, subtracting 10 vacation days and 6 legal holidays, you have 244 work days a year. An average hour on the job will have to produce \$102.45 worth of sales (\$15.37 income). Warner suggests you write the figure \$102.45 and post it "in plain view on your office desk so you can see it daily, particularly when you're on the phone, to serve as a reminder of how much it costs you each hour you spend in the office not making calls."

Secondly, Warner suggests keeping a minute-by-minute log of everything you do for 3 days. "Keep a pad of paper with you at all times for these 3 days and write down absolutely everything that you do. It is imperative that the time log be complete and accurate." The reasons, he says, for keeping a time log is that we all have awful perceptions about how we spend our time. "Things that we like doing seem to go fast, and things that we dislike doing seem to go slowly, so we invariably misjudge how much time we spend on each type of task." Don't estimate how much time you're spending on doing various things. Write them down on your time log. He says, "If you are to manage your time, you must first know how you spend it." He prescribes the following time log format:

Time:	Activity:	Time Used:	Priority:	Improvement:
8:00	Read paper	20 min.	3	Read at home
8:20	Got coffee	10 min.	3	Bring with me
8:30	Planned day	15 min.	1	Do night before
8:45	Did paperwork	30 min.	1	Do in evening
9:15	Drive to Call	15 min.	1	Start earlier
9:30	Call on "Coke"	30 min.	1	

When you have completed your time log, analyze it to see if you are doing the right things. Fill in the "improvement" column on your time log after you have asked yourself these questions:

1. Are you doing the right things at the right time? Did you do things you did not need to do? Could they have been done outside the office?
2. What could be done better, faster, simpler, in less detail?
3. What interrupted you? How often, how long, and how important were the interruptions? How long did it take you to recover and get back on track?
4. What contacts did you make with others? How important were the people? Were the communications important? How long did they take?

Warner recommends doing this every 6 months.

N. A. B. "Marconi Awards" #2 .....

Last year, N. A. B. initiated its first "Marconi Awards" - a competition like "Academy Awards" to movies, "Tony Awards" to Broadway theatre, "Emmy Awards" to TV.

After the first N. A. B. "Marconi" Awards, SMRNewsletter received a number of unsolicited comments about the awards. Those comments promoted us to write the following "Last Word" in our 9-7-'89 issue:

We applaud N. A. B. for establishing its new "Marconi Awards," however like most new ventures, there are some serious shortcomings. The idea of sending out ballots to the nation's station managers and program directors seems to be wanting. These people are being asked to vote for stations and personalities they've never heard. We also see little commonality between a 100 kW regional station, located in Enterprise, Alabama, but targeting Dothan - a metro and Class IV W H K P, Hendersonville, North Carolina. The idea is a good one that deserves to be polished."

N. A. B. has made some changes this year. Nominations are to be sent to N. A. B. by May 18. All U. S. radio stations are eligible. You do not have to be an N. A. B. member to nominate a station or personality (your own or someone else's.) Initial nominations will be reviewed by regional committees of broadcasters. A "blue ribbon" committee of national radio leaders will make the final selection of personalities and station to be voted upon by N. A. B. member stations and associate members via national mailing. An accounting firm will tabulate the final ballots.

There is nothing in the rules to prohibit a station to campaign for votes for itself, its personality, or someone else's. It is done regularly in events like these. It was done last year by some nominees for the "Marconis."

On the next page, we have included 3 official nominating forms. You can get additional ones by contacting Robert Marking, N. A. B. 1771 N Street, N. W., Washington, D. C.-20036-2891 - (201) 429 5422. When you send in your nominating ballot(s) to the above address, mark "MARCONI NOMINATION(S)" on the envelope.

Categories of most interest to SMRNewsletter readers are: "Small Market Personality of the Year," "Small Market Station of the Year," "Station of the Year" by format (country, AC/Soft Rock/EZ, Oldies, News/Talk, CHR/Top 40, Jazz/New Age, Spanish, Black/Urban, Classical, Big Band/Nostalgia, Religious/Gospel, MOR./Variety, AOR/Classic Rock) TO DATE, SMALL MARKET NOMINATIONS HAVE BEEN "LIGHT", according to N. A. B. officials.

## OFFICIAL NOMINATING FORM

Please use separate forms for each nomination you make. Photocopies are accepted. Please complete this form in full in order for your nominations to be valid.

Category Section: \_\_\_\_\_  
Format/Market Size: \_\_\_\_\_  
Station Name: \_\_\_\_\_  
Personality Name: \_\_\_\_\_  
Personality Station/Network: \_\_\_\_\_  
City/State: \_\_\_\_\_

Reasons For Nomination: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

### OPTIONAL:

Your Name: \_\_\_\_\_  
Station/Company: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone: \_\_\_\_\_

**Questions? Call Robert Marking, NAB Radio, at (202) 429-5422**

Return all nominating forms by May 18, 1990 to: NAB Radio, 1771 N Street, NW, Washington, DC 20036-2891

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Station Name: \_\_\_\_\_  
Personality Name: \_\_\_\_\_  
Personality Station/Network: \_\_\_\_\_  
City/State: \_\_\_\_\_

Reasons For Nomination: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

### OPTIONAL:

Your Name: \_\_\_\_\_  
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City/State: \_\_\_\_\_

Reasons For Nomination: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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Your Name: \_\_\_\_\_  
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"A Move In" .....

If you have an FM station in an area near a larger community, you may be looking to better your facility by making a "move in." A great many of the stations on the "80/90" list are being sought with that in mind. What are your chances of success?

SMRNewsletter subscriber, Gary Kneisley, G.M. at W E O L / W N W V didn't "move in" his FM station, the stations in Cleveland did it. Cleveland has seen itself drop from the country's #10 market in the 1950s to #23 in the 1980s. It has been passed by fast growing Sunbelt markets. In 1986, the Arbitron subscribers in Cleveland asked the ratings company to add Lorain County to the radio metro in hopes that the addition of 15% more population would keep the market from falling out of the top 25.

"When our county was moved into the Cleveland metro, agencies didn't look at us as the best of the stations in Lorain County (population 278,000), but 1 of 30 radio stations in the Cleveland metro area. Our regional business dropped dramatically."

As markets go, Cleveland is not oversaturated with Class B FMs - 12. W E O L, the Elyria AM station, dates back to the 1940s. "It's typical of AM full-time stations: 4 full-time newspeople, 5 conversational disc jockeys playing adult M.O.R. music - it's locally focused. Business stays strong thanks to a huge loyal following to the 'local station' and the services of 2 salespeople - one with 40 years longevity - the other with half that. Even though the agencies current prejudice against buying AM has not been helpful, we do outstanding local business."

The FM, a music service, was another story, Kneisley says. "He decided the future of the FM required a showing in the entire metro. The C. H. R., which was doing well here, was preempted in the immediate Cleveland area. We didn't want to go head to head competition on the format. Even in a market as big as Cleveland, being the other or even worse the #3 anything is not a profitable thing to do."

Kneisley hired researchers to find his FM station "a format hole." "We went 'hard rock' targeted to men 18-34, Satellite Music Network's 'Z Rock.' It immediately caused a lot of talk and got a lot of response, but, advertisers resisted it. The most visible fans of the station, they told us, were not the kind of people we want in our store - that sort of thing."

10 and a half month after "Z Rock" made its debut on WBEA, the format was scrapped in favor of new age/jazz which its advocates call "beautiful music for yuppies." Cleveland was big enough and its more affluent areas were on the west side of town - closest to the Elyria station's tower. The call letters were changed to W N W V.

Three years into the "Wave" on W N W V, Kneisley says, "This kind of thing is not for people who are impatient, 'weak of heart,' or under capitalized. We're building a franchise 'from scratch.' That costs money and it takes time."

"The Wave" programming, he says, is in a state of evolution. "S. M. N. is making it more main stream and melodic. Cleveland's 2 longtime beautiful music stations have left the format and Kneisley believes, "that could strengthen our situation." 12+ ratings on W N W V have been as high a 3.5 - "Good, but not good enough to get on the agencies automatic buy lists."

"We keep hearing that radio is great because it's targetable. We know our audience is affluent - upscale. But, Kneisley, who spent several years with an agency, says the agencies don't have the time to consider all those factors. It's much easier (more profitable) to buy the top 3 stations in an age group. That's the way it's done."

4 months ago Kneisley re-targeted his sales effort to direct sales, concentrating little on the agencies. "Our sales costs, while we're building, run close to half the gross. But, that will come down as the gross goes up."

Another major cost in building a format franchise in a major market is advertising to attract listeners and reinforce awareness of the call letters, so those call letters will be reported in rating books. Buying TV time and billboard space is complicated in any market. Kneisley has hired a buying service, specializing in such purchases for radio stations, to "keep the waste down."

Kneisley spent 23 years at W P V L, Painesville, Ohio (population 16,391) - a standalone AM. About his now 5 year association with W E O L/W N W V, he says jokingly, "When you have one watch, you know what time it is. When you have two, you're not always sure."

#### THE LAST WORD

We are shocked that N. A. B. has chosen to take sides in the controversy over a proposed "move in" of an Anniston, Alabama FM station to the suburbs of Atlanta. Some of the Atlanta group owners who are "screaming loudest" are themselves operating "move ins" there - 1 of them is operating 2. N. A. B.'s activity in the Class A power increase issue cost it some members. We again see no benefit in the industry trade association getting involved in intramural squabbles. Let the "big guys" fight for their own turf. They can afford it.

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**S**mall  
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**R**adio  
**N**ewsletter  
Inc.



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Bob Doll - Publisher and Editor  
Barbara J. Doll - Circulation

VOLUME VII - Issue #49 - May 3, 1990

**200 STATIONS WERE DROPPED** from N. A. B. membership for non payment of dues last week. The stations, which had not paid in 11 or more months, were notified in a letter over the signature of Radio Board Chairman Bill Sanders (K I C D AM/FM, Spencer, Iowa). The letters went out after a discussion of non paying-slow paying members at the most recent meeting of the N. A. B. Executive Committee. Additionally, about 150 more stations in arrears 6 months or more, in another letter over Sanders' signature, have been asked to bring their dues up to no more than 90 days delinquent. Lynn Christian, N.A.B.'s Vice President/Radio, told SMRNewsletter that he did not believe that the delinquency figures were any sign of unhappiness with N.A.B. or undo financial stress in the industry. "It's just a matter," he said, "of being fair to the stations who pay their dues timely." The majority of the stations dropped and put on notice are reportedly in small markets.

**TV HOMES USING TELEVISION DOWN** - Nielson figures for the 1st quarter show TOTAL TV viewing down in all dayparts: Prime-time - 2%, daytime - 7%, late night - 5%.

**NEWSPAPER READERSHIP** continues to fall. A study by the University of Maryland shows that the share of the adult public that "read a newspaper yesterday" has declined from 85% in 1946 to 55% 30 years later. The decline reached every consumer segment regardless of age, education, family type and employment status.

**TWO MORE COMMERCIAL FREE FORMATS** on satellite: oldies and easy listening. Drake-Chenault/Jones, which went "on the bird" a year ago claims 125 stations for country, A. C., and soft A. C. Launch dates for the easy listening format August 1, the "oldies" format ('60s and '70s) September 1. Info: 800 247 3303.

**THE MOST ATTENTION** - N. A. B. recently polled 700 radio stations by phone to find out which cause received most of their public service/public affairs attention last year: 56.5% drunk driving and alcohol abuse, 49.2% drug use and abuse, 20.0% community oriented information and fund raising drives, 15.1% AIDS, 13.7% medical fund raising, 10.2% cancer.

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

(616) 694-9357

Otsego, Michigan 49078

275 19th Street

At the F. C. C. ....

NEW STATIONS (Granted):

CALIFORNIA (Chowchilla) FM Venture Communications 93.3 3kW 328'  
(Indio) FM Ty Stevens B'c'g. 102.3 3 kW 328'  
LOUISIANA (New Iberia) FM D. C. Jones 93.7 50 kW 498'  
MAINE (Thomaston) FM Jonathan LaVeen 106.9 50 kW 498'  
MISSOURI (Charleston) FM Dianne Anderson 106.1 3 kW 328'  
NEW JERSEY (Wildwood Crest) FM Dox Radio 93.1 3 kW 272'  
NEW YORK (Henderson) FM Jefferson B'c'g. 100.7 3 kW 328'  
(Lake Luzerne) FM John Bulmer 94.7 3 kW 328'  
SOUTH CAROLINA (Conway) FM Conway B'c'g. 93.9 3 kW 328'  
TENNESSEE (Harrogate) FM J. B. D., Inc. 96.5 3 kW 324.7'  
VIRGINIA (Emporia) FM Stone B'c'g. Corp. 99.5 2.0 kW 404'

AMENDMENTS TO THE FM TABLE (Amended):

HAWAII (Kailua-Kona) 93.9 C for 93.7 C1. M.: K L U A.  
TEXAS (Arlington) 94.9 C for C1. M.: K H Y I.  
(College Station) 107.3 (C3) for 92.1(A)M.: K S T R  
(Howe) 95.3 (A) as 1st.  
(McKinney) 106.9 (A) for 95.3 (A).. M.: K S S A.

(Proposed):

FLORIDA (Gretna) 93.3 (A) for 100.7 (A). M.: WGWD C. P.  
(Mariana) 94.1 (A) for 93.3 (A)  
(Quincy) 100.7 (A) for 102.7 (A).  
(Tallahassee) 103.1 (C2) for A. M.: W T H Z  
GEORGIA (Americus) 94.7 (C3) for 94.3 (A). M.: W D E C.  
(Homerville) 98.7 (A) for 105.5 (A). M.: W B T Y.  
(Lakeland) 105.9 (C3) for (A) M.: WHFE C. P.  
(Statville) 98.7 (A) as 1st.  
KENTUCKY (Glasgow) 105.3 (C3) for 105.5 (A). M.: W O V O  
(Pikeville) 106.7 (C3) for 92.1 (A). M.: W D H R  
NEW MEXICO (Hobbs) 95.5 (A) as 3rd.  
WEST VIRGINIA (Matewan) 92.1 (A) for 106.7 (A). M.: WVKM.

INVOLUNTARY TRANSFERS:

GEORGIA (Wrens) W R D W (An A) to A. Stephenson Wallace,  
Trustee, 462 Telefair Street, Augusta, GA-30901 (900226GF)  
TEXAS (Stephenville) K S T V (Class C) to Cen-Tex Media,  
Debtor in Possession, P. O. Box 289, Stephenville, TX -  
96401. (900330ED)

Money Saving Ideas .....

If your station is on 24 hours a day, you may be eligible for a "bulk user" contract. You're using a lot of electricity during "slow" periods.

Investigate the availability of 3 phase power at your transmitter site. Changeover should be inexpensive and, if it's available, it will lower your power bill.

MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

"THEY SAY IT BEST" A drug store owner in Niles, Michigan didn't like the idea of doing his own radio ads. "That would be like bragging," he thought.

The W N I L sales "rep" suggested having his customers do the ads. A dozen of the store's regular customers are rotated through a regular schedule. They tell radio listeners why the store is "special" to them.

(Micki Johnson at SMRNewsletter's Chicago seminar)

Special Opportunity .....

If your telephone directory is published by Ameritech, display advertisers can get special co-op = to 5% of their monthly expenditure in the "phone book." Ameritech reportedly will pay 50% of radio advertising for yellow pages advertisers on radio (or other media). Radio ads must include, "See our ad in the Ameritech "Yellow Pages."

LAST MINUTE MOTHER'S DAY SALES AMMUNITION

Almost 90% of households with annual incomes of \$25,000.00 or more will spend money for a Mother's Day card, gift, or dinner, according to a Roper Poll. That poll says 5 of out 6 adults will send a card, give a gift or take someone out for a meal on Mother's Day.

Hallmark Cards, the world's largest greeting card maker, releases 1,200 different versions of Mother's Day cards. Only 1/4 are addressed to "Mother" or "Mom." The others have no specific title or are addressed to aunts, stepmothers, grandmothers, great-grand mothers, sisters, friends and other "motherlike figures."

While the market for Mother's Day cards is growing slowly, Hallmark says, cards addressed to others is growing fast. "We've seen in our research that a lot of people are interested in maintaining and strengthening family relationships. They're looking for ways to express this closeness and Mother's Day gives them that opportunity."

(American Demographics 5-'90)

\$ale\$ - Pedestal Words .....

Pedestal words raise the other person to a level above the ordinary, surely a plus for anyone who has contact with customers. Here are 10 examples:

"May I?" Asking permission implies authority.

"As you of course know." Implies vast knowledge.

"I'd like your advice." Suggests superior wisdom."

"I'd sure appreciate it if --- ." There is an implication here that he or she has the power to refuse or grant.

"You are so right." A pat on the back.

"Spare time from your busy life." Implies he or she is a busy and therefore important person.

"Because of your specialized knowledge." Implies skill, professionalism.

"I'd like your considered opinion." People on pedestals are supposed to have opinions, so if an opinion is asked, the person must be up there somewhere.

"Please" A great lubricator in human relations.

"Customers"  
(Dartnell  
4660 Ravenswood Avenue  
Chicago, Illinois - 60640)

\$ale\$ - Marketing to the "New Grown-ups" .....

Grey Advertising has just completed a study introducing what it calls "New American Grownups," the trendsetters - 57% of U. S. households.

63% of the group is 25 to 44, 27% are 45 and older, 10% are 18 to 24. 86% are married, more than half have children, 75% are employed, 27% have household incomes of \$50,000.00 or more, 27% (1 in 4) are college graduates.

In addressing advertising to them, Grey says:

Advertising must realize that all family members do house chores - not just mother.

Advertising must feature products and services that help people "re-energize or get away from it all."

Advertising must speak to "ease and access" to break the time barrier.

Advertising must ring true to life. These people are media savvy.

Advertising should share concern about the environment.

## About Your Customers - The Hardware Store .....

If the store you're calling on is typical, it does \$117.58 per year per square foot of selling space. The typical store (6,838 square feet) does \$800,000.00 per year. The investment is high (net worth = 27.25% of sales) and the profit margin is "thin" - just 3.8% of sales.

The hardware store makes it by having what the customer needs when he/she needs it (most hardware stores are now open weekday evenings and Sunday afternoon). The store must carry a big inventory. People dislike shopping more than 1 store to get the job done. And, the salespeople must have answers to problems. Clerks have to be able to take the "do it/fix it yourselfer" step by step through his/her problem. The favored location currently is near a discounting mass merchandiser who is inclined to carry a limited stock of fast moving "low end" hardware items and offer little or no salesperson service.

Success demands savvy retailing, good advertising, sales promotion, and sales. Established stores spend 2% of sales on advertising. New stores as much as 4%. Merchandise must be "turned" and it takes a lot of customers. The average sale is \$11.71 - so an average hardware store (\$800,000.00 per year) has to attract 188 customers every day - 7 days a week.

(N.R.H.A. Management Report)

## The Automobile Dealer .....

The glory days of new car sales are fast fading. Used cars are making a comeback as a strong dealership profit center.

In 1988, used cars accounted for 22.8% of the total sales of a typical dealership. The 1989 figures are expected to be even higher.

More important, used car sales as a share of dealership profits almost quadrupled in 3 years from 7% to 26% in 1988. A study by a Baltimore, Maryland based accounting firm, shows that the average dealer's turnover of new vehicles fell from 5.9 times a year in 1987 to 3.6 times in 1989. Used cars on the other hand inched up from 6.1 times a year to 6.7 times a year. The survey shows that dealers not only are selling fewer new vehicles but are making 13.3% less gross profit per unit. For the same period, used car dollar volume was up 10.9% and profit per vehicle 17.3%.

(Auto Age)

## GRADUATION ANNOUNCEMENTS

AS a member of the Class of '90, you have a lot of exciting options" college, a trade school, perhaps a job right now. Whatever your choice, \_\_\_\_\_ extends best wishes and congratulations from \_\_\_\_\_.

High school graduation is more than just receiving a diploma. It's time when young men and women become adults. \_\_\_\_\_ feels that the schools here in \_\_\_\_\_ have done a good job in preparing you for a truly successful and happy life. Every good wish from \_\_\_\_\_.

\_\_\_\_\_ is happy to invest in the \_\_\_\_\_ school system. They know how important good schools are in developing young people to meet the community's challenges and realizing its opportunities. They are mighty proud of the Class of '90 at \_\_\_\_\_.

Graduation time is the most exciting time in a young person's life. \_\_\_\_\_ hopes this graduation time will be full of pleasant experiences - memories to last a lifetime. Please be careful. Follow the rules. Best wishes from \_\_\_\_\_.

As a member of the class of '90 you can be proud of your achievements. \_\_\_\_\_ knows that this is only the beginning. Success and happiness to every one of you from \_\_\_\_\_.

Graduation time can be and should be one of the best times in a lifetime. It's too important to have a needless accident spoil it. \_\_\_\_\_ says, have a good time - but, follow the rules. Best wishes to the class of '90 from \_\_\_\_\_.

A community is more than just houses, buildings, and streets, Most important are the people who live and work in the community. \_\_\_\_\_ believes particularly in the young people who are the community's future. That is why \_\_\_\_\_ takes this opportunity to send best wishes to the Class of '90.

Graduation time is too important to mar it with a painful or worse accident. To the graduating Class of '90, \_\_\_\_\_ says, have a good time. Follow the rules. Best wishes for a happy, safe graduation and a successful future from \_\_\_\_\_.

\_\_\_\_\_ is confident that the members of the Class of '90 will make this community a better place in which to live. \_\_\_\_\_ is proud of all of you. Congratulations and best wishes.

"It Still Works" .....

It isn't on a satellite. It isn't automated. It's professional, but, it isn't "slick." At W L K M AM/FM, Three Rivers, Michigan, there's a program director who does the programming and a full-time news director who does nothing but gather and report the news and do the station's daily 30 minute call-in/guest interview public affairs program.

Dennis Rumsey, the station's 36 year old manager, has spent his entire life in the town - 20 miles south of Kalamazoo and his entire working life at W L K M. "I got my driver's license and my restricted F. C. C. license on my 16th birthday." He worked part-time while attending high school and a nearby community college. He started full-time after graduation and "went up through the ranks - becoming manager 12 years ago.

Dennis's small staff will tell you 2 things about him, "He's tight with a buck, but, fair when it comes to paying them." Bruce Snook, the news director, started at W L K M 25 years ago. He left for a few years, returning 13 years ago. The program director, Randy Huyck, has been there 11 years. Ann Rohrer, the bookkeeper, has been there 7. Paul Brendt, sportscaster-afternoon announcer, 4 years. Kathy Loker, who divides sales responsibilities with Dennis, has been there 4 years. What's the secret? "Each person here has important responsibilities. They have something to be proud of. The people here like each other - they're friends. They don't generally socialize outside the station. And, they don't have to ask me for a raise. I hold one private meeting a year with each one. I give a raise, if the station can afford it," Rumsey says.

He has resisted the temptation to go satellite or automation. "I think it's not impossible, but, pretty hard to be local when the announcer is coming out of Los Angeles or some other place thousands of miles away."

The W L K M programming days is a "home grown" adult contemporary format, 85% from C. Ds. The station purchases very little music - most comes from the record companies. Huyck sends the record companies the station's play list twice each month with a "wish list" of C.D. singles the station wants. Follow up phone calls are made when the music on the "wish list" doesn't come in. "It works," Rumsey says, "because we are consistent." W L K M's city of license is 8,000. Huyck's music selection is guided by Eric Norberg's A/C Music Research Letter (Page 6 SMRNewsletter 8-17-'89).

Rumsey, like most small market operators, believes his station's local news is the most important programming the station does. "We do a local newscast every hour - right after Mutual - and they're sold out - all 13 of them everyday," he says. He still has a wire and a state network.

3 years ago, he invested \$25,000.00 in a radar weather unit. "We report what's on it at least every hour, more when there's severe weather in the area," he says.

2 years ago, Rumsey took an unusual step in his night time programming (FM only after the AM signs off). "We had been programming 'hard' album rock for several years and getting a lot of response. A church group came in and wanted us to carry Dr. James Dobson's religious talk show, 'Focus on the Family.' I decided to run it at 6:30 PM - a 'spot' that doesn't generate revenue on a small town station. The reaction was immediate and very good. Although we were getting very vocal listeners with the night rock programming, I felt it was causing us some problems. Advertisers are more apt to hear what you're doing at night and on the weekends. Although these might not be very profitable times, I think they're important to your image with the advertising community. I took the rock off and replaced it with 5 hours of A. B. C. talk (Sally Jessy Raphael and Tom Snyder.) We know we've done the right thing. We preempt them for local sports without any problems."

W L K M telemarkets major holidays and area events. It's not an ongoing effort. Sales promotions are scheduled infrequently. "We don't want to - and we don't want our customers to use them as a 'crutch," he says.

The W L K M owners are East Coast non-broadcaster inventors who have owned the Three Rivers property and the stations at Bryan, Ohio for over 20 years. "Here, and at Bryan, they have installed a local man to "run" the business. Rumsey says, "There's no home office operation. They want you to run it like a business and make a profit. I don't think you can argue with that."

Dennis signs on every morning at 5:30 AM, as he did before he became manager. "No, it doesn't get old. Working with good people and doing important work - and the radio station is important. I don't see how you'd ever get tired of this."

#### THE LAST WORD

The "80/90 Mess" has taken a turn that this publication forecast early on. During the past several weeks, we have received at least a half dozen calls from C. P. holders without experience or financial resources. The situations are at best "short cuts to the bankruptcy court." The current "tight lending" practices might spare the radio business some of the "pain" the Commission has foolishly set in motion.

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**S**mall**M**arket**R**adio**N**ewsletter  
Inc.Bob Doll - Publisher and Editor  
Barbara J. Doll - Circulation

VOLUME VII - Issue #50 - May 10, 1990

**SATELLITE NETWORK AND SYNDICATION** "spots" are not trade or barter, according to ASCAP auditors. SMRNewsletter has received numerous reports from audited subscribers saying that ASCAP is seeking fees for "spots" carried within Satellite Music Network, Unistar (TranStar) and other satellite delivered programming, state networks, syndicated radio shows, etc. Although trade and barter income is specifically not subject to ASCAP (or BMI) fees under the current agreement, ASCAP is calling the satellite network and syndicated programming "unlicensed network income." ABC, CBS, Mutual, and NBC have had long standing contracts with ASCAP (BMI and SESAC). Stations in Kentucky and Ohio report getting billed for "around \$6,000.00" each for fees ASCAP says are due for the network spots carried within Satellite Music Network programming.

The satellite networks and syndicators of countdown and other like programming are using the licensing group's material. Because they get paid by the established networks, they should seek their payments from the unlicensed networks and syndication promoters, it would seem to us. Suggest you call Radio Music Licensing Committee at (212) 307 3665.

**ASCAP CONTINUES TO SEEK MORE REVENUE BASE** - Talk is they are looking to charge businesses who put a radio station on the phone while it is "on hold." And, ASCAP representatives are reportedly getting tougher on retailers "playing the radio in their stores."

**PEOPLE** - Wayne Cornils, formerly V. P. at N.A.B. and R.A.B. and more recently at Unistar (Transtar), has lost his Unistar job (vice president-communications) after just 1 year. Economy move, Unistar says.... H. Ross Perot, the self made Texas billionaire and Paul Harvey will be the headliners at N. A. B. Radio "90 (Boston 9-12/15). .... Charlie Michelson has sold the Jack Benny "old time" radio shows 5 days a week on Australia's national network.

**OUTSTANDING COMMUNITY SERVICE** - If you think that describes your station, why not enter the "Crystal Awards?" Over a dozen SMRNewsletter subscribers have won in recent years. Deadline for entering is May 31. You do not have to be an N.A.B. member. Information: (202) 429 5420.

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

(616) 694-9357

Otsego, Michigan 49078

275 19th Street

At the F. C. C. ....

NEW STATIONS (Granted):

ARKANSAS (Beebe) FM Judith Davis and Barbara Faith 101.5 3kW  
328'  
ARIZONA (Globe) Fm Linda Potyka 97.3 3 kW - 416'  
(Green Valley) FM Douglas Martin 97.1 1.64 kW 387'  
CALIFORNIA (Merced) FM Great Scott B'c'g. 107.7 3kW 328'  
GEORGIA (Omega) FM Shirley Marchant 107.5 3 kW 328'  
KANSAS (North Fort Riley) FM Anita Cochran 102.5 50 kW 492'  
MICHIGAN (Oscoda) FM Iosco Co. Communications 94.7 50 kW 492'

AMENDMENTS TO THE FM TABLE (Amended):

ALABAMA (Linden) 98.5 C1 for C2. M.: W D A L  
(Monroeville) 99.3 C2 for A. M.: W M F C  
MISSISSIPPI (Clarksdale) 96.5 C3 for A. M.: W K D J  
(Hazelhurst) 100.9 C3 for A. M.: W M D C.  
(Lexington) 109.5 (C3) for A. M.: W D L G

(Proposed):

CALIFORNIA (Garberville) 103.9 C1 as 2nd.  
(Healdsburg) 95.9 A as 2nd.  
NORTH DAKOTA (Bismark) 101.5 A as 5th.  
(Dickinson) 99.1 C1 as 2nd.

Minding the Store .....

All stations with 5 or more full-time employees must file annual Employment Reports (F. C. C. Form 395-B) by May 31.

Money Saving Ideas .....

Some station operators believe they can lower costs by "trading" for goods and services. The practice is becoming more widespread and it is to some "alarming." We believe the following test should be given to all trades:

- a.) Is the item being "traded" a value?
- b.) Will both parties perform as well as if it was a "cash deal?"
- c.) Is it fair to both parties and similar customers who are "paying cash?"
- d.) What are all the possible long term effects?

MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

June is Dairy Month. Special opportunities include:

6-3 thru 6/9 - Safe Boating Week  
6-14 - Flag Day 6-17 - Father's Day

June is the #1 month for marriages - 11.4% occur in June.

"DAIRY TRIVIA"

In co operation with a local dairy co-op, W T C H/W O W N, Shawano, Wisconsin, runs dairy trivia questions randomly. They are recorded by local dairy farmers e.g. "This is \_\_\_\_\_. I raise --- etc. on my farm at ---. I have a question and a prize for you. If you're the # caller and can tell me "How many gallons of milk does the average Wisconsin dairy cow produce a year?" Call your answer now to #." Prizes are certificates for dairy products.

"NEW INCOME SOURCE"

Also at W T C H/W O W N, Bruce Grassman has untapped a new revenue stream. His telemarketer calls each person running a classified in the local newspaper. The station offers to run the ad on the air 3 times a day for 7 days for \$9.95. About 50% of those called buy.

The ads are stapled onto index cards. The total number of ads is divided by 6. 1/6th of the ads are run each hour 6A to Noon and again Noon to 6P and 6 P to Midnight.

The telemarketer calls each classified ad customer on the 7th day the ad is run. She asks, "Have you sold your ---?" If not, the ad is repeated for 7 days free. If the ad has not been paid, she asks for payment.

Facts and figures: the ads are bringing about \$700.00 a week income (in a town of 7,000). 95% of the bills are paid within the first week. About 6 ads can be run within a minute. A simple statement is sent immediately after the person buys. Less than 20% of items advertised are not sold within the first week.

Thought: "Good will is achieved by many actions. It can be lost by one."

"Bits and Pieces" - Economic Press, Fairfield, New Jersey

\$ale\$ - Are You Prepared for That Call? .....

Client: \_\_\_\_\_

Contact \_\_\_\_\_

About the Client's  
Business \_\_\_\_\_

What I intend to  
sell him/her \_\_\_\_\_

POSITIVES for him/  
her if he/she  
buys \_\_\_\_\_

NEGATIVES for him/  
her if he/she  
doesn't buy \_\_\_\_\_

Why he/she should  
buy NOW \_\_\_\_\_

Support materials  
needed \_\_\_\_\_

A basic rule of selling is: "Never open a customer's door before you ask yourself this question: 'Why am I here?'"

Being adequately prepared for a sales call tells the customer 2 very important things: You have something of value to sell and you value his/her time.

Every good sales call includes the 5 basic selling steps:

1. Get attention.
2. Develop interest.
3. Create desire.
4. Gain conviction.
5. Close. (ASK FOR THE ORDER)

Are you prepared???

## MEMORIAL DAY ANNOUNCEMENTS

\_\_\_\_\_ asks, what would our lives be like, if it were not for the brave men and women who answered the call when our liberty was threatened? Join \_\_\_\_\_ in paying tribute to them this Memorial Day weekend.

The Memorial Day holiday signals the start of summer. \_\_\_\_\_ believes it's a great holiday. Enjoy it safely. Please spend some time thinking about the sacrifices made by those we honor. Join \_\_\_\_\_ in rededicating ourselves to the things for which they served.

\_\_\_\_\_ believes we enjoy freedom today because of the sacrifices of yesterday. Join \_\_\_\_\_ this Memorial Day weekend in paying tribute to those who paid so much for our freedom. A message from \_\_\_\_\_.

Races, picnics and outings are all part of the Memorial Day holiday. Here's hoping your holiday will be a happy and safe one. \_\_\_\_\_ hopes you'll take time to honor our American fighting men and women who sacrificed that freedom might live. \_\_\_\_\_ say, enjoy the holiday - but, by all means remember its real meaning.

\_\_\_\_\_ believes that it is fitting that we pause this Memorial Day weekend to pay tribute to those men and women who served in 5 wars in just over a century. \_\_\_\_\_ invites you to join them in rededicating ourselves to the principles of those men and women we honor this weekend.

The American Dream is what the Memorial Day holiday is all about. Although that dream is sometimes difficult to define, \_\_\_\_\_ reminds us that over the decades, men and women have known it as worth fighting for. \_\_\_\_\_ asks you to pause with them. Think about that American Dream and the sacrifices that have been made to keep it alive.

Five times in just a little over a century, American men and women have been called upon to defend freedom. \_\_\_\_\_ reminds you that we observe Memorial Day in their honor. \_\_\_\_\_ hopes you'll join them in thinking about the meaning of this special holiday. Let's give thanks for those we honor.

The Memorial Day holiday we observe this weekend had its beginning during the Civil War. \_\_\_\_\_ hopes you'll take time to reflect on the sacrifices that brought this day about. Whenever and wherever liberty has been threatened, American men and women have fought for freedom. \_\_\_\_\_ pays tribute to them this weekend.

Holidays should be filled with happy experiences to be relived over and over again. \_\_\_\_\_ hopes this Memorial Day holiday weekend will be filled with memorable moments for you and your family. \_\_\_\_\_ hopes you'll enjoy the holiday safely.

About Airpeople .....

Airpeople often are guilty of on-air errors that reduce the credibility of themselves and their station. OTT AND ASSOCIATES, Consultants, Richmond, Virginia point out these examples:

Wishing out of the studio - Usually associated with holidays or nice weather, the comments run like, "Isn't it great outside? I wish I were out there instead of here," or What a great Memorial Day weekend, and wouldn't you know it, I have to work." Airpeople must understand that when he/she's on the air, he or she is out there at every picnic, barbecue, boat club and pool in town. When on the air, he/she must feel there's no better place to be and sound like it.

Musical ignorance - Examples: mispronouncing a record artist's name, referring to a group as an individual, identifying the wrong year of an oldie, etc. A disc jockey is in a position of authority when it comes to music, and one must know what one is talking about. An uninformed jock is like an English teacher misspelling words on a blackboard.

Station ignorance - Any comment that shows a lack of knowledge about the station's other programs or promotions. An airperson should not raise any doubt that he or she listen to his/her own station.

Forced laughter - Every airperson thinks he/she's got a great laugh, but few really do. The smart one never forces a laugh.

Over-reliance on newspaper (local or national) - Especially common among morning airpeople. When repeated comments focus on newspaper articles that any listener has access to, it indicates the airperson is reaching to the creations of others instead of creating his/her own noteworthy material. Listeners expect the radio station to be the source, not merely the repeater, of new information.

Displaying poor judgement - Making light of serious situations (ie. inclement weather conditions, traffic problems, a celebrity death, etc.)

Actively recommending particular television programs - If your audience is to be recycled, recycle them back to your station - not to a TV station or cable channel.

New Hampshire Assoc. of  
Broadcasters member  
letter

"A Year Later" .....

"Just because your signal covers it doesn't mean you should undertake to serve a market. There has to be a commonality of interest between your city of license and the other communities to which you program and undertake to sell." The words are those of Win Damon, owner-manager of W N C G, Newburyport, Massachusetts for the past year.

Damon says, like his predecessor owner, he saw Gloucester (population 28,000) as a fertile field for his Class IV AM stand alone. "The city is the biggest in our primary signal - only about 10 air miles away - across a body of water. "That body of water makes a lot of difference. By road (not super highway, it's 30 miles away. There's no community of interest between that city and the rest of our area."

After carefully studying the Trout and Ries book "Positioning," Damon decided to target his resources to what he terms "the natural trade and social lines of his city of license (population 15,900) and Amesbury (about 5 miles distant - population 11,388). "Being on the edge of the Boston metropolitan area with some of the best radio stations in America as competitors for listeners, I think this AM radio station's future is in focusing on a small geographic area. When you have a small staff, you can only do so much."

Damon, who came to Newburyport from several successful years as sales manager of W T S L AM/FM, Lebanon, New Hampshire, says that early on he wrote a mission statement for his own radio station. That statement is brief, and he says, "not a literary masterpiece." It says simply, "Our business is to increase the business of our advertisers and to be an asset to the communities we serve." A year after buying then struggling W N C G he says, "The mission hasn't changed. We are refining its implementation. I guess that's what good management demands."

Damon, who came up through the ranks: announcing, news, sales, sales management, says that overall management is the one part of "being on his own" that is the most challenging. "Back when I was in staff level and middle management positions, I did not realize how much simpler your life is when there's someone to go to for a final decision. It's taken a little while to realize that the final decisions are solely my responsibility."

Damon's first year has brought its full share of problems that demanded a solid "final decision." His station lost a longtime program staple when the rights to the Boston Red Sox baseball schedule changed hands this season. "The new rights holder (W R K O, Boston) decided it wanted sole possession of the games in radio within the Boston 'metro.' They want every fraction of a rating point they can get with

baseball. They dropped us."

Damon made up for the loss of major league baseball by taking 2 unusual steps. First, he made arrangements to carry the night games of the Pawtucket (Rhode Island) Red Sox, a Boston farm club. They're being billed by W N C G as "The Sox of Tomorrow." Secondly, he has signed to carry the Sunday afternoon schedule of auto races from the Motor Racing Network. He describes auto racing as getting a small, but avid, following and, he says, "They've been a commercial success."

The centerpiece of W N C G's programming is its local news coverage. "We're 40 miles from Boston, but, the local newspapers sell well. We know there's a big market for local news here."

He feels that a station like his must be important to people who are important in the community. In addition to his local news coverage, other "leader focused" programming is being developed. Currently, a former president of several local groups is formulating a once a week (Saturday at 8:15 AM) "Service Club Report." That 15 minute broadcast, following the station's 8 AM newscast will report news about civic, fraternal, and veterans groups.

The station's music, like most AM station's music, is secondary to its local information and high school play-by-play - a mix of 60% current adult contemporary music and 40% oldies of '60s, '70s, and early '80s hits. It was designed for the station by Broadcast Programming, Inc., Seattle, which supplies it on tape.

Damon has not "leaned on" sales promotions, but rather has set about to sell basic advertising. There are two reasons for this, he says. "Sales promotions can stretch your small staff beyond its limits to do promotions well. It's easy to get yourself into trouble. More important, when you build your business on basic advertising, although it's slower, what you build is solid and lasts."

#### THE LAST WORD

The current ASCAP license expires on December 31. Getting a fair and equitable contract is going to require long and arduous negotiations - and cost a lot of money. There is some debate about the record of the Radio Music License Committee. The truth is, it's the only vehicle broadcasters have. It deserves financial support. The address is 888 Seventh Avenue, 40th Floor, New York, NY - 10106.

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**S**mall

**M**arket

**R**adio

**N**ewsletter  
Inc.



Bob Doll - Publisher and Editor  
Barbara J. Doll - Circulation

VOLUME VII - Issue #51 - May 17, 1990

**THE PLAYGROUND IS CLOSED** - The Commission last week (May 10) announced that the Pre-Regan/Fowler policy of holding withdrawing applicants for new stations to reimbursement of only "legitimate and prudent" expenses is in effect again. The action is designed to prevent withdrawing applicants from "gaining windfall profits."

It has been no secret that hundreds of applications for new FM stations were filed by financially unqualified individuals and groups with the sole idea of withdrawing at a profit. The present Commission accurately saw the "relaxed" policies of the past 8 years as being an unfair expense of time, money and effort to legitimate license seekers. It caused delay in bringing the public new service.

**NO LOTTERY** - The Commission also concluded its hearings on the proposed selection of licenses for new AM, FM, and full power TV stations. The Commission said, "that any potential gains in efficiency that may be achieved by use of a lottery would be outweighed by the possible reduction in quality of broadcasting licenses and service to the public."

**MOVE INS** - Longtime Commission watcher, Coldwater, Michigan based consulting engineer, E. Harold Munn, believes, "The Commission may be tough where an application to move an FM or TV channel toward a major city will leave a smaller community or rural area with less than 2 services or a daytime-only AM station." He further believes, "This may slow the migration toward the larger communities."

**NO RECESSION** - The Murrysville, Pennsylvania consulting group, Circo and Associates, Inc. recently polled small company owners across the country. 55% of them see no recession within 12 months. 30% say they expect "some sort of recession." 15% say they are uncertain. (Wall Street Journal 5-8-'90).

**\$900,000.00 BUDGET CUT** - The executive committee of N.A.B. lowered the association's budget for 1990 to \$15,700.00. A member of the Committee told SMRNewsletter, "cuts would probably be made across the board." N.A.B. dues revenue is down (SMRNewsletter 5-3-'90). See also page #6 of this week's issue.

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

(616) 694-9357

Otsego, Michigan 49078

275 19th Street

At the F. C. C. ....

NEW STATIONS (Granted):

ARKANSAS (Lowell) FM Whitman Broadcasting Corp. 101.9 50kW 492'  
HAWAII (Princeville) AM North Shore Radio 810 10 kW U (DA1)  
KENTUCKY (Mount Vernon) FM William Daugherty III 102.9 3kW 328'  
MAINE (Milbridge) FM Rosemary Chausee 93.7 50 kW 492'  
MICHIGAN (Grand Rapids) FM Haith B'c'g. Corp. 98.9 3 kW 328'  
MINNESOTA (Browerville) FM Alvin Stencil 99.7 3kW 328'  
TEXAS (Littlefield) FM Stebbins B'c'g. Co. 95.5 3 kW 328'

AMENDMENTS TO THE FM TABLE (Requests):

CALIFORNIA (Frazier Park) 98.1 (A). Req.: Richard A. Cramer  
MISSISSIPPI (Clarksdale) 106.5 (C2) for 106.3 A  
MISSOURI (Lincoln) 988.5 (A). Req.: Richard A. Klautzer  
(Steelville) 93.3 C1 for C2. Req.: Twenty One Sound  
SOUTH CAROLINA (Charleston) 100.7 (A). Req.: Southern  
Communications  
(Charleston) 100.5 C3 for A. REq.: Fogel Media  
(Estill) 100.5 A. Req.: Estill Broadcasting  
(Little River) 95.3 (A). Req.: Fogel Media  
TENNESSEE (Tiptonville) 101.3 (C3) Req.: WENK of Union City  
WASHINGTON (Warren) 95.3 (C3). Req.: Warren B'c'g. Assoc.

INVOLUNTARY TRANSFERS:

FLORIDA (Palatka) W S U Z (AM 800 kHz - 1kW D 848w N) to  
Valerie J. Hall, Interim Trusttee, P.O. Box 1258, Jacksonville,  
FL - 32201  
MAINE (Bath) (W J T O - AM 790 kHz - 1 kW D - C. P. 10 kW D  
500 w N and W T G Y - Class Class B) to Donald White,  
P. O. Box 329, Bath, ME - 094530  
MISSISSIPPI (Boyle) (W R D C1410 - 1kW D - C. P. 5 kW D - 1  
1 kW N - DA - 2) and (Cleveland W Q A Z -Class A) to  
Robert G. Johnson, Trustee, P. O. Box 1737, Cleveland, MS  
38732

IMPORTANT:

Effective Monday (May 21, 1990), the Commission has amended its rules and procedures by revising the Schedule of Fees now collected. The revised schedule of charges now includes fees for filing ownership reports, request for special temporary authority (STA), call letter changes, amendments to the FM table (rulemakings) etc.

And, in conjunction with the new fee schedule, the Commission has decided to adopt a new filing system for all filings which must be accompanied by a fee. Such applications must (effective May 21) be mailed or delivered by other means to a lockbox in Pittsburg, Pennsylvania. There's a different lock box number for various applications.

The prudent thing to do, in our view, before filing with fee, call the F.C.C. Fee Hotline (202) 632 3337 to make sure you have the correct form and correct and complete address.

MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

"VACATION MAP" W D M E AM/FM, Dover-Foxcroft, Maine, has printed 2,500 copies of a map of its area designed for tourists. Distribution is chamber of commerce and town offices, visitor information counters, etc. The map is marked with tourist spots of interest, climate information, description of local industries, and information about W D M E programming of particular interest to tourists (major league sports coverage, news broadcast times, Paul Harvey, etc.)

The map carries business card size ads which the station sells for \$100.00 each.

"GRADUATIONS" W D M E carries live (or recorded) broadcasts of graduation exercises in its area schools. Advertisers buy a package of pre broadcast announcements and get credit before and after the ceremony broadcast. These sponsorships are sold as a public service/goodwill gesture of the business.

BARTER OPPORTUNITY Steve Price, Senior Writer for "Bassmaster" magazine will host a new bass fishing program, which can be run either as 5 x 2' programs or 1 x 10' program weekly. National advertiser is Johnson and Evinrude outboard motors. Start date: 7-30-'90. Information: Images, (516) 939-2990.

Going After the Business .....

Jerry Papenfuss, owner of a small market group in Minnesota and the chairman of N. A. B's Small Market Committee, outlines for readers of N.A.B. News (5-7-'90) some of the steps he's taken to keep his grosses up. They include:

1. Conducting more prospecting, using a wider base of advertisers. More small accounts are being sought. Categories being successfully put on the air include: optometrists, hospitals, carpet cleaners, governments, attorneys, golf courses, recycling plants, security services, and churches (not programs - ads).

2. Working with more local merchant groups in small towns, downtowns, and small shopping centers. A small dollar amount for each merchant, a theme and a good joint rate makes an impact and good results.

3. Using an evening rate, early week rate, and overnight rates to turn these periods profitable.

\$ale\$ - S P E C I A L . . . . .

We believe that Harvey MacKay was on target in "Swim with the Sharks," when he said everybody in his business was a salesman. We further believe that in a radio station one of the most important "sales efforts" is the responsibility of those who answer the phone. We therefore include this item by Jim Domanski in the current issue of "Telemarketing":

- S STOP whatever you're doing when the phone rings.  
Stop chewing gum, stop writing, stop reading.  
Stop everything. You cannot overlap. Doing two things at once spells disaster.
- P PREPARE to listen. Don't let unnecessary items tempt you.
- E ENGAGE in a dialog. Actively listen by using an open ended question such as, "How may I help you?"  
Pay heed to the tone of your voice: Is it sincere? Does it show interest and concern?
- C COURTESY is vital. Let the customer speak without interruption. Here is your opportunity to determine the main point and the supporting points. Provide verbal feedback to encourage the customer to speak. For instance, "I see... go on...I follow..."
- I INTERACTIVELY listen. Go back to question and verify. Make certain you understand. Question until you have all the fact. Use closed-ended questions to get the details. This is the crucial step in understanding the customer's need, complaint or problem.
- A ACKNOWLEDGE. In other words, restate the problems as you see it and get the customer's agreement on the situation. By repeating the situation, you demonstrate that you have listened and you are equipped to deal with the problem (or direct it to a person who can).
- L LOG the information. From the moment you begin to talk to the customer, you should be taking notes. Do not rely on your memory. Keeping accurate records helps solve the problem (or answer a request).

(Editor's Note: We have long believed that answering the telephone should be the responsibility of 1 person at a time. Further, in our opinion, there should be a single log book (a spiral notebook) on which all incoming business calls are recorded, including time and date. Each person can check the single telephone log book for his/her messages. Much cheaper and more efficient than those, "While You Were Out" messages that too often get misplaced.

About This 'n' That .....

**COST OF LIVING** - The Gallup Organization says this is what it costs a family of 4 "to get along" in the U. S.

(Per Week)	Northeast	- Metropolitan	\$483
		- Non metropolitan	\$359
	Midwest	- Metropolitan	\$436
		- Non metropolitan	\$324
	South	- Metropolitan	\$404
		- Non metropolitan	\$344
	West	- Metropolitan	\$455
		- Non metropolitan	\$326

(American Demographics 5-'90)

**ABOUT SERVICE CLUBS** - Membership in the Jaycees nationwide has dropped from its 1979 high of 380,000 to a low last year of 227,000. It would have been worse if the Supreme Court in 1984 hadn't ordered the Jaycees to bring 30,000 women in auxiliaries into full membership. Problem is that younger people often regard the Jaycees as too parochial to help launch a career. Middle managers, who constitute the core of these organizations, work longer hours and have less time for such activities. When they do find the time, they often choose to spend it at highly specialized professional associations. To improve their membership figures, the Jaycees are going onto college campuses to organize chapters.

Membership problems are not confined to the Jaycees. Kiwanis U. S. membership has grown just 8,000 since 1980 to 270,000. Lions has dropped from 569,000 in 1980 to 524,000 last year.

(AdWeek - 4-23'90)

**ABOUT MANAGEMENT** - "THANK YOUS" - Be consistent. Don't just thank some of the people some of the time. You'll be accused of playing favorites. Reinforcement will work only if you do it consistently. There are 2 secrets to consistency. First, think through the results you want and the behavior that gets those results, and discuss it with your people. For example, you and your staff need to agree not only that customer service is important, but also how customer service is measured and what behaviors lead to good customer service.

Second, make reinforcement a regular part of meetings with your employees. This not only ensures consistent reinforcement, since it's done on a regular basis, but it also makes your staff meeting more positive. Too often, meetings are devoted to nothing but a discussion of problems. Building reinforcement into the regular agenda ensure that at least part of each meeting is spent celebrating successes.

(Fran Tarkenton in Entrepreneur  
5-'90)

## Small Market Support of the National Trade Associations

Two weeks ago (SMRNewsletter - 5-3-'90), N. A. B. informed 200 of its members that unless they made a substantial payment on their delinquent dues, they would be dropped from membership. An association executive told SMRNewsletter that these stations have not paid for 11 or more months. Letters was also sent to 150 other member stations on the "90 day list" asking them to bring their dues more current as soon as possible.

Is there a crisis in small market support of N. A. B.? The figures would indicate there is not. N. A. B. membership, according to the list provided the Small Market edition of Standard Rate and Data Service indicates that as of April, 46.9% of the small market stations were N. A. B. members. Even if all 350 delinquent members leave the association rolls, about 40% of the stations would still be in the fold. R. A. B. membership stands at 1186 or 27.5%. R. A. B. has for many years had a stringent collection policy, including the employment of SZABO Associates, an Atlanta based collection agency.

7 years ago (SMRNewsletter 6-23'83) carried a table showing the state by state small market support of N.A.B., R.A.B., and the then operating N. R. B. A. That association in 1986 was absorbed by N. A. B. 7 years ago, it had 447 small market station members (12.2%).

Below is an updated, state by state list of small market station membership. ( ) = the 7 year ago figures:  
(Separately programmed AM/FM combos are counted as 2 stations)

STATE	S.M.Stas*	N.A.B.	R.A.B.	STATE	S.M.Stas	N.A.B.	R.A.B.
AL	135 (109)	38%(35%)	28%(22%)	NE	67(57)	74%(57%)	54%(30%)
AZ	58 (39)	38%(36%)	21%(26%)	NV	13 (7)	46%(57%)	38%(14%)
AR	136 (113)	45%(50%)	24%(35%)	NH	28(27)	46%(48%)	38%(22%)
CA	139 (118)	57%(47%)	23%(25%)	NJ	27(27)	66%(52%)	41%(41%)
CO	70 (54)	43%(55%)	29%(31%)	NM	41(40)	50%(44%)	41%(40%)
CT	5 (4)	43%(25%)	---(20%)	NY	128(115)	44%(46%)	24%(34%)
DE	12 (8)	66%(25%)	50%(50%)	NC	205(195)	45%(58%)	32%(30%)
FL	115(112)	43%(39%)	36%(25%)	ND	29 (20)	45%(85%)	31%(60%)
GA	202(168)	40%(43%)	18%(13%)	OH	104 (93)	45%(54%)	46%(47%)
ID	44 (32)	50%(50%)	17%(34%)	OK	85 (70)	34%(59%)	40%(44%)
IL	129(110)	53%(62%)	36%(39%)	OR	85 (69)	52%(58%)	25%(41%)
IN	106(102)	54%(50%)	43%(33%)	PA	162(143)	46%(43%)	42%(39%)
IA	91 (77)	53%(53%)	23%(34%)	RI	3 (4)	100%(75%)	66%(50%)
KS	84 (70)	52%(54%)	32%(34%)	SC	108(108)	37%(49%)	22%(26%)
KY	169 (141)	41%(46%)	26%(13%)	SD	40 (35)	66%(66%)	48%(51%)
LA	99 (88)	51%(65%)	26%(38%)	TN	171(148)	59%(47%)	18%(26%)
ME	50 (34)	62%(47%)	26%(38%)	TX	243(217)	34%(42%)	18%(24%)
MD	42 (28)	64%(43%)	38%(36%)	UT	30 (24)	27%(58%)	17%(54%)
MA	26 (20)	58%(40%)	38%(35%)	VT	34 (27)	58%(63%)	47%(40%)
MI	135 (99)	50%(51%)	43%(46%)	VA	122(111)	48%(59%)	21%(19%)
MN	122 (103)	74%(70%)	38%(52%)	WA	55 (49)	39%(38%)	35%(43%)
MS	129 (117)	39%(45%)	9%(38%)	WV	81 (58)	46%(52%)	28%(31%)
MO	142 (117)	46%(51%)	25%(32%)	WI	113 (89)	46%(53%)	31%(32%)
MT	57 (46)	56%(63%)	13%(57%)	WY	44 (31)	34%(39%)	48%(65%)

(\* City of License 25,000 & under)

## THE LAST WORD

What's wrong? The fact that N. A. B. has serious collection problems with something approaching 10% of its radio membership, we believe, is significant. The over half of the small market radio stations in this country who support neither R.A.B. or N.A.B., is in most cases we believe not a question of serious policy disagreement or not wanting to support the industry. The state associations get support from only 60% to 75% of the stations in their states. Station owners are not "mad" at everybody. We believe the problem is economic.

We spend a good bit of our time traveling, and like most radio people listen to the radio. In our business, we have the unique opportunity of viewing the operation of many stations and visiting with their managements in person and on the phone daily. This is a tough business! But, I don't think its any tougher than running an automobile agency, bank, furniture store, etc. All businesses have seen their competition grow in numbers and management sauve. The truth is, almost all lines of businesses have grown faster than the marketplace.

The fact that there are more radio stations is only part of the problem. The real problem, we believe, is that too many radio station managements, small market and city "ratings also rans" have not come to grips with some simple truths, the first of which is that advertisers divide their advertising into 2 basic categories: expense and productive. A good business person will not spend more than 10% of his advertising dollars on expense (institutional) advertising. There are too many radio stations going after that small (10% or less) of the "advertising pie." There are too many radio stations to operate profitably out of that very small part of advertising investments.

In our view, the ratings services are seriously damaging radio's chance at the productive advertising "pie." Those ratings have created an atmosphere where a station's audience is reduced to a series of numbers on which agencies bid. Grid cards, based on the premise that "spot" prices are not set by value but demand. Radio has been turned into something resembling the Chicago hog market - rather than an opportunity for an advertiser to speak "one to one" to hundreds and thousands of people with repetition. The buying by the point system too often overlooks whether those "estimated" listeners are active or passive listeners.

Those ratings are increasingly being manipulated by programming gurus who have learned to "beat the system," by doing what they've learned will cause people in the minuscule sample to report that they've listened to - - - -. They have found out that the ratings reflect what people did, what they think they did, and what they were expected to do. As one guru tells his clients, "perception is reality."

No good business person is going to invest much of his/her productive (90%) advertising money on a medium with such a flaky selling proposition. Too many small market stations and city "ratings also rans" are trying to play "the big guy's game." Believe it or not, "the big guys" don't do really that well. Even the station who has manipulated the ratings and driven its "grid card" up gets only a fraction of the advertising in the marketplace. A good day at one of these stations is equal to only a few pages of the "dinosaur" daily newspaper.

Even the programming gurus admit that a valid, compelling radio ad directed to the right people often enough will produce results on even a station with a tiny audience. Yet, since their job is masking perception reality, they order their stations to hide, cluster, and schedule commercials where they'll do the "least harm to the rating book." Understandable. The guru is held accountable for the rating book - not whether ads on the station produce results.

"Buying by the numbers" is most often done by people spending someone else's money (agencies and ad managers) who "have to justify the buy." The person spending his own money will spend real money to increase profits, cut losses, fight competition, further a personal interest, or escape boredom. The big money goes to the medium which can help realize opportunities and solve problems. The stations that program and sell to this objective will survive - and most will prosper. Few of "the big guy mimics" will.

A disciplined, customer focused sales effort is central --- but, it is not enough. Everybody in the radio station has to understand what the business is and what his or her contribution must be. Each person (the on air people, the bookkeeper, the receptionist et al) must understand what the real purpose of the business is and what his or her contribution to that purpose is. The small market stations and the city "ratings also rans" cannot, in our experience, afford to conduct their business any other way.

For years, small market stations have viewed themselves and allowed their program people to view the station as a training ground to practice and refine their skills for a "chance at the big time." In all fairness, that is not an unfair view for ambitious newcomers to take, but, it must be secondary to what the purpose of the station is for, the investors, the management, and the community.

Sure, there are too many stations (and other media) - and there's going to be more, but, "A good salesman is always welcome."

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SMALL MARKET RADIO NEWSLETTER (Inc.) IS PUBLISHED WEEKLY AND MAILED FIRST CLASS TO SUBSCRIBERS IN 50 STATES, POSSESSIONS, AND CANADA. SUBSCRIPTION: \$109.00 PER YEAR (26 WEEKS: \$57.00 - 13 WEEKS: \$33.00). ADDRESS: 275 19th STREET, OTSEGO, MICHIGAN - 49078 - (616) 694 9357--FAX: 616 692 6789



**S**mall  
**M**arket  
**R**adio  
**N**ewsletter  
Inc.

Bob Doll - Publisher and Editor  
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VOLUME VII - Issue #52 - May 24, 1990

**MANDATORY AM STEREO AND A CODE** - Don't expect any N.A.B. action on either. Both a mandatory requirement that all AM stations would have to broadcast in stereo and the adoption of a "Code of Good Practices" will come up for a vote at next month's N.A.B. Board meeting. The board, in one member's words, "is divided right down the middle - 50% for and 50% against. I don't think N.A.B. will want to go on record if the vote is that close." F.C.C. chief Al Sikes has let it be known that he is in favor of broadcasters adopting a code - and many AM proponents believe AM stereo is an essential step in getting the medium to near parity with FM.

**ASCAP'S EFFORTS TO COLLECT ON SATELLITE AND BARTAR SYNDICATION** spots came up for discussion this week's N.A.B. Small Market Meeting (Washington 5-14/15). The committee wants the N.A.B. board to ask ASCAP "to back off."

**ADVERTISING IN 1989 UP 5%**, according to data from McCann-Erickson. Their figures show newspapers were up 3.8%, TV 4.7%, radio 6.7%. Yellow pages did better than radio, according to ME, posting a 7.1% increase. ME, which forecast a 6% advertising increase for 1990 has adjusted its figures downward - more than 5%, but less than 6% for this year.

**N.A.B HAS ASKED F.C.C. TO REVERSE** its year old rules allowing directional antennas on FM stations. N.A.B. claims there is growing interference on the FM band and that it's being aggravated by directional antennas. N.A.B. wants an immediate freeze on grants for directional FM antennas while a re-examination takes place.

**REGULAR PRICE VS. SALE PRICE** - A Colorado court may rule that a retailer can advertise discounts only from higher prices at which goods actually were sold - not just offered for sale.

**ABOUT YOUR CUSTOMERS** - Average per location sales for McDonald's rose only 1.6% last year (vs. 6.3% in 1988 and 9.7% in 1987 (Advertising Age 5-14-'90). ... Households spend an average of \$74.00 a week at the supermarket (\$29.00 per person (no change in a year). Shoppers shop 2 times per week.

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(616) 694-9357

Otsego, Michigan 49078

275 19th Street

At the F. C. C. ....

NEW STATIONS (Granted):

CALIFORNIA (Auberry) FM 105 Mountain Air 105.1 708w 1,902'  
(Ford City) FM Ford City B'c'g. 102.1 3 kW 328'  
(Fort Bragg) FM Susan I. Waters 96.7 3 kW 328'  
DELAWARE (Lewes) FM Susan Romain 105.9 3 kW 300'  
IOWA (Sioux Rapids) FM Donald Swanson 102.9 50 kW 492'  
MICHIGAN (Buchanan) FM Marion Williams 99.1 3 kW 328'  
NEW YORK (Hoosick Falls) FM Brian Larson 97.5 3 kW 328'  
(Palmyra) FM Palmyra B'c'g. 99.7 3 kW 328'  
(Webster) FM Webster-Fuller Comm. 102.7 3 kW 328'  
OHIO (Huron) FM Firelands Broadcasting 95.1 3 kW 328'  
(Swanton) FM Swan Creek Comm. 107.3 3 kW 328'  
TEXAS (Bay City) Amerman Enterprises 95.1 25 kW 328'  
(Midland) FM Three Card Enterprises 95.1 2.5 kW 323'.  
VERMONT (Derby Center) FM Steele Comm. 92.1 3 kW 328'  
WASHINGTON (Limira) FM Value Radio 105.7 3 kW 328'

INVOLUNTARY TRANSFERS:

CALIFORNIA (Lodi) K C V R - 1570 5 kW D - 34 w N/K W I N -  
Class A FM to Turnbeagh Communications, Debtor in  
Possession, 7808 Kelly Drive, Suite A, Stockton, CA -  
95207 (900418ED)

MICHIGAN (Flint) W F L T (1420 1 kW D) to W A M M, Inc.,  
Debtor in Possession, 24901 Northwestern Highway, Suite  
511, Southfield, MI - 48075 (900420ED).

(No actions on the FM Table were reported this week.)

And .....

The F.C.C. issued a reminder last week that AM stations must be in compliance with the new N.R.S.C. emission standard by June 30. Stations not in compliance face fines up to \$25,000.

ABOUT FILING FEES - Effective May 21, all renewal applications (F.C.C. Form 303-S) and ownership reports (F.C.C. Form 323) must be filed with the Commission lock-box, Mellon Bank, Pittsburg, Pennsylvania. The renewal application must be accompanied by a \$100.00 filing fee, and the Fee Processing Form (F.C.C. Form 155). Additionally, annual ownership reports (or letters in lieu of new reports where no change has occurred) must be filed and mailed separate from the renewal application and must be accompanied by a separate \$35.00 filing fee and a separate Form 155 for the ownership report or letter.

For specific filing instructions, including fee codes and the mailing address for each document, applicants are asked to review the Mass Media Services Fee Filing Guide or call (202) 632 3337 --- that's (202) 632 FEES.

MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

"ADVERTISER OF THE  
DAY"

It has run each May for 20 years on K L G A, Algona, Iowa. It was started as a "Radio Month" promotion, but, could work just as well during a station's anniversary month.

31 regular advertisers buy an extra schedule of radio ads and provide a \$10.00 to \$20.00 prize.

Each day during the month, 1 of the 31 advertiser's name is broadcast 1 time per daypart (5 times total). write the advertiser's names on a post card or plain sheet of paper and mail it to the station during the first week of June. On the first day of the second week of June, 31 names are drawn from the correct entries.

Jason Etherington, long time K L G A sales manager, says the contest draws between 700 and 800 entries from throughout K L G A's signal area. In addition to providing 31 extra expenditures from regular clients, the mail results make an attractive sales piece - "a lot more effective than those 'numbers' from a county rating study," he says.

"HAPPY BIRTHDAY  
AMERICA"

Many stations program music "to watch fireworks by" which listeners can tune in on their car or portable radio during the community fireworks display."

Many other stations program a patriotic selection per hour (and sell them) or do a music special.

Broadcast Programming, Inc. has reels of patriotic music available, format compatible. There are 25 to 28 selections per tape (about 90 minutes). 1 tape is \$70.00 or 3 tapes (all different selections) \$150.00 - 1 time charge. Call 1-800 426 9082.

"SPECIAL OPPORTUNITY" The Music City News Awards show, by Barbara Mandrell and Jimmy Dean, will be available on barter via Satcom 1R (transponder 23), Monday, June 4, 9: P.M. to 11: P.M. (212)916 1041.

\$ale\$ - Getting Past Hello .....

One of the best commonsense sales columns we read is the one in "Farm Store" magazine, authored by Steve Duea of Mankato, Minnesota based Personnel Power. This month he points out that "Professional salespeople remember that they're making a business call, not a social visit."

He says salespeople sometimes stall when they're in front of a new customer. They're reluctant to let the customer know why they're there. Wrong assumptions, he says, create this hesitancy:

"Maybe the customer won't want to see me."

"This prospect will not be interested in changing (media)."

"I don't want to come across as too high pressure."

"I want to be liked and welcomed back."

"He might ask questions or raise objections I can't answer."

Duea recommends staying away from time killers like the weather, sports, business conditions. He says, when a customer sees you coming, he'll ask himself, "Who is this? What does he want? How long is it going to take?"

Duea recommends what he calls the Two-Minute Drill. Be prepared he says to do the following in the first 2 minutes of a call:

Your name. He wants to know who you are - not your family history.

Your company. Identify your company. You don't have to sell it. Save that for the presentation. If it's been around a while, he probably knows about it.

Purpose. "Here's where many people struggle for words. Tell the customer exactly why you're there. If you just want to introduce yourself and learn about his operation, say so. Some sales people say, 'I would like to discuss your needs' or talk about a new product or service, a special, etc." He believes, "The sooner you tell the customer why you're there, the more comfortable you will be. More important, the prospect will be more comfortable."

Time. Ask for a specific amount of time. Don't say, "a couple of minutes." If you ask for 10 minutes, the prospect will respond with "yes," "no," or "that's all the time I have." If the answer is "no," he asks, "aren't you glad you asked?" Generally, he'll tell you why he doesn't have the time and when would be better.

If you used up your promised time (say 10 minutes), find out if he wants to continue the discussion. Duea says that he believes it's important to have a

relationship-building casual conversation, but he says, don't do it until you've taken the steps in what he calls "the 2-minute drill."

## L E T T E R S

"So there are 200 stations who can't or won't pay their N. A. B. dues - and 150 more that are seriously behind. N. A. B. apparently doesn't think there's undo financial stress in the industry. For us folks in small market radio this should give us a good idea of how little they understand how tough it is to make it in small towns.

In our community of 25,000, there are 4 broadcast properties - all separately owned, 2 C.Ps. not on the air and 1 just applied for allocation, 5 TV translators who will insert your ad in "Wheel of Fortune" for \$10.00, 2 newspapers, a shopper, a cable system selling ads, 2 different "Yellow Pages." As if that weren't enough, people who just want music can listen to the big Phoenix stations telling people how bad commercials are.

Bill Taylor  
K Q S S-FM, Miami, AZ

Do you really expect N.A. B. to admit to a relationship between small market delinquency figures and unhappiness with N.A.B.? I'm surprised the number isn't higher.

On important issues effecting small market broadcasters, N. A. B. is very poor e. g. the ban on tobacco advertising and lowest unit rate (political) - both of which I think are unconstitutional. They're about to do it again on beer and wine advertising and free political advertising.

N.A.B. eliminated traveling reps, one of our last opportunities to actually talk personally to N. A. B. representatives who actually had a feeling for our local markets.

David Kelly  
KWPN AM-FM, West Point, NE

Everytime I hear a station proclaim "Commercial Free - Less Talk," I cringe. If radio was meant to be a "juke box", they would have put coin slots in them with a list of tunes the audience could select.

Some stations have gone so far as to play their commercials where they'll "hurt" listeners the least. If they're hidden well enough, maybe the listeners won't hear them and be offended.

Radio must spend more time to improve the quality of the commercials (value to listeners) and less time trying to hide them.

Darrell Solberg  
D.D.S, Sales Training, Sioux  
Falls, SD

## SCHOOL'S OUT SAFETY

Everybody is in a hurry. \_\_\_\_\_ says, school's out. Let's slow down. Let's watch for youngsters who are enjoying the Summertime and may not be as alert and careful as they should be. \_\_\_\_\_ says, Let's make this the safest Summer ever.

The number of bicycle riders will be at an all time high this Summer. Unfortunately, more youngsters on bicycles will be seriously injured or killed than ever. \_\_\_\_\_ reminds you to be on the lookout for young people on bikes. Be extra alert. Join \_\_\_\_\_ in making this the safest Summer ever.

When was the last time you looked at your speedometer as you drove through a residential neighborhood? \_\_\_\_\_ reminds you that this time of the year, speed can bring injury or even death to a child who wasn't expecting your car. \_\_\_\_\_ says, watch your speed and watch for the kids.

\_\_\_\_\_ hopes you'll tell your children that there are rules for safe playing. Remind them to watch carefully as they cross the street. Remind them not to run into a street or abruptly ride their bike into the street. Ask your children to join in making this the safest Summer ever. That's what \_\_\_\_\_ wants it to be.

What was the first safety rule you were taught? It most likely was, "Look both ways before you cross the street." \_\_\_\_\_ says that rule still applies to both little "kids" and big "kids." Remind your youngsters that there are a lot of careless drivers. Stay alert! \_\_\_\_\_ says, a safe and happy Summer is everybody's business - young and old alike.

If a child darted suddenly into the path of your car, could you stop? \_\_\_\_\_ says, your best chance comes if you are driving at the posted speed limit. School's out! \_\_\_\_\_ reminds you that a safe Summer needs everybody's help. Talk to your children about safety. Observe the rules of safety.

Do you encourage your local police to enforce traffic laws fairly? \_\_\_\_\_ hopes you do. Do your part by strictly observing speed limits and other safe driving rules. School's out! You're sharing the streets with many youngsters. They may not be as careful as they should be. \_\_\_\_\_ says, "Let's all do our part in making this the safest Summer ever."

How many times have you said about another driver, "He drives like a kid." \_\_\_\_\_ says, too often it's the "kid" who suffers from the actions of the careless driver. \_\_\_\_\_ reminds you that fair traffic law enforcement deserves everybody's support. Talk to your children about the rules of safety and set a good example.

Why Not Year 'round?" .....

Robin Rothchild was an aerobics instructor in New York City. She often weekended in Southern Vermont enjoying skiing in the winter and clean fresh air, cool weather and scenery in the summer. As she tells it now, "I said to myself, 'Why not live here year 'round?'"

After looking at several opportunities, she settled on building a radio station. "The nearest stations were 18 miles away from Mt. Snow and the other ski areas. I thought the area needed its own radio station."

Radio was not completely foreign to Robin. Her father, George E. Newton, spent 28 years at the F. C. C. in Washington - where Robin grew up. She says, "His hobbies were 'ham radio' and 'C. B. I was around radio all my life."

When Robin approached her father with the idea of building a station, he suggested she get professional help. A consulting engineer and communications attorney initiated a rulemaking to assign an FM frequency to West Dover, Vermont. It took 5 years from the request for a rulemaking in 1984 to the station's sign on June 1, 1989.

Not only was the obtaining of a license a long process, there were numerous hurdles to cross with the U. S. Forest Service. The W V A Y tower is a 30 foot structure perched 3,800 feet above average terrain, atop Mount Snow - 2 miles from her studio on the second floor of an office complex in the small community of West Dover.

Robin says she could have been intimidated by equipment sellers and station construction people. "I solved that problem by getting a 'turn key' construction from Radio Systems in Bridgeport, New Jersey. The construction was completed without a hitch, and, after talking to other neophyte broadcasters, I'm sure I saved money."

Robin estimates that there are about 10 FM stations "putting a good signal into her market. I decided that our programming would have to be different and locally originated - no satellite or syndication."

She hired 4 experienced radio personalities. "With all of the format and ownership changes and stations going to satellite and automated programming, there were a lot of really good people available when I recruited my staff. They were eager to enjoy the great lifestyle here and share in the experience of putting a new station on the air."

Robin and her program people came up with a unique, but un-offensive blend of soft, modern jazz interspersed with compatible light rock, folk, etc.

The 24 hour a day schedule is handled by the 4 programmers, each of whom has an extra duty in addition to his/her 6 hour air shift: program director, music director, production director, and p.s.a. director. There are also some part-timers from towns in the area.

The station quickly showed its strength. Less than a month and a half after W V A Y went on the air, it co-sponsored a concert by a popular jazz artist. It filled the entertainment arena at Mount Snow to overflowing. The station and the co-sponsor, a soft drink distributor, will repeat the event this July.

At Christmastime, W V A Y sponsored a concert, admission to which was gained by donating 2 items of canned goods or a toy. 2 truckloads were collected for the needy.

During "prom season," the station, in co-operation with the local chapters of Students Against Drunk Driving, is sponsoring an anti alcohol and drug abuse campaign. There are posters, made by SADD members displayed prominently in store windows in each of the small communities WWAY serves.

W V A Y's major sales effort has centered around 2 "survival guides" - a winter one and a summer edition. The guides (44 pages) include descriptions of area attractions, listing of special events, emergency numbers, etc. and advertising which is sold with complimentary radio ad schedules at \$2,000.00 to \$4,000. over 6 months.

About W V A Y's business, she says, "radio advertising was something brand new for many of the businesses in the small communities we serve. There was a lot of 'missionary work' to be done - and of course, there's the current recessionary climate in New England with which to contend. We (she and her 8 person staff) are working hard. The communities like the station. I'm sure it will be profitable."

#### THE LAST WORD

We understand that both the N.A.B. Radio Board and the Small Market Committee are polarized on the subject adopting a "Code of Good Practices." We believe that formulating one and protecting the industry against running afoul of the antitrust laws is a formidable task - but not impossible. It is also necessary. Such a code, we believe, can offer some protection against this business suffering what has happened in others. Simple economics have shown that when a line of business gets overcrowded, bad operators tend to bring good operators down to their level. A code, in our opinion, can help that from happening in radio broadcasting.

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**S**mall  
**M**arket  
**R**adio  
**N**ewsletter  
Inc.

Bob Doll - Publisher and Editor  
Barbara J. Doll - Circulation

VOLUME VIII - Issue #1 - May 31, 1990

**\$300,000.00 IN "NEW MONEY"** - A new regulation at the F.C.C. requires station licenses to file a 1-line letter each year on the anniversary date of their license stating "there has been no change in the ownership of station ---." The letter must be accompanied by the new "Fee Form" #155 and accompanied by a check for \$35.00. N.A.B. in a formal filing last week protested the fee.

**A DECADE FOR OPERATORS - NOT SPECULATORS** - That's the prediction of Tom Buono, publisher of "Broadcast Investment Analysts," which chronicals the buying and selling of radio stations. He told a New York seminar that in the 1990s, "running a solid operation and not just quick spins is the key to success." He believes that 7 to 9 times cash flow will be the predominant valuation in station sales throughout the decade.

**THE CONTINUED TAX DEDUCTIBILITY OF ADS** is sure to come up for discussion as the administration and Congress look for new revenue. The possibility of making advertisers capitalize ad costs, rather than deducting them, has been discussed recently.

**RETAIL SALES - WHAT'S GOING ON?** - The Bureau of the Census says retail sales were down - 0.6% in April from March, but, 3.4% higher than April 1989. They were even with March and 5.6% of the year before if auto sales are removed. Auto sales were down -4.4% from April, 1989. On a year to year basis: building materials/hardware + .8%, furniture/home equipment + 4.2%, general merchandise +5.7%, food stores +6.6%, gasoline service stations + 2.5%, apparel/accessory stores +2.9%, eating and drinking places +5.9%, drug stores +9.3%.  
(Ad Week 5-21-'90)

**SELLING! A PICNIC!** - Jim Williams is traveling the country this summer conducting "Picnic of Successful Ideas for Selling Radio Ads." He's booked 5 already including California on the Stamford University campus. Says he still has open dates. Information (703) 525 0440.

**YOUR EDITOR IS DOING PROGRAMS** for Iowa Broadcasters (Cedar Rapids 6-19/21) and South Dakota Broadcasters (Medora 6-29/30)

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

(616) 694-9357

Otsego, Michigan 49078

275 19th Street

At the F. C. C. ....

NEW STATIONS (Granted):

COLORADO (Aspen) FM Aspen FM, Inc. 101.7 3 kW(equ) 328'(equ)  
IOWA (Des Moines) FM Ronald Sorenson 107 .5 50 kW 492'  
KENTUCKY (Hawesville) FM Joel Aldrich 105.7 3 KkW 328'  
MISSISSIPPI (Longbeach) FM Beach B'c'g. L.P. 94.5 3 kW 328'  
SOUTH CAROLINA (Murrells Inlet) FM Inlet B'c'g., Inc. 94.5  
3 kW 328'  
VIRGINIA (Charlottesville) FM Spectrum B'c'G. Corp. 107.5  
3 kW 328'

(Note: Again this week there was no published activity on  
the FM Table)

Also at the F. C. C. ....

AM RADIO STATION, W K S P, Kingstree, South Carolina, has  
been ordered to show cause why its license should not be  
revoked for failing to disclose the felony drug conviction  
of its principal owner. The issue came to light during a  
hearing for a new FM license at Kingstree.

FM RADIO STATION, W A V W, Vero Beach, Florida, has had its  
license conditionally renewed, subject to reporting  
conditions. Its licensee, Treasure Coast Radio, Inc., has  
been notified of an apparent liability for a fine in the  
amount of \$10,000.00. The Commission says, it found  
Treasure Coast has failed to take meaningful and regular  
steps to recruit qualified minorities and to analyze the  
station's efforts to recruit and hire qualified minorities.

CAN AN AM STATION USE AN FM TRANSLATOR TO FILL SIGNAL  
"HOLES?" The question remains unanswered as the F. C. C.  
has returned a Bellingham, Washington station's application.  
The K G M I application for an FM translator was sent back  
because of the current freeze on FM translator applications.  
The Commission did not rule on the appropriateness of the  
application.

THE F.A.A. HAS MADE TWO CHANGES IN ITS COMPUTER PROGRAM  
which the F.C.C. believes will give a "more reasonable"  
assessment of FM interference for broadcast tower  
construction. An F.C.C. official, Bill Hassinger, suggested  
that stations turned down previously for tower sites based  
on the F.A.A. calculations "might reapply."

("Radio World" 5-23-90)

MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

"UGLY TRUCK" K G F X, Pierre, South Dakota, bought a 10 year old "beat up" pick up truck. 30 advertisers bought a schedule and donated 1 service or item to restore the truck e. g. paint job, new tires, upholstery job. Each advertiser held a separate drawing, the winner receiving a key. The 30 winners showed up, with their keys, at the grand prize award. The truck went to the registrant who's key started the restored "ugly truck." Each of the 29 other winners got a small consolation prize.

"4-H BEEF" Like many radio stations, K D G O, Durango Colorado, purchases a beef each year at county fair 4-H Auction. The station has the beef prepared for the freezer, giving parts away on radio games e. g. "the # caller who --- wins a roast or 4 steaks or 3 pounds of ground beef, etc.

K D G O ties the giveaway in with a utility company's dealer freezer promotion, giving the beef winners a chance to win a grand prize of a freezer.

"RODEO TIE IN" As a schedule extender, the promoters of a rodeo gave K J U N, Puyallup, Washington, 100 tickets to the event. Listeners to country music station were told, "When you hear a song played with the word 'cowboy' in the lyrics, be the first to call and win a free admission to the --- rodeo."

About Wal Mart .....

The June edition of "American Demographics" carries an article about Wal Mart and their impact on "small town America." An economist at Iowa State University, Ames, who has studied Wal Mart operations in that state, says, the average small town Wal Mart Store there is doing \$10-million a year - \$8-million coming at the expense of "surrounding stores." General merchandise stores are hurt the most, he says, but specialty stores that offer similar merchandise also suffer. After a Wal Mart arrives, he's found, "a town's 'trade area' typically increases, bringing more shoppers from neighboring towns. Much of that cash goes to Wal Mart, but restaurants and building material firms benefit from "spillover" sales. The surviving retailers generally carry specialized merchandise and offer customer services that Wal Mart can't touch. 40% of Wal Mart customers have incomes below \$20,000.00 a year (national median \$24,484.00). Low prices are Wal Mart's primary draw.

\$ale\$ - Is There A recession in your Mind?

There are 2 basic strategies for dealing with life's challenges - offensive and defensive. The purpose of the offensive strategy is to win. The purpose of the defensive strategy is to survive.

Salespeople on the defense path look defensive, they sigh frequently, they tell lengthy stories about tough prospects, insurmountable objections and impossible selling situations.

Salespeople on the offensive look alert, confident and ready. Their stories have a slight hint of arrogance when they describe how they've cracked the impossible account, how they've found a group of fresh prospects or how they've made an extra \$1,000.00 by upselling an existing customer.

In combat training, fighter pilots learn that the opponent who shows signs of a defensive strategy won't shoot at them because he is intensely preoccupied with getting away from the danger zone. Salespeople who try to ride out a recession with a defensive strategy are so preoccupied with protecting existing accounts that they tend to overlook the opportunities for new business. As a result, they spend too much time with their customers out of fear of losing them, instead of attacking the challenges and opportunities that are being pursued by their competition. Their main concern is to hang on and not rock the boat.

Salespeople, who respond to an economic slowdown with an offensive strategy win battles every single day. They invest extra time courting new prospects, their enthusiasm brings smiles to the face of the gloomiest buyer and their sharp techniques lead to new accounts and higher market share.

The defensive strategy is fear motivated. The best you can do with it is to survive. The offensive strategy is driven by the craving for victory and there are no limits to your possibilities. No wonder fighter pilots pick the eagle for their symbol and no wonder some managers hand out turkeys to their aces.

Gerhard Gschwandtner, Editor  
"Personal Selling Power"  
Box 5467  
Fredericksburg, VA - 22403

\$ale\$ -- Dealing with An Ultimatum .....

When a customer says, "there's no point in talking, unless you can make it cheaper.," the best technique is to simply set aside the demand, say Robin T. Peterson and David J. Lill in an article on negotiating the sale. Their advice is to "go on, as though the point is not a big deal, and find points that can be agreed upon to garner some momentum for reaching a full agreement. If an agreement is reached on other points, the ultimatum may become less important."

"Sales and Marketing Management"

About Programming - In the Absence of a Code .....

Last week, SMRNewsletter reported that the N. A. B. Small Market Committee and the N. A. B. Radio Board "are polarized" on the matter of re-establishing a "Radio Code" - half the membership of each group is for it - the other half against it.

The Commission is meting out fines and Chairman Al Sikes has made it known that he thinks the industry should regulate itself by adopting a code.

Jerry Papenfuss, chairman of the small market group and a member of the radio board, owns a group of 3 small market operations in Minnesota. In January, he circulated a memo to members of his staffs. The memo, made without benefit of legal counsel, follows:

Whereas the F. C. C. has expressed concern regarding the broadcast of programming and commercials which may be offensive to listeners, and

Whereas, our station has prior to and without directives from the F. C. C. not received complaints regarding decency in programming or commercials and wishes to maintain this situation, the following guidelines will continue as of February 1, 1990:

- \*\*\* Our stations operate in a non-metropolitan area which exhibits traditional values and which generally would find obscene, vulgar, or off color remarks offensive.
- \*\*\* On air talent and commercial producers will continue the tradition of respecting these values by providing high quality, entertaining, and informative material.
- \*\*\* Should on air talent or commercial producers question whether specific material is appropriate, it is the responsibility of that individual to consult with the general manager.
- \*\*\* In the event that offensive material is aired, material will be removed so as to discontinue airing same and the producer/in air talent shall in the future broadcast material conforming to the stated standard.

Employees signify that they have read and are in agreement with this statement by affixing their signatures below. All new employees will read this statement and are to sign as part of their orientation.

## Management - The 5 Most Dangerous Mistakes .....

Burton Gruber, C. P. A., managing partner in a nationally known accounting and business consulting firm, says that most troubled companies can trace their problems to 1 or more of the following 5 common management mistakes:

1. Failure to review and revise sales forecasts. When a business has a recent history of consistent yearly sales improvement, it is often assumed that uninterrupted growth will continue. When forecasts turn out to be overly optimistic, operating results suffer.
2. Inattention to financial reports. When business drops off, managers tend to direct their attention to sales. This often involves the management devoting increased time and effort to sales. As a result, key financial reports are put on the back burner and left there to simmer. Profit projections and cash flow forecasts aren't reviewed as diligently as they should be. Slowly but surely, the business begins to slide into financial trouble.
3. Weak financial controls. If too many employees are authorized to make purchases and business softens, a business can be faced with increased costs and reduced margin.
4. Failure to modify the product. Too often, businesses continue to offer product so they can claim a "complete" line. (In a radio station that may mean program features that fail to attract sufficient advertiser support to produce a satisfactory contribution to the station's overall operation.) The result is higher hidden cost which can severely damage the total profit picture.
5. Doing business as usual. Be flexible and prepared to move quickly. For example, just because it's always been your policy to increase rates once a year doesn't mean that's the best policy for today's business climate. Keep an eye on costs. If they're increasing beyond expectations, take a hard look at market conditions and consider raising prices if sales won't be materially damaged.

Pace Warehouses Member  
Letter

(Editor's Note: When the pressures on you've got to play harder. In a radio station, that means increased selling effort. Don't let anybody tell you that you can't "Sell your way out of a problem," but, you don't want to neglect keeping a watchful eye on "the scoreboard" - your financial reports.

SMRNewsletter On its 7th Birthday .....

The success this publication has enjoyed can be attributed, we think, more than anything else to the generous and candid way our subscribers have shared experiences and thoughtful opinion. We share some of them again with you here:

About the small market radio business:

"No other business offers the opportunity of being part of things as this business does."

(Ralph Wittick, K P C O, Quincy, CA - 2-7-'85)

This business has always been short on benefits and security, but, long on opportunity."

(Ray Livesay, W L B H, Mattoon, IL - 6-5-'86)

"I think good, well managed small market stations are still good investments - and, it's a lot more fun than just waiting for the mailman to bring you an interest check."

(Glenn Olson, GO Radio, Webster City, IA 3-21-'85)

About making your station successful:

"Most stations are in the music business or the news business, supported by advertising. We're in the advertising business, supported by programming."

(Jerrell Shepherd, Shepherd Group, Moberly, MO  
11-17-'83)

"In this business, you have to know what you are, where you are, and who you are."

(Al Wynn, K O D L, The Dalles, OR - 11-27-'85)

"It's not doing big things, it's doing a lot of little things day after day after day."

(Asa Dudley, W T B F, Troy, AL - 4-5-'90)

Dealing with tough times and situations:

"Don't let your competitors program your station or set your rates. Row your own boat."

(Houston Pearce, W A R F, Jasper, AL - 11-12-'86)

"Things are bad here (the economy), but, I like to think, not as bad as they'd be if the station and I weren't here."

(Paul Robinson, K W A L, Osburn, ID - 1-16-'86)

"It's not important that we're not on at night (a daytime AM). It is important that we're on during the day - radio's prime time."

(Talbot Hood, W K B K, Keene, NH - 5-8-'86)

About this 'n' that .....

"Be yourself. That will make you different and noticed."

(Jim Westerhold, W L K R, Norwalk, OH - 6-12-'84)

After a permanently crippling skiing accident, "There isn't much left in life, if you lose your optimism."

(Fred Hirsch - W D M E, Dover-Foxcroft, ME-4-14-'88)

"Stay in the selling and building mode. When you do, your customers win and you win."

(Dean Sorenson, Sorenson Group, SD, ND, MN, IA 2-18-'88)

#### THE LAST WORD

Re-reading the early issues of SMALL MARKET RADIO NEWSLETTER was an exercise akin to listening to a tape of a newscast you did your first week on the air or watching a video tape of your very first sales call. To be charitable those early issues "were rough" They were written on a typewriter I'd bought at a sheriff's auction for \$15.00.

In the cover letter that was sent with a sample of Issue #1, I said, "We intend to provide you with news and ideas you can use to make your station a better service to its community and more profitable for its investors." I didn't know it at the time, but, that was our "mission statement." One of the first "fan letters," accompanied by a subscription check said, "I read the first issue and knew you had something I couldn't find elsewhere - something that could help me."

I believe the central issue in your business, like mine, is this, "How can I help my customer make his business better?" Answering that question and acting on that answer requires a constant and growing curiosity and discipline, practice, and polishing of our skills. It requires genuine enthusiasm that inspires those with whom we work and others with whom we come in contact. The person capable of that more often says "I believe" than "I know." He or she is never satisfied or quite comfortable. There's always another step to climb. The writer Thomas Wolfe described entrepreneurs as "seekers."

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IN OUR  
8th  
YEAR



Bob Doll - Publisher and Editor  
Barbara J. Doll - Circulation

VOLUME VIII - Issue #2 - June 7, 1990

**T.N.N.R. CALLS IT QUILTS** - The Nashville Network Radio, based in Nashville, has notified its affiliates that it will cease feeding full-time programming on June 30. It will continue to distribute special events and weekend feature programs. The network went on the air 1-1/2 years ago. Its full-time affiliates grew to something over 50. It was co-owned by Gaylord Broadcasting (W S M, the Grand Old Opry, various Opryland enterprises) and Westinghouse, with whom it is a partner in the Nashville Network on cable television.

**"MUSIC ON HOLD" - ASCAP WANTS MONEY** - A Wilmington, N.C. personnel service, according to an SMRNewsletter subscriber, has been notified that it must pay ASCAP \$135.00 for using a local radio station on its telephone "on hold." ASCAP has an annual rate of \$135.00 for businesses with 1 to 10 trunk lines - \$270.00 for 11 to 50 lines.

**ASCAP FEES FOR SATELLITE NETWORK PROGRAMMING** - Satellite Music Network told SMRNewsletter last week, "We don't believe stations owe ASCAP for the spots on our networks." Roy Simpson, SMN's sales manager, said, "Even if they did, it would be a very small amount." He pointed out that his networks sold \$12,893,391.00 in ads in 1988. Deducting 15% advertising commission, the net sales were \$10,971,800, divided by 869 stations (\$12,626 per station.) "We don't believe they owe anything, but, if they do, 1.45% of the satellite network ads on a station would equal \$183.00 per year". The sales figures were from SMN's S.E.C. reports.

**APPLICATIONS FOR F.C.C. RESTRICTED OPERATOR LICENSES** have to be accompanied by a FEE FORM (#155) and a check for \$35.00. "It's another station expense," a subscriber told us, "you know those part-timers aren't going to pay \$35.00 for the privilege of working here."

**THE I. R. S. HAS ASSIGNED 300** collection officers to audit companies listing payments to independent contractors. I.R.S. sees a double problem: employers avoid tax payments through invalid independent contractor arrangements and the workers take tax deductions not available to regular employees. It would be wise to review the independent contractor rules with your accountant. SMRNewsletter will carry the most recent information on Page #6 next week (6-14-'90)

At the F. C. C. ....

**NEW STATIONS (Granted):**

GEORGIA (Richmond) FM Richmond Hill B'c'g. 105.1 3 kW 328'  
ILLINOIS (Bethalto) FM Bethalto B'c'g. Corp. 95.5 3 kW 328'

Editor's Note; For the 3rd consecutive week, there was no published activity on the FM Table.

**INVOLUNTARY TRANSFERS:**

ARIZONA (Page) K P G E (Class IV AM) and K X A Z (Class A FM) to C. Edward Stirman, Trustee, 1136 East Stuart, #4201, Fort Collins, CO - 80525 (900508EB).

UTAH (Ogden) K K W Y (Class C FM) to Utah Radio Broadcasting Co., Inc., Debtor-in-Possession, 1814 26th Street, Ogden, UT - 84401 (900313HI)

**RADIO ADVERTISING BUREAU** has contracted with The Richards Group, Dallas, Texas to develop media campaign to sell radio to retailers and agencies. The Richards Group's accounts include "Motel 6" - one of the top radio success stories in recent years.

**MONEY FOR ASCAP NEGOTIATIONS** - The Minnesota Broadcasters Association has donated \$5,000.00 to the Radio Music License Committee (888 Seventh Avenue, 40th Floor, NY, NY - 10106).

**NEW WIRE SERVICE** - Jim Hood, formerly of A. P. and U. P. I. has launched his own news service, "ZAP News." He's tied in with Reuters, Sports Ticker, and a network of news stringers. Sells service by day-part: AM drive at \$126.00 per month, AM/PM drive at \$181.00 per month, 16 hour a day service at \$224.00 per month. Delivery is by dial up phone via FAX or P.C. Hood says he's signed 50 stations nationwide in 2 months. Info: 1--800 525 2175.

**TALK SHOW DIRECTORY** - Mitch Davis is coming out with his 8th annual "Yearbook of Experts, Authorities, and Spokespersons." This year's issue is 800 pages. He'll send you 1 free (first 25 requests) if you'll send your request on your letterhead, mentioning SMRNewsletter. Write: Broadcast Interview Source, 2233 Wisconsin Avenue, N.W.- Washington, D. C. - 20007 or FAX: 202 342 5411.

**POLITICAL COMEBACK** - SMRNewsletter subscriber Henry Lackey, defeated 4 years ago, regained his seat in the Kentucky State Senate in a primary, tantamount to victory. Lackey owns and operates AM stand alone W S O N, Henderson, Kentucky - where among other things he calls high school games and signs the station on. The Kentucky legislature is a part-time legislature.

MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

"WHEEL OF FORTUNE"

For a building supply dealer, Charlie Jenkins, W X V W, Jeffersonville, Indiana, came up with a fair promotion, that attracted a lot of interest for the client and good programming for the station.

The station assembled a plywood "Wheel of Fortune." Fairgoers, after being interviewed, were invited to "spin" the wheel, the "spots" on which spelled out the client's name. Prizes were the firm's specialty advertising items (yardsticks, tape measures, etc.) and items supplied by its vendors. The "wheel" was a major midway attraction with a line of people waiting each time a broadcast was scheduled.

"PARKING TICKETS"

Mark Fleisher. W W B E, Mifflinburg, Pennsylvania, uses a unique "bumper sticker spotter" system. Station personnel look for autos and trucks displaying the W W B E stickers in business sections in the station's market. The station personnel place a "W W B E Parking Ticket" under the windshield wiper of the vehicle, which the driver takes to the station for a prize. Why not announce before a county fair, auto race, or other event, "Be sure you have a W W B E Bumper Sticker on your car when you attend the ---. You may get a 'WWBE Parking Ticket' and a prize ---. We'll be looking for W W B E bumper stickers at the ---."

"SPORTS HANDKERCHIEFS"

Only a short time until football season. Why not a large size handkerchief done in the school colors emblazoned with your logo and that of a co-sponsor (fast food restaurant, bottler, etc.?)

About July .....

Auto dealers, auto parts stores, auto repair businesses all do above average business. Also above average: building supplies, carpet and furniture, mens wear, shoes, sporting goods.

Special opportunities: Wednesday July 4 (Independence Day). July is National Hot Dog, Picnic, and Ice Cream Month.

\$ale\$ - Would You Buy From You? .....

	YES	NO
Is your image one of honest and straightforward sincerity?	_____	_____
Based on your experience with customers over the past year, from the buyer's point of view, would you be classified as reliable?	_____	_____
Could you say your customer obtained special benefits dealing with you they wouldn't have obtained from others?	_____	_____
Do you think you come off as an expert in the eyes of your customers?	_____	_____
Have you been effective helping to solve customer problems?	_____	_____
Whenever possible, would you say you handled customer complaints to the buyer's satisfaction?	_____	_____
Is INTEGRITY one of the most important words in your vocabulary?	_____	_____
Apart from your business dealings, do you think customers believe you have their personal welfare and well being at heart?	_____	_____
Can you honestly say most of your business's customers think of you as a friend as well as a business associate?	_____	_____
Do customers look upon you as a good reliable source of valuable information?	_____	_____
Has doing business with you contributed positively to your customers' profitability?	_____	_____
Would most of your customers continue dealing with you even if a competitor approached them with a price that's a little bit lower?	_____	_____
TOTAL	_____	_____

yes answers = 5 points each. 55 or higher, "It's a privilege to do business with you. 50 = well above average. 40 to 45 = mediocre to fair.

"Customers" Newsletter  
 Publisher: Dartnell  
 4660 Ravenswood Avenue  
 Chicago, Illinois - 60640

The same publication quotes English assaist and historian, Thomas Carlyle, "What we have done is the only mirror by which we can see what we are."

#### 4th OF JULY ANNOUNCEMENTS

Handle fireworks carefully. \_\_\_\_\_ says, even seemingly harmless fireworks can cause painful burns if not handled with care. Make sure the fireworks you handle are legal. Fireworks laws are made for your protection. A reminder from \_\_\_\_\_ who wish you a safe, happy holiday.

Every year, shallow water dives cause many serious spinal injuries. Some are permanent. \_\_\_\_\_ reminds you to check just how deep the water is before you dive. The speed of a dive is only broken effectively after the diver has gone through 5 or more feet of water. Check before you dive. A reminder from your friends at \_\_\_\_\_.

If you're planning a trip this Fourth of July holiday, here are some safety tips from \_\_\_\_\_. Traffic will be heavy. Start early. Make sure your tank is always half full. If you're traveling unfamiliar roads, drive during the daylight hours as much as possible. \_\_\_\_\_ wishes you a safe, happy holiday.

If you're staying at home this Fourth of July holiday, chances are you'll be doing some yard work. \_\_\_\_\_ says, if that includes using a power mower, before you mow, take wires, cans, twigs, and rocks away. Never mow a wet lawn. Never leave an un-attended mower running. Don't re-fuel a hot or running motor. 50,000 people are injured every year in power mower related accidents. Best wishes for a safe, happy holiday from \_\_\_\_\_.

Buckle up for safety. \_\_\_\_\_ reminds you that safety belts do save lives. It takes only a second to greatly reduce the chance of a serious injury or death. \_\_\_\_\_ says, "Let's buckle up for a safe, happy holiday."

\_\_\_\_\_ reminds you that the lakes and streams will be crowded this Fourth of July holiday weekend. If you're planning to join them, follow the rules of safe boating, including courtesy. Be sure your boat has the proper safety equipment. Best wishes for a safe, happy holiday from \_\_\_\_\_.

If you're traveling this Fourth of July holiday, \_\_\_\_\_ reminds you that you're sharing the roads and highways with a record number of travelers - many of whom are not familiar with this area. For safety sake, be extra alert. Observe posted speed limits. Follow the rules of driving. \_\_\_\_\_ hopes this will be a safe, happy holiday.

Do your Fourth of July holiday plans include swimming? \_\_\_\_\_ says, if you're planning to swim in unfamiliar waters, be sure to check carefully for underwater rocks, stumps and other obstructions. A little caution can save you from a painful accident. Best wishes for a happy, safe holiday from \_\_\_\_\_.

About This 'n' That .....

TOO GOOD TO BE TRUE? Dick Harlan, g. m. at W E W Z, Elwood, Indiana tells SMRNewsletter about a shoe store in his town which ran an ad in the local newspaper offering 100 pairs of shoes (Nike, Keds, etc.) FREE! The shoe store had 100 pairs it was offering - just for the asking. Result? Only 10 pairs of shoes were "given away." Dick says, "when ever you give away something, the public believes there must be a catch - that what's being given away is what you're asking for it. How often are radio stations guilty of making the same error the shoe store did?"

RADIO SUCCESS STORY - If you're tuned into a Boston area radio station during "drive time" you may hear something like this: "We have another LoJack story here." Then you'll hear the personality read some "dragnet style copy, announcing that a local car thief has been arrested after stealing a car "bugged" with a vehicle-recovery system made by LoJack Corporation.

The LoJack "bug" tracking device cost about \$600.00. It's installed by the company inside the body of a vehicle and only the installer knows where it's hidden. When a car is stolen, its owner reports the theft to the police, who immediately send out a coded signal which activates the device.

The police squad car tracks down the stolen vehicle using a small LoJack computer.

Since the company introduced the system 4 years ago in Boston it has sold 35,000 of the units. The "drive time" radio ads, described above, have been the centerpiece in the LoJack advertising program. The ads have built a 90% consumer awareness level. The company is now expanding to New Jersey and plans to move into South Florida, Michigan, Illinois, and California - other states with particularly high incidences of auto theft.

SUGGESTIONS PLEASE - A recent article in the Self Employed Association's client 'paper' says the way to get good employee input is to follow 3 basic steps:

1. Hire those who fit in and work well with others. Convention can kill meaningful discussion.
2. Let employees know right away that they're welcome to give suggestions. But, set limits so that giving input doesn't turn into "jaw sessions."
3. Listen when employees speak up. You may not act on their advice, but let them know the input is sincerely appreciated.

"Where Is He Now?" .....

You saw his ads in the "trades" (the Country Consultant). You may have bought his copyrighted "Country Music Bingo" game or his country oldies on cartridge library - or he may have worked with you or for you. Bill Taylor says he did business with about 200 stations in his "moonlighting" ventures and that he had 40 jobs at 35 stations. He worked twice or more at some stations for different ownerships.

Bill started his career in the Carolinas in the mid-'50s, spent the '60s in major markets like Orlando, Jacksonville, Miami, and New Orleans. In the '70s he ventured to the West Coast where he "pulled shifts" at several California stations.

In the late '70s with his "fifties imminent," Taylor decided it was time to settle down and get into "something of my own." A consulting engineer found several available FM frequencies in California, "but I got dealt out by people with 'deeper pockets' than I had. Finally, my consultant told me, 'I have a frequency that nobody else will want. I filed for a C. P. at Miami, Arizona and got it without any opposition."

Miami is part of a 3 town market, also including Globe and Claypool. The total population of the 3 towns and the surrounding areas is 25,000. It is not like many Arizona small markets, a retirement community or tourist area. The principal industry is copper mining.

There are 2 long established Class IV AMs in the market. A third station, a Class C, moved east to cover the Phoenix area (85 miles away).

Taylor describes his 2 Class IV AM competitors as typical small town stations "carrying a lot of local news, sports, and some "block" programming e. g. Spanish and Indian. "If it'll sell, run it' kind of radio," as Taylor describes it. "I have no quarrel with that. But, when I got here, I realized I had to do something different. Realistically, I also knew I had to get the station on the air as inexpensively as possible and operate the same way."

In building the station, Taylor utilized equipment he'd collected over the years. As the holder of an "old fashioned F. C. C. "FirstPhone," (the kind you studied for), he did most of his own construction. He built the station and established his residence in what he describes as a "No down payment - \$300.00 a month house".

Once he got his station on the air, he opted for a mostly music country format with requests and dedications. "These request and dedications make our music station a local station. It's something our listeners can't get from the Phoenix stations (via translators)," he says.

Bill uses the listener call ins as a marketing tool. Each caller's name and address is logged. The station hears from 100 or more different people daily. "The logs are a lot better than a rating book," he says. Additionally, each caller is asked to answer a "Question of the Day." Typical questions, "Where did you buy your last pair of shoes?", "Are you planning to buy a pick-up truck during the next 90 days?"

Bill's station K Q S S (Kiss) is on 24 hours a day. He does this economically by recording on a "top of the line" Panasonic V. C. R. the programming from 10 A to 6 P for re-broadcast 10 P to 6 A. Advertisers pay a single rate for a daytime ad that is repeated over night.

Bill does the 6 A to 9 A morning show. There are 3 "combo" disc jockeys, one doubling as traffic/bookkeeper. The other 2 as disc jockey/salespeople. "I pay minimum wage for air-time, 15% for sales," he says. "I tell people up front, we can't pay you much, but you can learn here." He adds, "I don't give newcomers to the business the 'blue sky' treatment. I tell them flat-out, 'radio is not a profession - it's a disease.'"

Taylor says, his station is meeting its obligations in what might be the most overcrowded advertising market in the country: 3 local radio stations, 5 TV translators which insert local commercials (at \$10.00 each), a cable system that sells local spots, 2 newspapers, a shopper, and 2 telephone books. Additionally, there are 3 more Class A FMs scheduled to come on the air. When those 3 stations enter the market he says, "We're going to have to get even more creative."

#### THE LAST WORD

The N.A.B. has come out against a proposal that the Bureau of the Census survey each year the financial records of the country's radio and TV stations. N.A.B. calls it an "unnecessary burden" on broadcasters and says such information is being collected by it and others within the industry. We disagree!

Those stations who volunteer their financial data to N.A.B. and others tend, from our observation, to be the more profitable stations. Even with the weighting which has been undertaken in recent years, we question the data from N.A.B. and others. A Census questionnaire, backed by the force of the Federal government, will develop a truer picture of the industry's financial condition - eliciting information from both winners and losers. A Census Bureau yearly survey would be free of the bias of "keeping our own score."

SMALL MARKET RADIO NEWSLETTER (Inc.) IS PUBLISHED WEEKLY AND MAILED FIRST CLASS TO SUBSCRIBERS IN 50 STATES, POSSESSIONS, AND CANADA. SUBSCRIPTION: \$109.00 PER YEAR (26 WEEKS: \$57.00 - 13 WEEKS: \$33.00). ADDRESS: 275 19th STREET, OTSEGO, MICHIGAN - 49078 (616) 694 9357 FAX: 616 692 6789

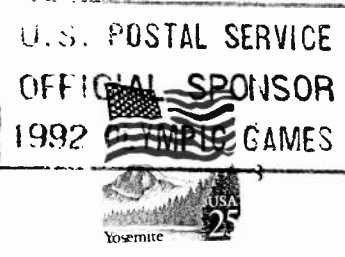


275 19th Street - Otsego, Michigan 49078 - (616) 694-9357 - FAX: (616) 692-6789

**S**mall  
**M**arket  
**R**adio  
**N**ewsletter  
Inc.



IN OUR  
8th  
YEAR



Bob Doll - Publisher and Editor  
Barbara J. Doll - Circulation

VOLUME VIII - Issue #3 - June 14, 1990

**A B.M.I. AUDITOR** has counted as income on an Ohio station the station's minimum card rate times every spot it has carried on its satellite network feed for 3 years. The station manager claimed the figure was probably more than the entire network (an SMN format) took in for all its stations. Argument did not move the auditor. Station will have to, apparently, engage legal counsel to "fight it out."

**WOMEN NOW MAKE UP 50% OF STATION SALES FORCES** - The figure has grown from 45.4% in 1985 to 49.3% in 1988 and 50.0% in 1990. The figures are from F.C.C. Equal Opportunity Reports, released last week. In 5 years, the number of salespeople in U.S. radio-TV stations has grown by 14.6%, the number of stations by 8.8%. Total broadcast employment since 1985 has grown by 2.8%, officials and managers by 5.5%, professionals by 2.7%. Technical positions were down 1.0% and office and clerical positions were down 4.9%. Broadcast minority employment was from 15.9% to 17%. Employment of women in broadcasting was 38.6% (vs. 37.0% in 1985).

**A "PIONEER'S PREFERENCE"** is being considered by the F.C.C. If the proposal is adopted, the proponent of a "drop in FM channel" would get "extra points" in a comparative hearing for taking the risk and expense of initiating the rulemaking. (E. Harold Munn Client Letter)

**WASHINGTON ATTORNEY THOMAS ROOT**, Sonrise Management Services, Telemedia, Inc. and 3 other men identified as co-owners of the 2 businesses have been indicted in North Carolina on 455 counts of securities fraud and related charges. North Carolina officials say \$8-million was taken from 1,018 investors in that state. Another \$8-million was taken in from investors elsewhere in the U.S. Root has plead guilty to 5 federal counts, which could net him up to 35 years in prison and over \$1-million in fines.

**OVER 400 RADIO STATIONS AND PERSONALITIES** have submitted entries for the second annual N.A.B. "Marconi" Awards. 4 regional committees of 4 members each will pare down the list of nominees which will go to a national committee. That committee will make the final nominations for presentation at "Radio '90" (Boston 9-12/15).

At the F. C. C. ....

**NEW STATIONS (Granted):**

NEW HAMPSHIRE (Somersworth) FM Garrison City B'c'g. 98.7 3kW  
328'  
NEW YORK (Avon) FM Karen S. Klehamer 93.3 1.7 kW 403'  
SOUTH CAROLINA (St. Matthews) FM Radio Four B'c'g. 93.9 3 kW  
328'  
VIRGINIA (Lynchburg) FM Friendship B'c'g. 105.9 3 kW 328'  
WASHINGTON (Cashmere) FM Upper Valley B'c'g. 101.1 3 kW 171'

**AMENDMENTS TO THE FM TABLE (Amended):**

MISSISSIPPI (Heidelberg) 99.3 C2 for A. M.: W E E Z  
TENNESSEE (Elizabethton) 99.3 C3 for A. M.: W U S J.

**(Proposed):**

IOWA (Albia) or (New Sharon) 99.9 A to either.  
LOUISIANA (Kentwood) 94.1. C1. M.: W X L T by changing its  
city of license from McComb, Mississippi to Kentwood (30  
miles from New Orleans)  
NEW YORK (Bridgehampton) 92.9 A as 1st.  
(Southampton) 98.9 A as 2nd.  
OHIO (Hannibal) 99.5 A as 1st.  
OKLAHOMA (Woodward) 100.1 C1 for 93.5 A. M.: K W F X.

**INVOLUNTARY TRANSFERS:**

FLORIDA (Palatka) W S U Z ( 800 - 1 kW D - 334w N) to  
Valeria J. Hall, Trustee, P. O. Box 1258, Jacksonville,  
FL - 900404EA)  
MAINE (Bath) W J T O (730 10 kW D 500w N) W I G Y (Class B  
FM) to Donald White P. O. Box 329, Bath, ME - 04530  
(900110EA and B).  
TEXAS (Stephenville) K S T V (Class C FM) K S T V (AM 1510  
- 500w D) to Cen Tex Media, Inc., Debtor in Possession,  
Box 289, Stephenville, TX-76401 (900330ED and C

**STATIONS ARE BEING ASKED** to run a flight of Radio Futures  
Committee announcements from 7-5/9-5 (1 per daypart).  
Stations encouraged to use local listener and advertiser  
testimonials of the importance of radio in their lives and  
businesses. The James Earl Jones cut should not be used.  
The rights have expired on the use of Jones' voice.

**SKEETER DODD**, headquartered in Nashville, is now  
representing K Kommunikatons, Ltd., Chicago (custom client  
jingles) and R. P. M., Southfield, MI (syndicated formats).  
New 800# is 1-800 264 0018 - FAX is 615-331-8571.

**BRAND NEW ON RADIO** - Charlie Michelson and Paramount  
Pictures will produce a new radio version of '50s TV hit,  
"The Untouchables." Air target: September. Info: 800-648-4546

MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

"LUCKY STREET"

Each day, 5 streets in the station's listening area are selected. Additionally, an address on each street is selected from the phone directory. The station announces, "Lucky Street is ----. We'll take the # caller from ----." The person calling gets a small prize. If his/hers is the pre-selected address on that street, he/she gets a grand prize.

"LUCKY DAY"

Numbers are placed in 3 boxes: box #1 = 1 to 12. Box #2 = 1 to 31. Box #3 = 1926 to 1972. The station announces early in the hour, "We're playing 'Lucky Birthday.' This hour's winner was born in the # month ( ). We'll have the day shortly (drawn from box #2.) Finally from the 3rd box, the year. (1926 to 1972 are used because those dates = people 18 to 64 years old.) Stations with more specific demographics might want to use a different year spread.

"BICYCLE GIVE AWAY"

As a back to school promotion, K S D N, Aberdeen, South Dakota, gave away bicycles each Monday morning in August. Listeners were told to guess a number between 1 and 1,000. It was played like "high/low" with the announcer telling the caller his/her guess was high or low. 3 calls were taken each hour until there was a winner.

About Your Customers .....

Birthdays are the #1 occasion for "dining out", according to a Gallup Survey, conducted for the National Restaurant Association. 47% of adults enjoy a special meal away from home on their birthday.

Other special dining out occasions:

Mother's Day	39%	New Year's Eve	13%
Father's Day	24%	St. Patrick's Day	10%
Valentine's Day	22%	Thanksgiving	10%
Easter	16%	Christmas Day	6%

This 'n' That - About Sales .....

THREE NONVERBAL COMMUNICATIONS - All nonverbal expressions communicated by prospects can be divided into 3 major signals: Red, Yellow and Green. Green signals mean that your buyer is open and you may move on with your selling strategy. Typical green signals are: friendly face, relaxed and open postures, body leaning toward you. Yellow signals alert you to exercise caution. There is an obstacle preventing your progress. Typical yellow signals are averted eyes, closed postures, and self touching gestures. Ask open questions to uncover the obstacle. Stop presenting and start listening. Red signals mean that you're about to lose the sale. Your customer has become either increasingly withdrawn or increasingly aggressive. (Personal Selling Power)

SILENCE = SUCCESS - "After asking a closing question, do not speak, even if the prospect doesn't answer quickly," Digital Equipment sales trainer Raymond Slesinski tells his trainees. "Why? Besides the possibility that the prospect simply needs time to think about your offer, interrupting this train of thought could prolong getting the sale or even jeopardizing it. Let the customer make the next verbal move." (Sales and Marketing Management)

AN EXPRESSIVE, A DRIVER, AN ANALYTICAL, AN AMIABLE. - Every prospect fits one of these descriptions, according to Helen Berman of Helen Berman Associates. Each requires identification and special treatment.

Expressive people are highly assertive and responsive. They tend to act on opinion, to like variety, to over generalize, and create drama around them. Get them to talk about their ideas, dreams, goals. Share their excitement about what might happen. Share your experiences, case histories, stories, examples, testimonials. Show them how your radio station can help them reach their goals.

Drivers are high assertive, low expressives. They're goal oriented, impatient, efficient, blunt, and direct. Since drivers demand to be in control, be careful not to tell them what they "should" do. Rather, ask question that allow them to discover possibilities and alternative actions.

Analyticals are low assertive, low expressives. They tend to explore issues in detail and organize their projects. They are concerned about efficiency, cost, stability, proof. Your presentation needs to be organized and structured. Include hard data, price comparisons, useful facts.

Amiables are low-assertive, high expressives. They strive for friendship and security, listen well, and avoid personal conflict. An Amiable needs to know you're interested in him/her as individuals and in their feelings and personal goals. You need to move slowly from casual conversation to business discussion. An amiable wants to know they can trust and depend on you and your personal service.

(R. A. B. Sound Management 7-'88)

This 'n' That - About Sales .....

ABOUT GOOD SALES MANAGEMENT - Darrell Solberg, Sioux Falls, South Dakota based sales consultant/trainer believes, sales management does its job best when:

Management train personnel to manage themselves and teaches salespeople the discipline to do so.

Gives personnel the tools, support, and guidance to succeed.

Gives praise when deserved and constructive criticism when needed.

Work to earn the support and respect of personnel - not just demand it.

Lead by example. People most often close their ears to advice, but, open their eyes to example.

Keep the communication lines open and encourage all employees to share ideas and comments.

Good sales management is firm, fair, and consistent when dealing with all employees.

HE MADE 40 CALLS ON THE OWNER OF AN AUTO AGENCY, Jerry Pappenfuss of the Minnesota "Result Group" of small market stations tells SMRNewsletter. Many times, Jerry says, the dealer refused to see him.

When a brand new salesperson was hired, he was assigned the account. Within a month, the "rookie" had the dealership on the air spending \$600.00 a month regularly.

The new salesperson found out that the service manager had his own advertising budget and sold him. Are there special "profit center" opportunities in the businesses on whom you call that you don't know about?

SELLING: NOT AN ART, A DISCIPLINE - Steve Bostic, head of R. Stevens, marketer of automated photo machines, is quoted in "inc." magazine as saying, "Some people have more natural ability than others, but selling is not an art. It's a discipline. There's a specific selling process you have to go through, and anyone can learn it. It involves taking all the different steps, reducing them to a checklist, and then executing them 1 by 1. There's no magic to it. You don't need a lot of natural talent. Selling can definitely be learned."

"SELL HARD TODAY. The job you save may be your own" From Mel Goldberg, W H J B, Greensburg, Pennsylvania.

## About Independent Contractors .....

Hiring independent contractors and freelancers is a cost efficient way for many firms to get specific jobs done. But, care must be taken so as not to run afoul of the I.R.S. Paying back taxes, penalties, and interest can be ruinous.

The I. R. S. uses several criteria to determine whether a worker is an employee (subject to employer paid F.I.C.A. contributions, unemployment taxes, etc.) or an independent contractor. The criteria include:

1. Control. Is the worker required to comply with instructions about when, where, and how to work? Does he/she perform services for more than one employer?
2. Exclusivity: Is the independent contractor restricted from providing his/her services to other companies on the same basis as you are purchasing them?
3. Facilities: Does the independent contractor perform his/her duties at the employer's place of business? Are tools and other facilities furnished or financed by the employer?
4. Training: Does the hiring firm train the worker?
5. Risk: Does the contractor share in the company's profits or losses?
6. Dismissal: Can the contractor be fired?

If your answer is yes to any of these questions in regard to workers you have classified as independent contractors, you should take a closer look.

If you use independent contractors, be sure such individuals invoice you for services rendered. Have a written agreement stipulating the nature and duration of the work to be done. File Federal Tax Form 1099-MISC to report payments to independent contractors. This is mandatory if payment to an individual exceeds \$600.00 per year.

I.R.S. material on the subject includes Regulation 31.3121 (d)-1 and I.R.S. Manual Exhibit 3640-1 and I.R.S. Form SS-8.

Stuart Duhl in  
"Nation's Business"  
6-'90

## Unusual Challenge - Unusual Operator .....

Springfield, Tennessee (1980 population: 10.814) is the county seat of one of the 8 counties which make up the Nashville metropolitan area. It is an easy 20 minute drive from one of the nation's largest shopping malls. Al Ryder, who manages W D B L AM/FM there for the small market Key Group tells us that, "Retailing here is dominated by chains and franchises". Springfield could be described as a 'very tough small market station situation', but, by any account it is a very successful station.

"If it's successful," Ryder says, "It's probably because I think a little differently." Although Ryder's career in radio goes back to the early 1960s, it includes several "leaves" outside of broadcasting: 4 years, many in intelligence, in the service, 5 years in marketing with a Kentucky bank, and 5 years as advertising manager for a 45,000 square foot single location hard goods discounter in a town of 5,000.

"My years with the bank, which included calling on about 800 businesses and my years with the discounter, securing co-op and vendor money and buying advertising on a half dozen small radio stations, gives me a little different view. The current 'buzz phrase' in radio is 'think like the customer.' I can handle that, because I've been a customer."

At Springfield, Ryder finds himself with all of the banks and all but one of the new car dealerships owned "out of town." All but 1 supermarket are also chains. "What is the big base on most small stations is a very small income stream here," he says. "We get the usual answer from them, 'We're covered by Nashville TV and radio and the papers.'"

On W D B L the 5 biggest advertisers are: the lone locally owned super market, a chain mass merchandiser, a T.B.A./appliance retailer, the local hospital, the lone locally owned new car dealer. The balance of the station's income has been built on service businesses, specialty retailers, and what can best be described as "smart thinking and hustle." "We know," Ryder says, "that the Nashville agencies aren't going to go to the trouble generally of selling the client on putting us in 'a buy. The money we get from the franchises is out of their 'p.r.' money. We tie them into events and causes. W D B L does over 100 remote broadcasts yearly."

On a regular basis, the station takes its morning show out to a half dozen different restaurants rotating 2 days a week. Ryder and his morning man do miscellaneous interviews plus interviews with people heading local events and causes. One interesting feature and sale on the remotes: a local health care service offers blood pressure tests to those viewing the broadcast. They pay the station a promotional fee of \$30.00 for participating in the restaurant remotes.

The station has a waiting list for its 10:30 to 11:00 A. M. Thursday morning "Business Showcase." The program, conducted by the station's news director allows a business owner to describe his products and/or services and take calls from listeners. An advertiser pays \$60.00 for the opportunity of appearing on the program. "It's not only a good piece of business," Ryder says, "The majority of those who appear on the program become good regular customers."

There are 4 locally owned furniture stores. "When we called on them, they mainly complained about the big stores in Nashville 'stealing' their business." Ryder did a survey (1% of the households in his county) and found out that the business was not going to Nashville, but for small items to the local Wal Mart store and stores in small cities like Franklin and Hopkinsville, Kentucky (lower sales tax than Tennessee) and Clarksville, Tennessee. "We used the survey to point out the lines the 'locals' should be pushing and have written a good bit of business in Clarksville and the Kentucky cities. Furniture retailing is now a good income category for us," Ryder relates.

Ryder operates with 6 full-time people (2 salespeople) and 6 part-time people. "We have more turnover of our air-people than I'd like, but, being close to Nashville, I think that will always be true."

The station's music programming is country 6:00 A. M. to 9:00 P. M., urban contemporary from 9:00 P. to Midnight (1/3 of Springfield's population is black). The station targets its programming strictly to its home county of 45,000. It does well enough in attracting audience to consistently show in the top 1/3 of the 40+ stations in the Nashville metropolitan Arbitron ratings. The urban contemporary programming (on for over 20 years) accounts for about 7% of the W D B L gross.

"When I bought advertising for the bank or the discount store, during my time outside radio, I wanted action for my money," Ryder says, "To produce action for advertisers, the station has to be close to its listeners and its customers. If you do it right - you can do well anyplace."

#### THE LAST WORD

ASCAP's greed in seeking payments from businesses and offices that play the radio "in the business" or "on hold" on their telephones is depriving stations of valuable exposure in their efforts to increase audience which in turn will increase their revenues and the station's ASCAP payments. Some reasonable accord ought to be reached on this during the upcoming radio license negotiations.

SMALL MARKET RADIO NEWSLETTER (Inc.) IS PUBLISHED WEEKLY AND MAILED FIRST CLASS TO SUBSCRIBERS IN 50 STATES, POSSESSIONS, AND CANADA. SUBSCRIPTION: \$109 PER YEAR (26 WEEKS: \$57.00-13 WEEKS: \$33.00). ADDRESS: 275 19th STREET, OTSEGO, MICHIGAN - 49078 - PHONE: (616) 694 9357 - FAX: 692 6789





**S**mall  
**M**arket  
**R**adio  
**N**ewsletter  
 Inc.

Bob Doll - Publisher and Editor  
 Barbara J. Doll - Circulation

VOLUME VIII - Issue #4 - June 21, 1990

**F.C.C. MEANS BUSINESS** - A year ago, the Commission issued a Public Notice emphasizing the importance of daily tower inspections to ensure that lights are on and operating properly. The release stressed that this is "a safety-of-life issue." Last week it fined K P S L, Palm Springs, California \$10,000.00 "for failure to comply with antenna tower lighting rules." Tower lighting specifications are contained in Part 17 of the F.C.C. rules and in an information bulletin entitled "Radio Tower Painting and Lighting."

**TWO E.E.O. FINES IN FLORIDA** - \$18,000.00 at W A P G/W O K D (FM), Arcadia and \$15,000.00 at W O O J/W O O J -FM, Lehigh Acres.

**ANOTHER R.A.B. CAMPAIGN** has been announced. This one is designed to dramatize the benefits of advertising to the American economy and to illustrate how the ad industry fuels the economic machine, according to R.A.B. President Warren Potash. He called on magazine, TV, and newspapers to work with radio "to make the case for advertising." He's hopeful such activity will preempt some of the political pressure for ad taxes and ad restrictions.

**ANOTHER NEWS SOURCE** - Learfield Data Service, operated by Learfield Communications, Jefferson City, Missouri, offers N.O.A.A. weather, sports information by the Sports Network based in Huntington Valley, PA, and beginning next month U.P.I. Headline Service (world, national, state, business news). Transmission is by satellite into a station's P. C. or printer. Cost: \$95.00 per month. Info: Virginia Lee (314)893 7200.

**MIXED CONSUMER DATA** - The latest figures from the Conference Board show a dip in consumer confidence but "plans to buy within 6 months" are even with May '89 figures or better: a home 3.9% (3.4%), an auto 4.0% (4.0%), refrigerator 5.1% (4.5%), washing machine 3.7% (3.1%), TV set 6.8% (6.8%), air conditioner 2.2% (2.4%).

**20 YEAR R.A.B. VET MOVES UP** - Bob Weed, Southeastern Regional V.P. since 1981, moves to new york as Sr. Vice President,

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

275 19th Street - Otsego, Michigan 49078 - (616) 694-9357 - FAX: (616) 692-6789

At the F. C. C.

NEW STATIONS (Granted):

ARKANSAS (Mena) FM The Harlan Family 96.3 100 kW 969'  
FLORIDA (Cedar Key) FM Karen Voyles 102.7 3 kW 328'  
(Key West) FM CSJ Industries 107.9 (C1) Other  
Information Not Available  
NEW JERSEY (Atlantic City) FM Hillside B'c'g. 107.3 25kW 259'  
NEW YORK (Voorheesville) FM Bryan Jackson 96.3 3 kW 328'  
OREGON (Banks) FM Common Ground B'c'g. 107.5 3 kW 328'  
SOUTH CAROLINA (Bishopville) FM JKRC Central 93.7 3 kW 328'  
(Kershaw) FM Jeffrey Sigmon 106.1 3 kW 328'  
VERMONT (Sunderland) FM Ronald Marling 95.1 3 kW 328'

AMENDMENTS TO THE FM TABLE (Amended):

ARIZONA (Prescott Valley) 106.7 (C2) for A. M.: K I H X  
FLORIDA (Springfield) 95.9 (A) M.: W R B A.  
(Tallahassee) 96.1 (C2) for 95.9 A. M.: W T M G.  
KANSAS (Eldorado) 99.1 C1 for C2. M.: K B U Z.  
(Minneapolis) 92.7. W.: 7-31 / 8-30.  
MARYLAND (Halfway) 93.1 (A) W.: 7-24/8-23.  
MINNESOTA (Blue Earth) 98.1 (C3). W.: 7-24/8-23.  
(Cambridge) 105.3 (C3) for 105.5 A. M.: K X L V.  
(Winona) 95.3 (C3) for A. M.: K A G E-FM.  
MONTANA (Bozeman) 99.9 (C1) as 4th. W.: 7-27/8-27.  
NEBRASKA (Winnebago) 105.7 (A).. M.: K S U X C. P.

(Proposed):

IOWA (Harlan) 105.3 (C3) for 105.5 (A). M.: K N O D.  
OREGON (Nyssa) 98.7 (C1) for A. M.: Robert Mason C. P.

REPORTED "GONE SILENT" BY THE "M STREET JOURNAL"(703)684-3622:

K B A D, Bakersfield, California; W C E C, Rocky Mount,  
North Carolina; K P D N, Pampa, Texas; K V R P, Stamford,  
Texas (all AM).

REPORTED BACK ON THE AIR:

K I P O (an AM), Pearl City, Hawaii (simulcasting K I P O-FM)

INVOLUNTARY TRANSFERS:

ARIZONA (Page) (Class IV AM) to C. Edward Stirman, Trustee,  
1136 East Stuart, #4201, Fort Collins, CO-80525 (900508EA)  
CALIFORNIA (Ukiah) K U K I (Class IV AM) K U K I (Class A  
FM) to Fenton B'C'g', Inc., Debtor in Possession, 1400  
KUKI Lane, Ukiah, CA-95482 (900531EE and EF)  
COLORADO (Denver) K D E N (Class IV AM) to Karen J. Mathis,  
Receiver, 717 17th St., Suite 2300, Denver, CO - 30202  
(900509EA)  
NEW MEXICO (Rio Rancho/Albuquerque) K Z K L FM and AM) to AM  
-FM Communications, Inc., Debtor in Possession, 1651 University  
Blvd., NE, Albuquerque, NM-87102 (900601 EB and EC)  
TENNESSEE (Hendersonville) W Q Q K (Class A FM) to Phoenix  
of Hendersonville, Debtor in Possession, 2100 West End  
Ave, Nashville, TN - 37203 (900529HA)

MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

"GARAGE SALE GRAM"

K T R F, Thief River Falls, Minnesota has come up with a good broadcast-print idea. Each Tuesday, it publishes a list of garage sales for the week.

Individuals and groups who wish their event listed call the station during business hours. The station and a local quick print shop are the major co sponsors. 5 other businesses get an ad along the border of the 2 sided 8-1/2" by 11" inch sheet and are the exclusive pick up points for the publication. They are: the local Pizza Hut, a real estate office, a service station, a drug store, and a bargain store (furniture, tools, toys, housewares, etc.)

The Garage Sale A Gram, in addition to a listing of the sales, carries a city map.

"LUNCH AT THE STATE BANK"

W O N W, Defiance, Ohio and the State Bank in that city, have come up with a unique public relations vehicle for the bank.

Each Friday, during the Summer, the public is invited to enjoy "Lunch at the State Bank" (on the bank's outdoor plaza). The bank provides free soft drinks and popcorn. It also employs a local entertainer or group to provide music during the 11:30 A.M. to 1:00 P.M. event. The local Y.M.C.A. as a fund raising effort, sells sub sandwiches at \$1.50 each.

W O N W broadcasts pre-event ads and does 5 x 5-minute broadcasts from "Lunch at the State Bank."

About Radio Advertising .....

"Instead of painting flat images on the consumer's retina, you project them in 3 dimensions on the viewing screen of the brain, where they are likely to be a good deal more vivid and remain a lot longer."

Roy Bostock, CEO, DMB & B  
(Advertising) at R.A.B.-  
Association of National  
Advertisers Workshop

#### \$ale\$ - Selling At Higher Rates .....

John Ernest and George DaVall in their book "Salesmanship Fundamentals," advise, "The best way to handle the price objection is to never let it arise. The salesperson's basic tool for forestalling it (the price objection) is a positive presentation that makes the benefits of the service stand out so emphatically that price seems relatively unimportant. It will help you as a salesperson if you will think of the sales process as a pair of scales. When you start the sales interview, the scales are tipped in favor of the lowest possible price. As you show the prospect how the various qualities of your product provide him with something he needs or wants, you add weight to the value side of the scale. The customer will be ready to close when you have piled up so much value that the price is completely outweighed."

"It is important to remember that the prospect usually cannot do the weighing of the values and the money without your help," they say. "There are very few things whose values are completely self-evident; Your prospect won't see or understand the hidden values unless you open his eyes. But you must not only point out the advantages of what you have to sell, you must prove that these advantages will help him solve a problem or realize an opportunity." In the case of radio advertising, how will what you have to sell help him increase profits, cut losses, fight competition, further a personal interest, or combat boredom? If you've done your presentation well, the amount of money you're asking will seem low. Again in Ernest and DaVall's words, "If the prospect is left with the feeling that the price is too high, you have not done a complete job of building value."

"It has always been said that when the prospect ask what the price is early in the sale, the answer should be postponed until the advantages of what you're offering have been sufficiently explained," they say. "The general rule in selling is that the best time to answer objections is to answer them immediately. But, the price objection is the exception to the rule. When the prospect says, 'Your price is too high,' the salesperson can say, 'If our price was too high, we'd have to either lower it - or go out of business. Please let me explain why we charge what we do.' The only possible answer to a price objection is value."

#### \$ale\$ - About Your Presentation .....

Zig Ziglar, one of the country's premier sales lecturers advises, "To succeed in selling, use emotion and logic in your sales presentation. Logic makes people think; emotion makes them act. If you use only logic, you'll end up with the best educated prospect in town. If you use only emotion, you'll end up with a canceled order. Balance logic and emotion, and you'll sell more."

**WMJB**  
106 FM

Editor's Note: We are indebted to John Timm, longtime SMRNewsletter friend for sharing this with us. John put W M J B, Evansville, Wisconsin, on the air last August. His station is the newcomer in the 6 station Beloit-Janesville market. If a customer tells you he has done a customer survey or plans to do one, you may want to share this with him (her).

# RESEARCH

A SERVICE OF THE WMJB MARKETING AND RESEARCH DEPARTMENT

BULLETIN #1

## Six tips on how to conduct a useful in-store radio listening survey

*If you advertise on radio, or have considered doing so, you may be tempted to conduct your own informal survey of customer listening preferences. To make sure the results are reasonably accurate, and therefore useful for decision-making purposes, we have put together some helpful guidelines for you:*

### 1. Don't ask anybody to name their "favorite radio station" and expect to get a good answer.

Asking for a *favorite* radio station is a little like asking someone to name their *favorite* food. You are asking for a single choice when there is no single valid answer. The answer you get could be *lobster, prime rib, waffles, or chocolate cake*, depending on several factors, including the person's mood and the time of day.

Americans listen to an average of 2.5 radio stations per week. What they listen to depends in part on their needs. For example, news and information in the morning, music during middays, perhaps sports at night and on weekends. The tempo of the music, like one's choice of food, depends on the mood of the moment. No single station is likely to fill all these requirements, so people change stations to suit.

If you ask for just one *favorite* station, you won't learn anything about the others. The better way to ask is: "Please tell us the radio stations you listen to most and approximately how much time you spend daily with each."

### 2. Use the aided recall technique.

That is, offer a list of area radio stations from which they can choose. Otherwise, you may get a *throwaway* answer. Remember, your customer has come into the store to buy some-

thing, and he or she has given little if any thought to what advertising influenced them to act on your offer. They may answer your question, if only to be polite, but unless you give them some help in remembering, they will usually give you the first answer that comes to mind which may not really be accurate.

Besides, radio call letters are hard to remember. (They are a lot like automobile license plates: many people have trouble remembering their own license number, let alone anyone else's.) To complicate things, all call letters in this area begin with a "W," leaving just three other letters to differentiate between stations. If some of those letters are the same, or similar, the confusion is compounded, e.g. WJVL, WMJB, WSJY.

Besides the "W", all three have a "J" in common. WJVL and WMJB also have a sound-alike "B" and "V". That's why stations use memory devices like "J-106" or "Joy-107" along with their call letters. You should include such slogans as well as the call letters in your survey. The stations' exact dial position (99.9, 105.9, 107.3) will also improve accuracy.

### 3. The questions must be asked the same way every time.

Even if the survey is verbal, give your employees a written list of questions and post copies for quick reference. Then, have a convenient place such as a clip board where they can write down the results immediately after every customer contact.

### 4. Explain the importance of the survey to your employees.

Stress the need to follow directions carefully. Give a spiff to the employee who interviews the most customers. After all, this information has value, and even if you give a bonus, it's probably the least expensive marketing research you'll ever get for your money.

### 5. You may also want to reward your customers.

Over the years one fashion retailer built a very large, useful data base of advertising and customer information by offering the lure of winning a trip to Hawaii to persons who fully completed his questionnaire and placed it in a drawing box.

### 6. Sample size is important.

The larger the number of persons you interview, the more reliable the data—up to a point. To cut the margin of error in half, you need to quadruple the size of the sample, which simply may not be practical. As a rule of thumb, a sample of 100 customers will be sufficient to give you reasonably accurate information about your customers as a whole.

*If we can be of help in designing a survey for you, let us know. There are several good references available through WMJB or your local public library. - 5 -*

## About Your Audience .....

According to "Trends in Public Opinion," co-authored by Richard G. Niemi, John Mueller, and Tom W. Smith, and published by Greenwood Press of Westport, Connecticut:

84% of all people feel safe in their homes at night.  
59% do not own a gun.  
74% think people should have permits before they can own a gun.

50% believe other people want to be helpful most of the time.

62% say their marriage is very happy.  
78% get a great deal of satisfaction out of their family life.  
96% think the ideal number of children is at least 2.  
55% spend evenings socializing with relatives several times a month.

95% believe in God.  
54% pray at least once a day.  
74% believe in life after death.

67% believe the way to get ahead is through hard work.  
85% say they're satisfied with their jobs.  
70% say that even if they had enough money to live comfortably the rest of their lives, they'd continue to work.

92% consider themselves "middle class."  
75% are satisfied with their financial situation.  
65% are in good health.  
91% consider themselves happy even though they're caught up in the frantic pace of modern life.  
55% describe their life as "pretty routine - even dull."

The figures quoted above have remained virtually unchanged since public opinion polls began to probe such issues in the 1950s and 1960s (30+ years ago).

(American Demographics - 6-'90)

## About the Most Important Word In Advertising .....

Advertising specialist Jerry Fisher says, "The most important word in advertising is 'YOU' - and yes, it beats out 'new' and 'free' by a hair." Fisher advises, "Always consider how you can get the word 'you' or 'your' in the headline - then pepper it throughout the rest of the ad. 'You' addresses the most important person in the prospect's life. His first aim each day is to take care of his own needs, desires, and concerns. Taking the 'you' point of view is the best insurance that your ad will be noticed."

(Entrepreneur - 6-'90)

"Not So Sunny" .....

Don Bennett has been in the small market radio business for 46 years - 39 at K R E W, Sunnyside, Washington, first as manager, then as owner since 1965. "I wish I could tell you that after all this time I have all the answers. I don't," he says frankly.

Sunnyside (population 9,225) is the largest of 3 towns along I-82, 30 miles south of Yakima. "Our area of about 40,000, unlike the areas along the West Coast is not growing. The biggest growth here in recent years has been the growth of numbers in our ad media. During the past 5 years, our local weekly paper became a regional daily, covering the same area as our radio station. Last year, a new Class A FM station came on. That brings to 5, the local stations, our AM-FM here, a stand alone Class A FM at Prosser, a daytime AM at Prosser and its new co-owned Class A FM at Grandview." (Prosser's population is 5,615 and Grandview's 5,615.) "That's a lot of radio in an area with 40,000 population," he says.

Complicating the situation is the replacement of traditional home owned retailers by chains. He points out that 8 years ago there were a total of 16 new car franchises in the three towns. There are now 3.

Bennett says that he's maintained the #1 revenue spot, "You wouldn't want to be #2 and certainly not #3 or #4 here," by increasing the size of his sales department. "In the early years here I operated with myself and one other person selling, and we covered it well. I now have 3 salespeople - and I'd put another one on, if I found a good one."

The income from the big retailers is having to be replaced, he says, by small specialty retailers and service business. "The businesses spend less, so you have to have more of them. They also take more attention, often being light on experience and on capital. You have to stay very close to them to help them spot opportunities - and to keep their account current. Our sales cost per dollar billed has risen. It is true that a \$1,000.00 a month most often doesn't take any more time and effort than a \$100.00 a month account."

K R E W still has big accounts, he says, "but, not as many." The three biggest spenders are the area's surviving appliance dealer, who has 21 lines; a regional discount chain; and a used car dealer, who gave up his Chrysler franchise. The "bright spot" in the station's income, he says, "are financial institutions. They've become a lot stronger advertisers in the past few years."

K R E W - AM, which over the years has grown from a daytimer to a full-time Class IV, then in the early '80s to a 10 kW D - 1 kW N on 1210 is the dominate station in the K R E W operation. The new business mix has prompted the station to go all news and information from 6: to 9: A.M., Noon to 1: P.M., and 4:30 to 6:15 P.M. "I think its the best option on AM anywhere," Don says, "and particularly in a small market where you have to make your station important to local advertisers." The station also carries an extremely heavy schedule of local play-by-play sports.

On FM, K R E W is an automated modern country operation - primarily a music station. There is hourly news and some play-by-play.

About the shrinking of the local small town retailing base, Bennett says, "I don't think there's music that can be done to change that. The real problem is that there just aren't enough people who want the risk, hard work, and the long hours it takes to be successful. People who have the ability to make it in retailing have other options these days."

Bennett feels, "Facing the reality that our markets are going to be populated in larger numbers by chains and franchises with little local information about radio stations, a standard audience measurement that will make these people comfortable with radio, as they are with newspaper circulation figures, is the industry's number one need." He points to his own market, saying, "We're in the same county as Yakima, but our area is separate and distinct. The Arbitron and Birch figures don't reflect that."

He also believes, "Whether they did it on purpose or by accident, the F.C.C. has diluted the audience and revenue of good stations by creating too many stations that can't do enough business to do a good job. These marginal stations take just enough revenue from the good ones to hamper them from doing the kind of job they'd be capable of doing with more revenue. The net result is less real service to the public."

Bennett sees little chance that either of his major concerns will be effectively addressed. So, he says, "We deal with things as they are."

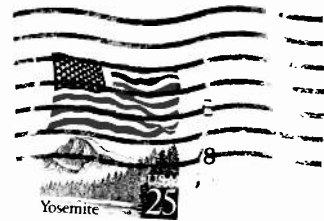
#### THE LAST WORD

We compliment the R.A.B. on its planned campaign to make the public aware of advertising's important contribution to the life of an average American. (See Page #1) Advertising is not an intrusion, it is central to each person's economic well being.

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**S**mall  
**M**arket  
**R**adio  
**N**ewsletter  
Inc.

Bob Doll - Publisher and Editor  
Barbara J. Doll - Circulation

VOLUME VIII - Issue #5 - June 28, 1990

**ASCAP FEES ON SATELLITE AND BARTER PROGRAMMING** have come up for discussion at Radio Music Licensing Committee - ASCAP negotiations. No agreement. But, ASCAP says its auditors will not seek payment on these types of "revenues" pending out come of current negotiations.

An AM-FM combo in an Ohio town of 19,000 has been billed "about \$5,000.00" for the "network spots" on Satellite Music Network's service. They are not a simulcast.

Stations faced with audit levies for their satellite and syndicated barter programming are replying in a variety of ways: paying the audit, making a bargain, saying, "sue us."

**NO CODE, BUT**, the Joint Board has approved a "of necessity general and advisory rather than specific and restrictive" **PRINCIPLES CONCERNING PROGRAM CONTENT**. In the matter of "sexually oriented material," the principles say, "Programming that purely panders to prurient and morbid interests should be avoided. Where significant child audiences can be expected, particular care should be exercised when addressing sexual themes: Obscenity is not constitutionally protected speech and is at all times unacceptable for broadcast. All programming decisions should take into account current federal requirements limiting the broadcast of indecent matter." F.C.C. Chairman Al Sikes, who called earlier for an industry formulated "code" is reportedly "happy" with the N.A.B. board action.

**AM STEREO WOULD BE MANDATED** if H.R. #2714 (The Radio Improvement Bill) becomes law. That bill would require receivers capable of receiving FM Stereo to also receive AM Stereo. AM stations would have 5 years "to go stereo" after the bill passed unless they made a financial hardship showing. The N.A.B. AM Improvement resolution would not require an end to AM-FM simulcasting.

**N.A.B. LEADERSHIP** - Lowry Mays, Clear Channel Communications, re-elected joint board chairman; Dave Hicks, W K M I/W K F R, Kalamazoo, MI, Radio Board Chairman; Dick Novik, W K I P/W R N Q-FM, Poughkeepsie, NY, Vice Chairman, Radio. Bill Sanders, K I C D, Spencer, IA, outgoing Radio Board Chairman completed 4 years board service.

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

275 19th Street - Otsego, Michigan 49078 - (616) 694-9357 - FAX: (616) 692-6789

At the F. C. C. ....

AMENDMENTS TO THE FM TABLE (Amended):

ILLINOIS (Murphysboro) 105.1 (B1) for 105.5 (A). M.: WTAO

(Proposed):

FLORIDA (Oak Grove) 104.5 (C2) as 1st.

(Watertown) 102.1 (C3) for A. M. Louis D. Bolton  
C.P.

GEORGIA (Griffin) Subs: 97.5 (C3) for 97.7 A, M.: W K E U  
(Hogansville) 105.5 A for 97.5 A.

(Sparta) 97.1 (C3) for A. M.: W S K S.  
(Statesboro) 97.5 (C3) for A. M.: W U U F.  
(Tennille) 99.9 A as 1st.

The M Street Journal (703) 684 3622) reports this week that  
W R J Q - AM, Appleton, Wisconsin has "gone silent" and WAZS  
AM, Summerville, South Carolina is back on the air.

Editor's Note: No new station grants were announced this  
week.

Other News .....

**ABOUT RESTRICTED OPERATOR'S LICENSES** - SMRNewsletter  
subscriber Jim Stewart, WHEP, Foley, AL, tells us that Form  
#155 does not have to be sent with the request for a  
Restricted Operator's License, just Form #753 and a check for  
\$35.00 to F.C.C., Box 358295, Pittsburg, PA - 15251-5295.  
Other Commission Fee carrying applications and reports  
require the FEE FORM #155.

**ABOUT DIGITAL RADIO** - How soon is anybody's guess. N.A.B.  
position: 1. It should be land-based and local (vs.  
satellite and national). Secondly, present broadcasters  
should get a "ground floor" opportunity to participate.  
N.A.B. has appointed an 8 member Task Force to study the  
technology and monitor activity. Small market members are  
Gary Grossman, KRKT AM - FM, Albany, OR and Walter May, WPKE/  
WDHR, Pikeville, KY. Digital Radio would operate on new  
spectrum space and would require entirely different  
receivers from today's AM/FM sets. Experiments have been  
announced in Canada and overseas.

**PEOPLE** - Vince Turner, former longtime N.A.B. field man has  
joined Jerry Johnson's media brokerage firm. Vince can be  
reached at (507) 694 1444. And, with the closing of the  
Blackburn media brokerage offices in Chicago and Beverly  
Hills, Howard Stassen has decided to form his own firm. He  
can be reached until July 31 in Chicago at (312) 346 6460.

**OHIO STATION DENIED RENEWAL** - The full Commission has turned  
down the appeal of Mid Ohio Communications, Inc. to renew the  
license of Class A FM W B B Y, Westerville, near Columbus.  
Lack of candor and misrepresentations are charged. One of  
the station's stockholders claimed to be a full-time manager  
while having extensive responsibilities in an auto  
dealership 120 miles distant. - 2 -

MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

"BIG BANG"

"The bomb will drop on --- at Speedway." That's what listeners to W P K O heard for 10 days. At the appointed time, an airplane dropped 1,000 2-1/2" nerf balls onto a roped off section of a shopping area next to a Speedway Gas station. Each ball was emblazoned with the Speedway and W P K O logos. Each also carried a number.

The station awarded a prize to each person who got a ball (by number). Prizes included toys, small appliances, discount coupons, gas certificates.

Even though the event had to be postponed because of rain, it drew 3,000 people on a Saturday at 5:00 P. M. Lou Vito, W P K O president, says the expenses (balls at \$1.00 each, plane rental, signs and flyers) ran about \$1,200.00. The promotion was part of a 4 week Speedway buy which included announcements and a 3 hour remote. Speedway spent \$5,200.00 with W P K O. "They wanted something big. We did it for them," Vito says.

"IT STILL WORKS"

K B T N, Neosho, Missouri is running it's 4th annual "Treasure Hunt." There is a 1-week build up, then each week for 3 weeks, a certificate is hidden someplace in Neosho. Advertisers buy an ad schedule (this year 12 at \$200.00 each). A clue to the location of the current week's treasure is broadcast with each ad. Clues on Monday are general, getting more specific as the week progresses.

Dave Winegardner says he's had no problems because the listeners are told: the treasure is not buried and is on public property - no digging or climbing necessary. The finder of each week's treasure gets \$100.00 cash.

"AUCTIONS"

K L G A, Algona, Iowa, has a regular \$54.00 per sale auction special. It is almost universally used by area auctioneering firms. One reason: the station pays the auctioneering firms a 15% commission for placing the business.

About Radio Station "Client Letters" .....

SMRNewsletter has recently received quite a few requests for information about radio station published "client letters." Several of our subscribers send them to us regularly. On page #5 (reduced) we have an exact copy of the one from KTRF/KSNR, Thief River Falls, Minneosta. We publish it in its entirety not only to give you an idea of what their monthly "letter" looks like, but, we believe you'll find several interesting ideas you may be able to use.

While the copy is typed on a word processor in the station and run on their plain paper copier, the 2 color printing makes the KTRF/KSNR piece look professional and compelling. In quantity (a 10,000 sheet run), we would imagine the cost would be under 5¢ a sheet from most small town printers.

As to the content, we suggest that the entire staff (particularly the salespeople) be enlisted in gathering the information (during their regular duties and contacts in the community.) Put a desk basket in an easily accessible place where items can be left. Set aside a particular time each month to go through the material which you and your staff members have left there.

Your "client letter" doesn't have to be a journalistic masterpiece. Short items like the one in our sample are easiest to put together and will be best read by those who receive it.

The easiest way to do your mailing list, from personal experience, is on Avery labels. They cost less than \$13.00 for 3,300. Make up your master list on a set of the labels. Keeping your master list updated is easy. Again, the mailing labels can be run through your copying machine.

Some stations send their "client letter" out with their statements (avoiding extra postage cost). However, some operators are troubled by this procedure, believing that the person who pays the bills may not be the one who needs to be reached. And, obviously, you will want it to reach non advertisers (who wouldn't be getting a statement). In our view, your "client letter" mailing list should also include district managers of franchises and chains, ad agency contacts, and sources of co-op as well as key governmental and civic leaders and other "influencers." If you opt for a mailing separate from your statements, you may elect third class mailing at 16.7¢ per piece (plus an annual permit fee of \$60.00).

From our observation, this is one of the most effective and cost efficient trade promotions a station can undertake, if it looks good, is time efficiently organized, and comes out at the same time every month.



1230 RADIO



FM 100.3

### "THE INSIDER"

**JUNE 1990....**The Insider is a monthly effort of KTRF & KSNR Radio to keep all our friends up-to-date on the fast-moving goings on in the world of Radio in Northeastern Minnesota & Northwestern North Dakota. COMMENTS are always welcome.

**OUR ANNUAL "Diamonds for Mother's Day"** Promotion in Thief River Falls was another success, with 20 Luck Hoes winning a pair of Genuine Diamond Earrings.

KSNR and KSNR of Grand Forks have teamed up for "PURE GOLD MOMENTS" featuring the music of KSNR (50's, 60's & 70's) Every Monday night, LIVE with Bob Halpern at 7:00PM in the City Center Mall in Grand Forks!

JIM PRASVA has joined the KTRF Sales Staff in Thief River Falls. Jim, a Warren native, previously worked at KTRF in Crookston & KTRF in Langdon, N.D.

OUR THANKS to Gail Meyer, Northeast Division Director of the March of Dimes for asking us to Co-Sponsor WALKAMERICANS in Crookston & Thief River Falls last month. They were the "most successful" walks ever in the two towns! We're already thinking about 1991!

WE'RE still getting positive feedback from our "ZIPPO-MANIA" weekend! Keep calling about it, and keep listening! Don't forget, ZIPPO T-Shirts are still available for \$10. Call 800-428-1003.

THIEF RIVER FALLS Mayor Bob Carlson was named "Citizen of the Year" by Northland Community College and was the keynote speaker as 181 students graduated from NCC on May 31st in Thief River Falls.

THE "Goodies Book'n Bad Show" was busy in May, playing at a Graduation Party and Wedding Dance in Grand Forks. Call Bob Halpern for details & prices. Harry, the Summer Fun Discs are filling up fast!

DEREK SEVER of "Fahloos Friday" fame on KTRF, has left to become Program Director at KTRF/KTRF in Montrose, Colorado, also owned by Woodland Communications. Congratulations Derek & Good Luck!

HAVE YOU SEEN the quarterly newsletter that Simmons Advertising, Inc. of Grand Forks prints?....Its called Step-By-Step and its a Class act! Informative, and it looks good too.

THE BEST WESTERN INN has been named the "Thief River Falls Business of the Year" & Darrell Hegner of Independent Machine Service was named "Entrepreneur of the Year" for Thief River Falls.

SUE PETERSON of Newfolden, Minnesota, is the new Business Manager for KTRF & KSNR. She previously worked for Brady-Hertz & Associates and Bridgeman's.

ACCORDING to U.S. Customs at Pembina, N.D., 5,000 Canadian visitors crossed the border from 18-21 May in observance of Victoria Day, a Canadian National holiday.

THE MINNESOTA TWINS have come alive and are making a run at first place. The TWINS are heard LIVE (of course) on KTRF 1230 Radio!

SHRELLY, Minnesota will celebrate "Shelly Community Day" on June 17th (Father's Day). The event is sponsored by the Lions Club & Fire Department with proceeds to the Senior Citizens' Building Fund & Street Sign Projects. KSNR will have all the details!

CONGRATULATIONS to UND History graduate and Thief River Falls resident GRETCHEN BEITD "I on the success of her book "Coyne Come Home"!

NEW BUSINESSSES in the KTRF & KSNR areas include: Web's Downtown Diner in Grand Forks, Thief River Computing in Thief River Falls and Kim's Kitchen & Catering in Red Lake Falls. Hats off to all three & Good Luck!

THE 41ST ANNUAL "Dairy Day" will be held on June 12th in Thief River Falls, sponsored by the Northwest Dairy Improvement Association. The program will also include the 2nd Annual KTRF & KSNR "Dairy Olympics"!

BROADCAST CONSULTANT Donna Halpern says the key to Radio success for the '90s is to do more than "just play music". Reach out to your audience. Market Your Station. Let Your Audience know the benefits! Donna adds!

WALLY'S Supermarket (formerly Albertson's) is now open in Grand Forks. The 4 sons of founder Wally Deauald also own stores in Devils Lake & Grafton, N.D. and Roseau, Minnesota.

THE "Garage Sale Grom" is back for 1990 from KTRF, KSNR & The Quick Print Center in Thief River Falls. The FREE listing of all the Garages, Yard, Rummage & Moving Sales in the area is available weekly FREE only at the participating sponsors: The Medicine Shoppe, Amco 24, All Seasons Realty, Variety Sales and The Pizza Hut.

THE CUT ABOVE in Grand Forks has a new trophy to display! Hair Stylist Tamara Lisakowski won the First Place Trophy in the Spring Fashion Competition last month in Fargo.

BEST WISHES to Dale Olmstead of KTRF Radio in Thief River Falls on a speedy recovery following a heart attack in May.

PUBLIC CITIZEN, A Ralph Nader group, is pushing for Political Campaign Reform that may include a proposal REQUIRING Stations to provide FREE Air Time to all candidates.

THE AVIATION Maintenance Program at the Thief River Falls Technical College has been nominated by the State for a National Award. Officials from the Department of Education in Washington, D.C. were in Thief River Falls last month.

"You must think of advertising as an investment in your business" says Dennis Bjornson, Advertising Manager of the North Dakota Newspaper Association. She also said that effective advertising takes long term planning & constant evaluation!

PRWALE VOCALIST of the Year, KATHY MATTEA will perform at the Pennington County Fair July 14th. Tickets are on sale at Three-Upsam Insurance & Larson Music in Thief River Falls.

DENNIS McCauley has opened the FURNITURE CONNECTION in Thief River Falls. Dennis previously worked in the furniture business in Grand Forks.

An Audience Behavior Study by Blair Radio & Frank Hegrid showed that 69% of Adults nationwide listened to RADIO from 6-10PM, with only 26% reading newspapers & 25% watching tv for their morning news source.

JEAN HOESER of Wilcox Plumbing & Heating has been named "Red Lake Falls Woman of the Year"! Congratulations Jean!

JUNE 6th is the day for the OLYMPIC TORCH RIN in Thief River Falls, sponsored by MCCOMMALS. KTRF & KSNR will be there too. MEN'S Clothing is again available in Red Lake Falls, a welcome addition at THEPSON HARMONIZ!

KSNR RADIO has a Sales Position open in Grand Forks. Sales experience is necessary and Radio experience desired. Call Sales Manager Paul Ritzenthaler at 701-775-2271. KSNR is an equal opportunity employer.

FAX IT TO US....701-775-0334 in Grand Forks; 218-681-3717 in Thief River Falls!



Minnesota News Network



— 100,000 WATTS —

## About Your Customers .....

RETAIL SALES IN MAY grew about 1/3 less than the rate of inflation +1.5% (inflation is running about 4.5% annually). Building materials were down - 6.6%, auto sales - 2.6% and sales at gasoline service stations - 3.6%. Furniture /appliances were up +3.3%, general merchandise +3.3%, apparel/accessory stores +4.5%, eating/drinking places +3.5%. The best showing was made by drug/proprietary stores +6.4%. (Commerce Department 1990 vs. 1989)

MANY AUTO DEALERS, faced with falling sales, are going after some new business. 71% of all vehicle owners do some repair and maintenance work themselves. Most of their supplies are bought at auto parts retailers or discount department stores. Dealers typically get only 2% of that business. To increase that, they are installing color-coordinate display units, easy-to-read product guides, and attractive parts packages. Many have taken on lines of T-shirts, caps, and jackets emblazoned with the carmaker's logo to build brand and dealership loyalty. They are usually located close to the service department where the dealer has a "captive audience." (Sales/Marketing Management 7-'90).

LEANER TIMES FOR DISCOUNT DEPARTMENT STORES - Within the past 13 months, Ames, Maxway, Gee Bee, Heck's, Alco and Yellowfront Stores have all gone into Chapter 11. Gold Circle, Marx, and Times Square have gone out of business. Earnings at Fred Meyer, Rose's, and Jamesway are off substantially. Sales at K-Mart and Venture are not keeping pace with inflation. Only Wal-Mart, Target, and Caldor are showing substantial improvement. The Wall Street Journal (6-19-'90) puts the blame on destination stores (or category killers), the retailers who concentrate on one merchandise line (electronics, home appliances, toys, etc.). These stores carry wider selections at deeper discounts. Another factor, in the Journal report, the changing buying styles of the average family. It quotes retailing expert Leo Shapiro as saying, when discount department stores came into being, "housewives bought most of the household supplies. Today, with everyone pressed for time, family members shop for themselves." They often head out in search of one particular item - not a range of household goods.

ABOUT RESTAURANTS - The National Restaurant Association says the restaurant business was up 1.4% overall last year. Fast food outlets averaged just 1.2%. Casual dining (table service - long menus) was up 8.4%.

MILLIONAIRE - NO BIG DEAL - An article in the United Airlines magazine says there are now 1-- million millionaires (that's one for every 100 households). Big deal now, being a "10-millionaire" - there are only 5,000 of them.

## Working Your Way Out of a Business "Slump" .....

If your first half year results are off (gross, profit or both), it's time to take some steps to correct the situation. Unsatisfactory performance gets worse, unless cool, calculated steps are taken to reverse the situation. Consider these 10 steps:

1. Find out how stations similarly situated to yours are doing. Call some good operators outside your market. Exchange information. Pick winners! Avoid the "misery loves company" syndrom. If after you've finished a conversation you say to yourself, "I'm not doing well, but I'm a lot better operator than ---," call someone else.
2. Objectively look at your competition - not just other radio stations, but print, cable TV ad sellers, the phone book, "over the air" TV, direct mail. What are their real strengths and weaknesses. Why should their customers be spending more with you?
3. Take a good look at the way you run your business? Is your station really close to its customers and listeners? Is the sale of advertising central in everything that's done at your station? It's the only income you have. Have situations been allowed to develop through lack of attention that are not in keeping with nourishing the station's income?
4. Evaluate your employees. Are they all "on the program" or should some be replaced? It's easy to let things go when "things are going well." "Lean and mean" is an overused and often abused term, but, in the proper context, it's the only way to get satisfactory results in the current economic climate. Quality makes more sense than quantity when it comes to people in a business. The rising costs of fringe benefits dictates this staffing mode more than ever.
5. Look at your overhead. No unnecessary expense, no matter how small, can be overlooked. Even a \$50.00 a month unnecessary expense translates into at least \$4,200.00 in a radio station's value (at 7 times cash flow.) 10 such unnecessary expenses equals \$42,000.00.
6. Systematically see every customer on your station. Tell your salespeople that you intend to do so. Assure them that it's not spying. Look for opportunities that your salespeople may not be unearthing. Discuss every one of your calls with the salesperson assigned to that account. Brainstorm with them to uncover ideas to get more revenue from present accounts - your best source of increased gross.
7. Systematically call on former customers. Why aren't they doing business with you? If their answer is, "I can't afford it," they need to be re-sold. The fact is, if their doors are still open - they need you. If they've switched media, they can be switched back. Look for an opening. Better still, make one.

8. Expand your sales activity. Look for new opportunities within and outside your normal selling area. Service businesses are growing twice as fast as retailing. If there are "holes" in your market's retail-service mix, systematically develop new business solicitation outside your traditional selling area. Sell them enough to make a difference in their business.

9. Develop new sources of income e. g. a "code a phone" that gives callers information on demand (e. g. lottery winners, show times at the theatre, sports scores); a disc jockey dance service for wedding, anniversaries, etc.; telemarketing (if you're not already doing it); sell help wanted advertising and other not traditional classified type ads. If you've heard or read about something that another station is doing profitably and put it aside saying, "We'll do that sometime," SOMETIME IS NOW!

10. Improve your employee communication. Unfortunately, too often, management, when things are not going well, becomes preoccupied with problems and tends to "hide out," emotionally, if not physically from the staff. Be upfront with them. Lay out the problem(s) and ask for suggestions. Even unworkable ideas should receive a genuine "thank you." In free and open discussion, even the most "off the wall" ideas can often be refined to be valuable. In the present economic and competitive environment there is no room for "us against us," only "us against them." In this business, like all others, "one man bands" are not in fashion. To survive, let alone succeed, requires a well functioning team whose leader has spelled out a clear, easily understood purpose and goals.

#### THE LAST WORD

We often say, this is a special kind of business because of the special kind of people in it. A letter this week from Frank Zezza, W M K S, Springfield, Vermont. His station is trying to help a 7 year old boy with a brain tumor and probably not much time to live realize a "longtime" ambition - to be listed in the Guinness Book of Records as the 1 individual receiving the largest number of "Get Well Cards." We thought you might like to help. The young man's address is:

Craig Shergold  
36 Shelby Road  
Garshalton Surry, SNB ILD, England

You'll need 45¢ postage.

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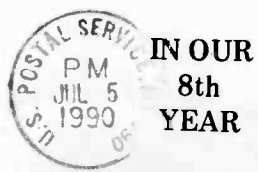
SMALL MARKET RADIO NEWSLETTER (Inc.) IS PUBLISHED WEEKLY AND MAILED FIRST CLASS TO SUBSCRIBERS IN 50 STATES, POSSESSIONS, AND CANADA. SUBSCRIPTION: 52 WEEKS: \$109.00 - 26 WEEKS: \$57.00 - 13 WEEKS: \$33.00. ADDRESS: 275 19th STREET, OTSEGO, MICHIGAN 49078 - PHONE: 616 694 9357 - FAX: 616 692 6789.

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**S**mall  
**M**arket  
**R**adio  
**N**ewsletter  
Inc.



Bob Doll - Publisher and Editor  
Barbara J. Doll - Circulation

VOLUME VIII \_ Issue #6 - July 5, 1990

**MINORITY AND FEMALE PREFERENCES AT F.C.C.** were upheld by a 5 - 4 vote at the Supreme Court. The vote was a surprise to many in light of other recent court actions. There has been considerable political pressure at the F.C.C. by those who feel that such preferences in station sales and new station grants were unfairly discriminating against white males.

**A \$20,000.00 FINE HAS BEEN LEVIED** on K S J O, San Jose, California, for indecent remarks made by a station disc jockey.

**THE TAX DEDUCTIONS FOR ADVERTISING** are being discussed again as President Bush and Congress search for ways to raise money. A business now can deduct 100% of what it spends on advertising as a business expense. A Congressional Budget Office proposal would limit the deduction to 80% the first year. The other 20% would be deducted over 4 years. The budget office believes this change would raise \$15.3-billion over 5 years.

**THREE CHICAGO ANNOUNCERS** have been awarded \$100,000.00 each by a U. S. District Court Jury. The 3, aged 57, 59, and 61, were fired when W X E Z (FM-100) changed from easy listening to a soft adult contemporary format in 1988. The station says it was seeking a "more youthful image."

**PERSONAL DISPOSABLE INCOME** continues to rise, according to the Department of Commerce. It was up 2/10ths of a % from April to May and was 7.1% higher than May, 1989. Expenditures on durable goods were up from a year ago by 2.1%, nondurable goods by 3.6%, services 8.9%. The same agency says inflation is running at an unadjusted annual rate of 4.4%. Rising fastest: cost of medial care at 9.0%.

**N.A.B. HAS NAMED AWARDS COMMITTEES** for radio industry awards to be presented at the annual Radio '90 Convention (September 12/15 in Boston). Sole radio broadcaster on the "crystal Awards" judging committee is John Fieseler, p.d. at W F M D, Frederick, Maryland. His station was a winner last year and is not eligible this year. The "Marconi Awards" judging will be chaired again this year by Jim Duncan of "American Radio." Jerry Papenfuss, chairman of N.A.B. Small Market Committee is one of 9 "Marconi" committee members.

At the F. C. C. ....

NEW STATIONS (Grants):

FLORIDA (Englewood) FM Sandpiper Br., Inc. 105.9 3 kW 328'  
ILLINOIS (Kankakee) FM Baldrige Shelton 95.1 3 kW 328'  
NORTH CAROLINA (Topsail Beach) FM Topsail Br. 103.9 3kW 328'  
TEXAS (Bryan) FM Mexican-American Comm. 98.5 3 kW 328'  
WASHINGTON (Cashmere) FM Upper Valley Br. Corp 101.1 3 k 328'

AMENDMENTS TO THE FM TABLE (Amended):

MINNESOTA (Aitkin) FM 94.3 C3 for A. M.: K E Z Z

(Proposed):

MICHIGAN (Oscoda) 100.5 (C3) for A. Amend: David Schaberg C. P.  
NORTH CAROLINA (Nags Head) 92.5 C3 for 92.3 A.  
(Rocky Mount) 98.5 C3 for A..  
OHIO (New Washington) 93.3 A as 1st.  
PENNSYLVANIA (South Waverly) 96.1 A as 1st.

INVOLUNTARY TRANSFER:

NEW MEXICO (Santa Fe) K V S F (AM - 1260 - 5 kW D/1 kW N)  
and K N Y N (Class C FM) to James T. Davis, Trustee, Box  
1933, Longview, TX - 75606 (900621EA/B)

MINDING THE STORE:

IS YOUR 2nd QUARTER ISSUES AND PROGRAMS LIST in your Public  
File? Due by July 10.

SMALL MARKET OVERTIME EXEMPTION is still in effect under the  
most recent Federal Wage and Hour Minimum Wage Law,  
effective April 1, according to N.A.B. staff attorney Terry  
Etter.

YES YOU CAN still file AM applications under certain  
circumstances. This includes a forced move from your site  
(loss of lease, etc.) and cross-filing on an already pending  
proposal, such as a request for a new station or a power  
increase for the daytime operation of an existing station.  
A mutually exclusive application designed to conflict with a  
proposal appearing on an F.C.C. "cutoff list" can, under  
certain conditions, be designed so as to protect a  
lesser-powered existing facility seeking a power boost while  
maintaining the mutual exclusivity with the proposal.  
(From Harold Munn, Consulting Engineer, Coldwater, MI)

## MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

During a Sales and Promotion Idea Exchange during our seminar for the North Dakota Broadcasters Association last week at Medora, attendees shared dozens of ideas. The winning entry:

"TOWN HISTORY" - K B M R, Bismarck (an AM station) went to each of the small communities in its primary service area. A local citizen was engaged in each town to write a series of 1-minute history vignettes. The person preparing the material was paid a small fee and was given air credit for authorship.

After the vignettes were recorded, K B M R salespeople were given "spec" samples. These were presented to businesses in the town. Additionally, a form was prepared on which the salesperson could gather historical information about the business being offered an opportunity to take part. According to Ross Henke, the closing rate on the promotion "was close to 100%." Advertisers bought 20 to 40 vignettes to run within a week at a premium rate.

Promotional announcements were run the week before the vignettes ran + an ad was run in the newspaper serving "spotlight" town. In most cases, the newspaper ran the ad in exchange for participation in the radio promotion. "Every newspaper is proud of its history," Ross says. "They just couldn't say 'no' to this."

"TELE FUN" - K H N D, Harvey, North Dakota (an AM daytimer) wanted to do something special for its 10th anniversary. Each hour from mid-June to mid-July, the station is randomly calling names from telephone books from within 50 miles of Harvey. 5 names are called each hour. Persons who hear their name being called have 14 minutes and 7 seconds (K H N D frequency 1470). Everybody who calls gets 1 of 350 small prizes (certificates from co-sponsors) plus a chance at 2 major prizes. Those prizes will be given away at 2 community events in mid-July and early-August (a lounge chair and color TV set at event #1 and a 'Trip to Hollywood' at event #2).

The station is recording the names of each winner - the length of time it took them to call. People calling quickly are listening at the time their name was called and others are thought to have been told by someone else. Sales manager Colette Vetsch says, "the promotion is getting good participation and is successful financially. The big plus," she things, "we're getting a good idea where our listeners are and we're getting some super sales ammunition."

Looking to August, it's "back to school month" and an above average month for the sale of autos, auto parts, tires, building supplies, carpet and furniture, mobile homes, optical goods, re-sale houses, shoes and sporting goods.

It's the #1 month for restaurants.

\$ale\$ - "It Isn't In the Budget" .....

I recently conducted an advertising/marketing seminar for a group of merchants. From the participants, I confirmed what I have long felt. Over 70% of those in attendance said that they determined their advertising budget by what they felt they could afford or set ad expenditures at an amount with which they felt "comfortable." The amount they spent had nothing to do with their marketing strategy.

The business people attending freely admitted that when they tell salespeople, "It's not in the budget," what they really mean is that they are not comfortable with what is being presented. They also said they view radio salespeople as "package sellers - not helpers."

It is entirely too common for a radio salesperson to sell an ad schedule - then try to develop a concept or idea "to fill up the spots." That's doing it backwards. First, determine what the client's objectives are through thoughtful questioning. Find out what his or her profit centers are, what products or services are in high demand, what departments have higher potential, what the business's current inventory status is, what the strengths of the business are.

By working with a client to identify and solidify his or her marketing goals, the salesperson becomes a partner rather than an adversary. Identify the objective first then sell the plan to help him or her reach that objective. When sales are made this way, the radio salesperson ceases being a package seller who costs the business money. He or she becomes a source of ideas and planning assistance who earns a larger share of the business's advertising money.

Until radio station managements train their salespeople to be marketers rather than "just salespeople," radio will fight its uphill battles and rank on the lower rung of the ladder in advertising revenue.

Turning our sales staffs into marketers is not a "quick fix." But as Ben Franklin said:

"He that can have patience can have what he will."

Darrell Solberg  
Professional Sales Trainer  
D. D. S. Services  
Sioux Falls, South Dakota  
- 57106

Telephone: (605) 361 9923

## About Your Customers .....

RESTAURANTS - If your radio copy stresses only how good the restaurant's food tastes, you may be missing an important customer benefit. How good is the food for the customer? 29% of restaurant customers are concerned about nutrition and health. 39% are committed to healthful eating, believing that good diet can prevent illness. Only 32% are unconcerned and eat whatever they want, regardless of its health effects. (National Restaurant Association).

SUPERMARKETS - 40% of shoppers in supermarkets are now men. Nearly 1/3 of all men do major food shopping. 25% of men shop regularly with their wives. Good supermarket radio copy no longer can be directed to "Mrs. Housewife."

3-MINUTE SHOPPING SPREE - A California supermarket chain, Von's is testing a new store format - a drive through grocery store. The first has opened in Pasadena. Without leaving their cars, motorists can now order, via a microphone (a la Wendy's and Burger King) any of the stores 1,400 food or health and beauty aids, pay the cashier at the drive-up window, and drive off with his or her groceries within 3 minutes. Other chains are trying the concept too: 7-11 in Missouri, Washington, and Florida and an I. G. A. store in Oregon. (Sales/Marketing Management 6-'90)

FUNERAL HOMES - There are 8.8 deaths per 1,000 population. The average traditional funeral, conducted by a funeral home, now cost \$3,800.00. Cremation (average cost \$1,301.00) is growing. It accounts for 33% of funerals in the west, 13% in Southeast, and 10% in the South. Cremation is most often the decision of the deceased - a traditional funeral, the decision of the survivor's family. (American Demographics).

CREDIT CARDS - Listeners to country music formatted radio stations are 23% more likely than the average American to have a gold Visa card or Discover card, according to the research conducted by Arbitron. 44% of country music listeners are "baby boomers", compared to 38% to other formats. 1 in 5 country music listeners are in their peak earning years (45 to 54) vs. 13% for other formats. The Donnelly Cluster Plus system puts 40% of country fans into its 3 most affluent groupings. The 3 groupings account for 25% of the total population (12+). (Country Music Association)

THE CABLE TV ADVERTISER should know that a New York research firm studied TV prime time viewing the week of November 6 to 12 and found out that the average Prime - time network viewer watched network TV an average of 27 consecutive minutes compared with an average of 11 minutes for those watching the 6 cable TV networks included in the survey. (Norman Hecht Research, New York in Advertising Age 6-26-'90)

About Some Possible Opportunities:

ROCKET FUEL FOR RADIO STATIONS! That's what Keith Reising, Jr. calls a promotion he ran Sunday night (July 1) at WRZQ, Columbus, Indiana. His station promoted a fireworks display choreographed with 22 songs played over his radio station.

Promotion on his station started 1 month before the event. 8 clients were sold \$2,400.00 participations each, which included on-air promotional tie-ins, 24 - 1 minute ads and a 3 hour "at your business" remote. A major sponsor, a convenience store chain paid \$10,000.00.

A crowd, estimated by the county sheriff's department at 30,000, showed up for the event - equal to 1/2 of the station's home county population.

Reising says he hopes to take the fireworks show to other areas in August or on Labor Day weekend. The package, including a million-\$s worth of liability insurance, is \$19,500.00. For the fee, he says, he spend 48 hours in the market helping the station sell the event. "That's a big commitment," he says, "but, it's a big impact. A station will show a direct profit." Reising's phone #: (812)378 1073.

BONUS MONEY - Many stations are selling information on demand services via telephone. ACCU WEATHER is marketing a product called "FEATUREFONE" (tm). A station can offer its public (and sell) Accu-Weather forecasts, sports scores, daily soap opera summaries, lottery results, horoscopes, ski and resort information, travel information and a host of other services. Accu Weather says there is no capital investment. The systems can be leased at a "low" monthly rate. Information can be had by calling Dr. Joel Myers, President, at (814) 237 0309 or sales manager Sheldon Levine at (814) 234 9601.

MAJOR LEAGUE BASEBALL's "HALL OF FAME" ceremonies at Cooperstown, New York on Sunday August 5 will be broadcast via satellite - barter (Satcom 1R or Galaxy 2). The producer of the broadcast is Tom Star. His company, Star Communications, produces the overnight sports call in program "Sports Final" (satellite-barter) from 11:00 P. M. to 6:00 A. M., Eastern time, That program is now on 80 stations across the country.

\$34,800.00 WORTH OF BUSINESS AT \$7.25 PER AD was written in 5 days at K E L K/K L K O, Elko, Nevada by K-Communications. They sell advertiser custom jingles. Direct cost runs 10% to 20%. Information: Skeeter Dodd, (615) 331 8570.

"Keeping Score" .....

Dick McBroom describes the 2 small towns his radio station serves as pretty typical "small markets." He says, "For the past couple of years, we have a lot of 'GO' and 'GOB' activity - Grand Openings and Going Out of Business Sales." I keep mental note of the two. I think the last couple of months the 'Gos' have outnumbered the 'GOBs. I think the barometer is pointing up right now."

In 1973, despite the almost universal wisdom, that he was ahead of his time, McBroom built a "stand alone FM" at Napoleon, Ohio (population: 8,614). FM, particularly in small towns, was still a very minor play in radio. Most small market "stand alone" FMs were losing a lot of money for their owners. Never the less, McBroom went ahead with W N D H. "We probably had the most unusual business plan any station ever had," he says now. He got a \$20,000.00 local bank loan, secured by contracts for \$111,000.00 worth of pre-sold time on the unbuilt radio station.

By 1981, W N D H was doing well enough that McBroom wanted to expand. He made a bid on W O N W-AM, Defiance - 18 miles away, where he'd started his radio career. "I don't think the longtime owner took me seriously. He contracted to sell it to a group broadcaster." That sale aborted because of the then existing FM overlap rules.

In 1988, McBroom made a second offer on W O N W. This time, he was successful. The W O N W owner had gotten older and a Class B FM had gone on the air in Defiance (population 16,810) and a Class A FM was close to being granted. "The station and its business had deteriorated," McBroom says. "The new competition was partly responsible, but, I think more than anything else, the owner was burnt out."

"A friend advised me not to change the call letters or the music format. He said, 'It sounds bad to you - but, you're a radio guy. I'll bet you, after 40 years, that station has a lot bigger listener base than you think.' I took his advice. We kept the call letters and the music format. We polished the format and added the kind of local services that have made us successful here in Napoleon."

Bob McLimans, who joined W N D H out of college and has been station manager for many years, says, without embarrassment, "we program around the commercials." At both W N D H (adult contemporary) and W O N W (country), music is programmed in-house from mostly C.Ds. The Gavin reports are used to make up the play-lists. At W N D H the mix is 50% currents (about 60), 25% recurrents and 25% oldies. On country W O N W the "mix" is 75% currents and 25% recurrents. Songs older than 5 years are programmed only in weekend specials. "There isn't a country music tradition here in Northwest Ohio. Oldies have little appeal to most of our listeners who have become country fans in only recent years," McLimans says.

Both stations have a heavy local news and sports schedule and employ the Central Weather Service out of suburban Chicago to do localized weather coverage. The stations carry a heavy schedule of at store, event, and cause remotes - all heavily sold.

At W O N W, McBroom says, "We didn't go in with a 'house cleaning' idea as far the personnel were concerned. The morning man and the program director are still with us. However, I have my way of doing business and expected the W O N W to conform with it. We have a dress code. When you visit one of our stations, you'll see the announcers wearing ties. I expect them to act and look professional."

McBroom's policy, he says, caused the longtime W O N W sportscaster to leave. "He didn't like the dress code and some other company policies. I was sorry to see him go (to a competitor), but, we don't have a lot of rules. The ones we have are for everybody. That kind of thing makes a lot of difference in the success of a business."

After 3 years, W O N W's billings have returned to their highs of the early 1980s, despite the addition of 2 more radio stations in Defiance and the fact that the county's population has grown less than 5% in 10 years. The two stations have a single sales manager, Connie Bechtol. They are sold separately. "We tried combo sales, but, I wasn't satisfied with the results. Even though they're 18 miles apart, the two stations and the two markets are distinct.

Connie was "in the office" at W N D H. In McBroom's words, "she was replaced there by a computer." "She asked for a shot at sales." Her success, McBroom calls, "The most pleasant surprise of my life."

Connie, who works on a salary plus performance bonus plan, handles the stations agency business, on going training, and supervision of the 3 person sales staffs at each station.

McBroom believes there is a lot more growth in his 3 year AM acquisition. "We'll do a better job of selling and I believe there'll be an AM radio renaissance within 10 years." Why? "Technical improvements and new owners."

#### THE LAST WORD

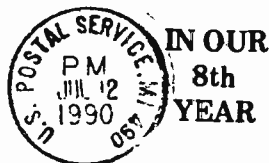
We applaud the Supreme Court decision affirming preferences to women and minorities. Now that we know what the law is, it's time for the Commission to scrutinize applications more carefully to ward off the abuses which are readily apparent in many filings, designed to take advantage of minority and female preferences.

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275 19th Street - Otsego, Michigan 49078 - (616) 694-9357 - FAX: (616) 692-6789

**S**mall  
**M**arket  
**R**adio  
**N**ewsletter  
Inc.



Bob Doll - Publisher and Editor  
Barbara J. Doll - Circulation

VOLUME VIII - Issue #7 - July 12, 1990

**CASH FLOW - YOU'D BETTER BE ABLE TO PROVE IT** - The sellers of radio stations in California, Illinois, and Nebraska and the brokers handling the sales have been sued for allegedly false cash flow claims. Question: Was it the seller or accounting firm who prepared the "financials" or the broker who "misled" the buyer?

**ABOUT YOUR COMPETITION** - The 3 major networks tied in 24 hour a day ratings with 18% each of homes using TV. Independent stations got 20%. Basic cable TV got 20%. About those cable ratings: T.N.N., even though it was carrying N.B.A. playoffs got only a 1.2. E.S.P.N. with major league baseball in prime time this year scored a 1.0. Network had a 1.4. (Advertising Age 7-2-'90)

**NEW AM IDEA** - When Kermit Edney and Art Cooley sold their Class C FM station at Hendersonville, North Carolina in 1986, Cooley told SMRNewsletter, "We got a big price, saved the million \$+ it was going to take to upgrade it, and we'll have time to concentrate on what we do best - run a good community station. With their full attention, W H K P, a Class IV on 1450, has encouraged them to buy 2 more AM stations in the area. W P N F, a Class IV, at Brevard (1980 population: 5323) and W T Y N, Tryon (1980 population 1,723) 10 kW D/500 w N on 1160. The towns are each about 20 miles south, one to the west the other to the east. The Commission's new overlap rules make the purchases possible. They reportedly paid \$60,000.00 for W P N F and \$75,000.00 for W T Y N. Both stations are silent, pending conclusion of the sales. Some programming will be simulcast from WHKP.

**CHRIS LYTLE SALES SEMINARS IN AUGUST** - 8-6: Austin, TX; 8-7: Jackson, MS; 8-8: Montgomery, AL; 8-13: Dallas, TX; 8-14, Topeka, KS; 8-15, Des Moines, IA; 8-16, Minneapolis; 8-21, Akron, OH; 8-22, Lexington, KY. Info: 1-800 255 9853.

**CRYSTAL AWARDS SMALL MARKET FINALISTS** - AL, WKMX, Enterprise' AZ, KGVY, Green Valley, KIHX, Prescott Valley; CT, WSNG, Torrington; ID, KVNI, Coeur d'Alene; KY, WGOH/WUGO, Grayson; MD, WTR, Westminster; MA, WPXC, Hyannis; MI, WSJM, St. Joseph; NE, KRGI, Grand Island; NH, WOKQ, Dover, WTSN, Dover; NY, WWSC, Glens Falls, WALL, Middletown, WLNG, Sag Harbor; OH, WHIZ, Zanesville; OK, WBBZ, Ponca City; TX, KTTX, Brenham; VT, WKVT, Brattleboro; WI, WAYY, Altoona, WDLB, Marshfield; WY, KROE, Sheridan.

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

At the F. C. C. ...

ARKANSAS (Marked Tree) FM Marked Tree Radio Part. 93.7 3kW 328'  
CALIFORNIA (Bakersfield) FM Elgee B'c'g. 101.3 3 kW 328'  
    (Ocilla) FM Oceola Comm., Inc. 100.5 3 kW 328'  
    (Soledad) FM Soledad Radio L.P. 105.3 3 kW 328'  
ILLINOIS (Spring Valley) FM Illinois Valley Radio 103.3 3kW 328'  
INDIANA (Anderson) FM Anderson University 98.7 3kW 328'  
MASSACHUSETTS (South Yarmouth) FM Susan Davenport 103.9 3kW 328'  
NEW MEXICO (Los Lunas) FM Patricia Komorowski 106.3 3kW 328'  
OREGON (Seaside) FM. Seaside Br'c'g. Corp. 92.7 3kW 328'  
PENNSYLVANIA (Mt. Carmel) FM H and P Comm. 99.7 3kW 328'  
TENNESSEE (Goodlettsville) FM D G Enterprises 97.1 50kW 492'  
TEXAS (Liberty) FM K P X E (AM) 99.3 50 kW 492'  
WISCONSIN (Lorima) FM Value Radio, Inc. 106.7 1999w 394'  
WYOMING (Burns) FM William Moir 101.9 50 kW 492'

AMENDMENTS TO THE FM TABLE (Amendments):

ALABAMA (Valley) 98.1 A as 1st. W.: 8-21/ 9-19  
CALIFORNIA (Dunsmuir) 100.1 A as 1st. W.: 8-21/9-19  
NORTH CAROLINA (Atlantic) 107.3 A as 1st. W.: 8-21/9-19

(Proposed):

ARKANSAS (Paragould) 104.9 C3. M.: K D X Y. Change city of  
    license to Lake City, Arkansas.  
GEORGIA (Waycross) 102.5 C1. M.: W B G A. Change city of  
    license to Brunswick, Georgia.  
    (Fort Valley) 97.9.A M.: W K X X.  
    (Smith Valley. 98.7 C3 as 1st.  
NEW YORK (Saranac Lake) 105.3 C3 as 2nd.

(Requests):

ALABAMA (Columbia) 102.7 A as 1st. Req.: Columbia Br. Group  
CALIFORNIA (Calistoga) 100.9 A as 1st. Req.: Michael Espinoza  
    (Grass Valley) 94.3 B1 for A. M.: K N C O.  
KENTUCKY (Pikeville) 93.1 C2 for 92.1 A. M.: W D H R.  
NEVADA (Carson City) 94.7 B1.. M.: K R W R. Change city of  
    license to Fair Oaks, California (near Sacramento).  
NORTH DAKOTA. 101.5 (C). Req.: J. B. Broadcasting.  
WEST VIRGINIA (Clinchco) 92.1 A for 93.1 A. Req.: W D H R,  
    Pikeville, Kentucky.  
    (Matewan) 100.7 C3 for 106.7 A. M.: W V K M

The M Street Journal (703) 684 3622) reports these stations have "gone silent" K J L A, Kansas City, Missouri (an AM Music of Your Life station) and K L Z K, Farwell, New Mexico (a Class A F M). Back on the air, K L V S, near Portland, Oregon (an AM 5 kW full-timer that last did an all-Elvis format, this try SUN talk) and W Y O R, Brentwood, TN AM daytimer on 560 (an AC/Country music mix this time).

MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

"RADIO + TV" - When an L.P.T.V. announced plans to come on the air at Jasper, Alabama (population: 11,894), Rick Jones, W Z P Q, was sure they would want to do high school football games. Those games are a significant profit stream for his station.

Rick approached the L.P.T.V. station, buying 3 hours of their Saturday morning time plus hiring their personnel and equipment to do video coverage of the games.

W Z P Q continues to carry the games on its AM station live (nights P.S.S.A. = 42 watts on 1360 kHz). The following morning a video tape of the game is played back on the L.P.T.V., using a recording of the radio broadcast as the audio.

The result, Jones says, "We're making a very good profit on the combination of live Friday night radio coverage and recorded L.P.T.V. playback. Advertisers are sold a combination of both the radio and L.P.T.V. broadcasts by the W Z P Q salespeople. The L.P.T.V. station makes a fair profit and so do we."

MORE REVENUE - Many stations carry an after the game broadcast interview with the home team coach. The coach gives his insights as to the way the game was played.

Stations can get added revenue by selling a re-broadcast of the "coach's comments" following the major early morning newscast the following day. Program value is excellent: the coach can hear himself, fans who missed the broadcast the night before can hear it. Many people who heard it the night before will be glad to hear it again. Station profits by selling the broadcast twice.

"SCHEDULES" - You can make sponsorship of your games more tangible by having a team schedule printed. Give each sports sponsor a quantity that can be picked up at their store. In the case of service type advertisers, give them a supply to mail out with their monthly statements.

In addition to the game schedule, reference to the broadcasts on your station, list the radio sports sponsors. They'll be used and kept best if they're billfold size. Have them serially numbered - awarding a pair of game tickets weekly to a person whose number is called.

ON ANOTHER SUBJECT - GETTING ATTENTION - Mike Edwards at W F M G, Richmond, Indiana had the whole town, particularly his radio competitor guessing, when an announcement came over the station and an ad appeared in the newspaper saying, "We're taking over another station Friday at 1:00 P.M." At the appointed hour, Edwards came on the air saying, "We're taking over the --- Service Station now. For the first 101 cars driving in, we have 10 gallons of free gas."

\$ale\$ - Selling Sports .....

When you present your station's play-by-play sports to a prospect, you're selling more than just time. Bob Shulberg in his book, "Radio Advertising - The Authoritative Handbook," points out you are also offering him:

A prestigious association with a community institution.

Fan appreciation that translates into customer loyalty and goodwill.

A favorable selling climate for his/her message.

Excellent commercial frequency. He talks to the fans over and over again.

Listener recall of commercial messages on ball games is abnormally high.

About college and pro games, some of which are also on TV, remind your prospects (if they raise the issue) that much of radio's audience is away from home - out of reach of a TV set:

Radio listening by men, week long - 24 hours, is 28.6% in autos and 22.1% at other away from home locations, out of reach of the TV set.

Don't forget too, that widespread practice of watching the game on TV with the sound turned down and getting the audio from the radio play-by-play account.

Simmons research shows that the audience to sports play-by-play includes more affluent, better educated, and influential listeners:

	All Listeners	Household Income \$50,000+	College Graduates	Professional/ Managerial
Baseball	100%	145%	137%	148%
Pro Football	100%	146%	144%	150%
College Football	100%	153%	166%	160%
College Basketball	100%	151%	161%	143%

High school sports has the added benefit of school loyalties and local names. In most small communities, almost everyone has some connection to the local team.

## Let's Talk Sports (#8) .....

Each year in this edition, SMRNewsletter features articles on carrying and selling high school and other sports. This is always one of our most comment upon issues, with good reason. For most small market radio stations, sports is an important part of the station's programming and revenue. Its contribution to profits is all the more important because high school and other sports income comes from the sale generally of night and weekend time, not normally high demand times for ordinary "spot" revenue. The station's call letter banner and personnel being seen at the games is great visible exposure and the service of "bringing the games" to people whose schedules do not permit them to attend are apparent for a station's image.

Television's "overkill" in the amount of play-by-play it carries has brought about what many term "sports saturation." The widespread college "sports scandals" and the escalating pro player salaries have taken some of "the bloom" off sports, but, they are still important in most people's lives. An interesting phenomenon is the increasing number of women who follow sports avidly. Most radio programming experts call play-by-play sports the only true 12-plus programming as it reaches people in large numbers in all age groups, economic, and educational levels. This runs counter to music programming which continues to splinter into ever increasing and smaller cells.

Costs of carrying sports continue to escalate. Technical ideas, developed by stations, like R. P. Us., telephone couplers, co-operative arrangements between stations, have generally held these costs down in light of escalating telephone line costs. However, many colleges and some high schools seeing those huge rights fees being paid by TV and radio networks, have sought broadcast fees. In small markets where potential revenues have limits, these direct costs are a major threat to a station's profitability. Stations and their sports personnel need to encourage fan support and attendance. That effort makes a lot more sense than the possibility of having to pay broadcast rights. Radio does not cut attendance. It can increase attendance by developing interest and enthusiasm for a team.

How much sports should a station carry? How much can be sold profitably? We again this year, on the following page, carry a sheet that can be used in the pricing of sports. Our readers over the years have told us they have found it helpful in staying away from "trading dollars."

How much should an advertiser spend on sports? For most businesses, it should be part, not all of his/her radio strategy. How much depends on the objectives of his/her marketing plan. Most sports buys are prompted because of a personal interest. That's a basic reason for buying advertising. It's up to the person who sells it to make sure that the messages pass this important test for all advertising, "To sell more of something than would have been sold if the ad hadn't run."

## HIGH SCHOOL SPORTS

This is the 4th time SMRNewsletter has taken a good look at high school sports. Most of our subscribers agree that it makes the gross look good, but can play havoc with expenses, unless it is realistically priced. We are indebted to Charles Wright, W B Y S, Canton, Illinois, for sharing with us his formula for pricing sports, other events, and promotions:

1. Station operating cost per hour x length of broadcast(s).	\$	
2. Line Charges or % of Maintenance Cost and Depreciation Cost of Station R. P. U. Equipment	\$	
3. Travel Expense and/or % of Maintenance and Depreciation of Station Vehicle		
4. Broadcast Rights	\$	
5. Merchandising and Advertising	\$	
6. Announcer or Network Fee	\$	
7. Profit	\$	
8. Sales Commission	\$	
TOTAL:	\$	

**Note:**

1. Annual Operating Expense divided by 365 by hours the station operates daily.
3. and 4. - Both R. P. U. and vehicle costs are major contributors to station expense. A % of these costs, most financial people think, should be recaptured in sports revenue.
8. Some stations deduct direct sports expenses before figuring sales commissions. More often than not, it proves to be a dis-incentive to salespeople. Therefore, many stations in figuring sports prices "mark up" direct expenses to cover commissions (e. g. 15% - 17.65%).

Note: The above is a very tough test for many station activities to pass. In the real world, there won't always be an Item #7, but a good manager wants to know, before it happens.

"Showmanship .... Salesmanship.....Citizenship" .....

You'd never guess that this tall, lean, westerner was 65 years old, but, Ray David, president/general manager of KLTC/KRRB, Dickinson, is qualified for full Social Security. "I am not thinking about anything like that."

In addition to his "hands on" management of the 2 radio stations, he is involved in a long list of civic enterprises, and is now in his third term as a member of the North Dakota State Senate. "That's a full plate, but, I don't have any problem digesting it," he answers.

David's approach to things, he agrees, go back to his first career after service in World War II - 12 years managing small town theatres in Colorado, New Mexico, Nebraska, and North Dakota. "Showmanship' is missing from a lot of radio stations and other businesses. Many 'business types' look upon it as something sleazy or mysterious. It isn't. Showmanship is promotion designed to create activity. People go where there's activity."

David's interest in community service and ultimately politics, like his penchant for showmanship, grew out of his experience with the theatres. "The small town theatres only operated days on the weekends. That gave the manager a lot of day time to take part in community activities. I left the theatres when a chamber manager job opened at Williston. I knew I'd like the work - and it paid \$100.00 a month more than I was making at the theatre."

He did well enough during his 3 years in chamber work that he was offered a job with the state chamber. "When I told the board, one of the directors (Chuck Scofield, K E Y Z) said, "Stay in town and come to work for me.' When I told him I didn't know anything about the radio business, he said, "You know people. I'll teach you the rest."

14 years later, David decided he was ready to go in business for himself. He applied for an AM radio station in Dickinson, North Dakota. "I filed the application, served out a notice at K E Y Z, and moved to Dickinson, thinking the license would be mailed any day and I'd build my station." It was nearly 5 years and over \$90,000.00 in legal fees before I got my Dickinson radio station on the air.

He made ends meet during his almost 5 year wait by serving in various political jobs. His station finally got on the air by late summer 1978. A combination of showmanship, aggressive selling, and community service made the station an instant success. The competition had had the town of 16.5-thousand to itself for more than 40 years. He added Class A FM in 1983.

David entered elective politics when he ran for state senate in 1982. He has since been re-elected twice. All 3 races were hotly contested. "I'm pretty outspoken. People

know where I stand on every issue. The public deserves that. But, when you do it, you can be sure you'll be targeted every time election time comes up." David admits he likes taking part in the hotly contested races.

During election periods, every 4 years, David continues his duties, including air-work. "At the beginning of the campaign, I meet with my opponent, telling him that this is what I do for a living. I offer him an amount of free time to equalize my appearance on the stations. I'm fair about it." It has not been a problem.

"Sure, I lose some business because of my duties in the senate. It only pays \$5,000.00 a year and takes a lot of time. Plus, you do find yourself on opposite sides with advertisers sometimes. But, if you're honest, I think people appreciate that. I'd advise anybody with the inclination to get into politics. Don't let being in radio keep you out if you have something to offer."

K L T C, which David joking says stands for "Keep Loving Thy Country, is a full-time 5 kW AM, operating 24 hours a day, with live "host-communicators" around the clock. It has a heavy news, sports, and special events schedule.

The FM, W R R B, which came on the air 5 years after the AM, is in a separate building in a different part of town. It shares only its engineering and bookkeeping with the AM. The FM, like the AM, had competition for the license. "By the time we got it granted, we had a big investment. In most small operations, they sell one station and give the other one away. We couldn't afford to do that. We run them as competitors. It costs more, but, I'm sure we gross a lot more."

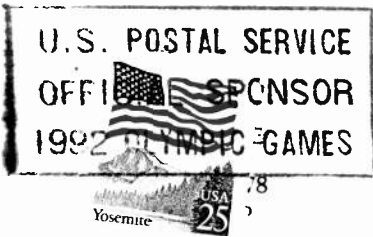
David's show business background shows up in the stations' inventory which includes a World War 11 spotlight. His advice to customers about their copy is straight forward: "Tell 'em what you've got, what it costs, and when they can get it."

#### THE LAST WORD

We are please to extend our congratulations to 2 one-time employees and long-time friends: Bob Spradlin and Bill Buchanan. Both own and operate stand-alone "short hours" 250 watt daytimers in small towns. Both have just been granted FM facilities to pair with their AM stations. In both cases the FM grants came after long, expensive F.C.C. proceedings. The real winners are the people of Berea, Kentucky and Liberty, Texas, who will have not only better local radio facilities but the continued efforts of good radio people who are also good citizens.

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FOUR  
8th  
YEAR

**S**mall  
**M**arket  
**R**adio  
**N**ewsletter  
Inc.

Bill Taylor  
KQSS  
P.O. Box 292  
Miami AZ 85539

Bob Doll - Publisher and Editor  
Barbara J. Doll - Circulation

VOLUME VIII - Issue #8 - July 19, 1990

**NOT COMPLYING WITH N.R.S.C.**, mandated by F.C.C. effective June 30, may become very expensive quickly. F.C.C. Field Offices have already started station inspections across the country. There has been no extension of time to comply. Fines are expected to be levied on non-complying stations.

**UNSATISFACTORY E. E. O. RULES COMPLIANCE** has short term renewals, special reporting requirements, and fines ranging from \$5,000.00 to \$18,000 to a dozen more stations in North Carolina and Florida. In W Q A M/W K I S, reporting conditions; W M X Q (FM), Riviera Beach - reporting conditions; W P F M, Panama City, \$15,000.00 fine; W T R S AM/FM, Dunnellon - \$18,000.00 fine; W M M K, Destin, \$15,000.00; W G U L AM/FM, New Port Richey, short term, \$15,000.00 fine, W L V U AM/FM, Dunedin/Holiday, short term \$18,000.00 fine. In North Carolina: W R C M, Jacksonville and W R R F/W DL X, Washington, reporting conditions; WZYC, Newport, reporting conditions and \$5,000.00; W K R R, Asheboro, short term, reporting conditions and \$10,000.00.

**24 HOUR F.C.C. OBSCENITY BAN** says that at no time may a broadcast station broadcast indecent material. The Commission definition of indecency is, "Language that describes, in terms patently offensive, as measured by contemporary community standards for the broadcast medium, sexual or excretory activities or organs."

**N.A.B RADIO '90** (Boston 9-12/15) pre-registration is running ahead of last year. A surprise for at least one committee member, "when you consider all of the 'down' stories about the finances of a lot of stations and groups in the trade press."

**THE RETAIL MARKETPLACE - MIXED REPORTS** - Sales by the big chains in June were up an average of 5.8% (compared to 5.2%) in May, but, the Conference Board reports that consumer confidence was down 5% from May and 12.5% from June, 1989. Consumers expectations are down 8.1% from a year earlier, but, plans to make major purchases within the next 6 months have changed little from the month before and June, 1990. The "Mixed" signals are, according to analysts, a sign of "jitters" over the imminent federal tax increase. (Ad Week/Marketing Week - 7-9-'90)

275 19th Street - Otsego, Michigan 49078 - (616) 694-9357 - FAX: (616) 692-6789



At the F. C. C. ....

NEW STATIONS (Granted):

IOWA (Eldora) FM E.W. Bie 99.5 3 kW 328'  
NEW YORK (Honeoye Falls) FM Monroe-Livingston Radio 107.3 3  
kw 328'  
OREGON (Seaside) Fm Seaside B'c'g. Corp. 94.7 3 kW 328'  
SOUTH CAROLINA (Walterboro) FM TBJ B'c'g. 105.3 3 kW 328'  
TEXAS (Bay City) FM Ammerman Enterprises 96.1 50 kW 514'  
(Muenster) FM Gain Air Co. 106.5 3 kW 328'  
VIRGINIA (Chase City) FM Patricia Wagstaff 99.9 3 kW 328'

AMENDMENTS TO THE FM TABLE (Amended):

ALABAMA (Valley) 98.1 as 1st. W.: 8-21/9-19  
ARIZONA (Williams) 96.7 A as 2nd. W.: closes 8-6.  
CALIFORNIA (Dunsmuir) 100.1 A as 1st. W.: 8-21/9-19  
NORTH CAROLINA (Atlantic) 107.3 A as 1st. W.: 8-21/9-19

(Proposed):

ALABAMA (Columbia) 102.1 A as 1st.  
California (Calistoga) 100.9 A as 1st.  
NEVADA (Sun City) 94.5 C2 as 1st.  
NORTH DAKOTA (Bismarck) 101.5 C as 3rd FM

FIRST COME/FIRST SERVE:

IDAHO (Ketchum) 104.7 A  
MISSOURI (Ellington) 103.9 A.

INVOLUNTARY TRANSFER:

CALIFORNIA (Lodi) K C V R (AM - 1570 - 5 kW D - 34w N) K W I N  
(FM Class A) to Turnbeaugh Communications, Debtor in  
Possession, 7808 Kelly Drive, Suite A, Stockton, CA -  
95207 (900418ED/E)

The M Street Journal (703) 684 3622) reports the following  
stations "silent" this week: W O V R (FM), Versailles,  
Indiana W S P F (AM), Hickory, North Carolina and W D S G  
(AM), Dyersburg, Tennessee. Back on the air: W T U N (AM)  
Santa Barbara, California and K R W R Carson City, Nevada.

ABC HAS EXITED "TALK RADIO" from 3:00 A. M. to 7:00 P. M.,  
Monday through Friday. It will continue night and weekend  
"talk" featuring Sally Jessy Raphael, Tom Snyder, Bob  
Brinker, Ralph Snodsmith, and Mike McClintock. Off the air,  
beginning 9-28, are Dr. Joy Browne, Gordon Elliott, Barry  
Farber, and Bob Aaronson. Reason for the "cut back":  
failure to get enough clearances on major markets.  
(Editor's Note: This and some other trade publications  
carried a story about A.B.C. cutting back its "talk shows".  
What we were told by A.B.C. at that time was "erroneous"  
turned out to be only "premature.")

MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

OLD GAME/NEW TWIST - Many stations use their mobile van or a car to give away prizes for a bumper sticker promotion. Don Sharp, W L R B/W K A I, Macomb, Illinois, did something with his W L R B/K-100/Pepsi Bumper Sticker this year.

A \$600.00 Raleigh All-Terrain bike was obtained as 1st prize for the summer-long promotion.

Instead of sending a staff member out in the station van, one staff member, an avid bike rider, did the spotting from the bike. The bike was equipped with broadcast unit and a specially designed helmet with built in mike and earphones. He broadcast as he spotted bumper stickers.

A record number of bumper stickers were affixed to area autos this year - distributed through a dozen local advertisers' places of business. (There were "peel off" sponsor coupons on the back of the stickers.)

The stickers were given an "extra push" through remotes with station personalities doing such things as bagging groceries, pumping gas, modeling mens fashions in a store display window.

MYSTERY MERCHANT - Bob Spradlin, W K X O, Berea, Kentucky has signed 15 local merchants (in his town of 8,000). Each of the 15 has recorded a clue as to his/her identity. Each hour 1 is broadcast. The station takes 3 guesses. The first person to identify each gets a prize from the merchant. Each caller, right or wrong, gets a chance at \$150.00 cash (this station's AM is 1500). The station makes a record of each guess - but, it does not tell the caller whether he is right or wrong. That comes at the end of the contest.

10 days before the end of the month long contest, Bob, has added an extra chance feature for players and a chance for people frustrated by busy signals when they try to play. The list of 15 clues is available at each participating advertiser. The person who correctly ties all the clues with all the "mystery merchant" names gets a weekend trip at an area theme park. (In case of ties, winner will be selected by drawing).

Print Only - What an Advertiser Misses .....

Bruskin Associates interviewed in person 2,007 adults about their reading of catalogs, inserts, mailers. The research was funded by Television Advertising Bureau (TAB):

	All	Most	All+ Most	Few	None	Few+ None
Read Catalogs	14%	30%	44%	37%	15%	52%
Read Newspaper Inserts of stores where they usually shop	20%	29%	49%	36%	12%	48%
Read Newspaper Inserts from Stores they do not shop	10%	12%	22%	38%	37%	75%
Read General Mailers	9%	23%	31%	49%	18%	67%

\$ale\$ - Getting and Keeping Attention .....

1. Organize your thoughts before you start talking. The most common source of confusing messages is muddled thinking. If a thought is not clear in your mind, it is going to sound worse when you speak it! Customers don't want to struggle to understand you. In fact, if you don't make sense, most customers will stop listening.
2. Get right to the point. One of the most effective ways to lose your customers is to leave them asking, "So, what's the point?" Give your listeners the "meat" of your sales presentation to chew on while you elaborate with details. Most customers don't like being kept in suspense - except when they're watching mysteries.
3. Translate what you have to say into benefits to the customer. People will seldom ignore what you are saying, if they believe there is something in it for them. Remember people are always tuned to, "What's in it for me?"
4. Ask questions to involve the listener. Ask questions to learn your customers' interests. Ask about their jobs, their families, their hobbies, or other areas that you might have in common. Ask questions to make sure your customers are listening. Give them the opportunity to contribute to the conversation. Remember, your goal is to carry on a dialog - not a monolog.
5. Don't be afraid to let the "real you" shine through. Each of us has a unique personality - a blend of traits, thought patterns, and mannerisms. You weaken your communication when you try to say things in unfamiliar ways. Why? Because you have to take on the additional role of acting. Instead of copying another person's style, concentrate on what you are saying and to whom you are saying it. You'll be more convincing and much more comfortable.
6. Be enthusiastic. If you are not excited about your service or product, how can you expect your customers to be very interested? Be animated! Be lively! Add a little enthusiasm to your dialog, and you'll have much more impact on your customers.

UNLESS YOU HAVE YOUR CUSTOMERS' ATTENTION, AND YOU ARE WILLING TO GIVE THEM YOURS, YOU SIMPLY ARE NOT COMMUNICATING!

Nido R. Qubein in  
"Personal Selling Power"

## About Your Customers - The Bank .....

This month (July), the A. B. A. Banking Journal is telling its banker-readers, "It's time to let the secret out. Bankers know it, many customers know it, and the beneficiaries of their community relations activities know it. So do regulators who ask bank Community Reinvestment Act (C.R.A.) records."

"But, that's not enough. Unless bankers shed their reticence, the fact that banks are good corporate citizens will continue to be unknown to many people."

"With more community leaders raising questions about the industry's responsiveness to community needs---and the issue soon to be an even more popular topic now that C.R.A.ratings will be available to the public---it behooves bankers to do a lot of talking about their community activities. They must also do media relations work, so their deeds are covered on the air and in print."

That said, the article explains in review how the bank should prepare news releases, develop good relations with media, write "letters to the editor," and it advises:

"Try institutional advertising. More and more banks are using their C.R.A. stores as the subject matter of advertisements - and with good reason. Advertising allows control over what is said, as well as where, when, and how the message appears." It points out that, "New York state banks, for example, have purchased air-time and print space during the past year to declare their commitment to their communities, describing special lending programs for the poor and targeting special messages to the elderly and handicapped."

A.B.A. members can obtain a new C.R.A. Communications Kit. The kit, available on request to A.B.A. members is designed to help banks deal with the news media concerning C.R.A. ratings being made public (outstanding, satisfactory, needs to improve and substantial non compliance). Member banks can get the kit by calling 800 872 7747.

The other product developed for bank members is A.B.A.'s advertising kit entitled, "Being a Good Neighbor is Good Banking." The kit enables bank to tailor the association's national advertising campaign of the same name to their local market. Member banks should call Juanita Townsend at (202) 663 5461.

Programming - About Your Morning Show .....

Radio consumers use the radio in the morning as a wake-up service. Discussions with real people often reveal statements like:

"My alarm goes off at 6:15 and when the news come on I know I've got to be on my feet or I'll be late."

"Mark and Bob always do the Morning Trivia Quiz while I'm shaving and I never get it right ..."

"I know I'm on schedule if I'm around the intersection of Maple and Third when the Mystery Oldies comes on the radio."

What I'm leading up to is what I've now heard from enough different researchers and consultants that I'm sure it is true: PLACE YOUR MORNING SHOW FEATURES AT OR NEAR THE SAME TIME EVERY MORNING. Many morning shows still move these audience magnets to different hours to reach more different listeners. DON'T! LOCK THEM IN - and make sure you put your best foot forward by placing your "killer" bits between 6:30 and 8:00 A. M.

Needless to say, the information segments -- news, traffic, sports, weather -- should be scheduled at the same time and the air people should make a valiant attempt to deliver them on time. I once had a morning guy who always got into the news 10 minutes late. I could either move the news or move the morning guy. Well ---

Lee Douglas, Vice President,  
Unistar in their weekly  
affiliate letter (7-9-'90)

About Recorded Music .....

While it costs only 90¢ to make a "C.D.," best selling pop artists like Madonna and Phil Collins sell for \$15.98. Even on special sales, the typical C.Ds. go for around \$12.00. That price is generally blamed for slower growth in sales. But, with 96% of the nation's recorded music coming from just 6 companies (WEA, CBS, PolyGram, MCA, BMG, and CEMA), there seems little chance that retail prices will come down very soon. Huge profits are being generated in a maturing market. 200-million C.Ds. were sold last year - just 6 years after they first appeared on the market. Cassette sales have risen from 200-million in 1983 to 450-million in 1989. L.P. sales have dropped from 200-million in 1983 to 50-million in 1989. The big reason for the slow growth in sales of recorded music, according to one record industry executive is that, "the music (being recorded today) is mediocre."

"Newsweek" - 7-16-'90

"It Was Just A Hobby" .....

Herb Hattaway spent the first 25 years of his working life in sales and marketing of meat products for Swift and Company. "I've always been a big country music fan, going to the Opry a couple of times a year, collecting country records," he says. During his stint with Swift in Athens, Georgia he started doing a 2 hour Saturday morning show on W N G C. When Swift asked him to transfer, he turned it down, opting to stay on the radio and open his own meat market. Three years later, illness caused him to give up both his radio show and his market.

Upon completing a long recuperation, Dallas Tarkenton (Fran's brother), a Georgia businessman, offered Herb a job managing his radio station, W J J C, Commerce, Georgia. "It was one of several businesses Dallas was in," Hattaway recalls. "I told him, I don't know anything about running a radio station. Dallas replied, 'I don't either. But, I know you'll do fine.'" A few years later, Tarkenton sold the station to 2 non broadcaster investors at a good profit. Herb stayed on with the new owners. He's now been there 10 years.

W J J C is a stand alone 5 kW daytimer. Its city of license is under 5,000 population. "We run it trim, but I think well, and profitably." Hattaway operates with a staff of 4: a combination announcer/news reporter/engineer; a full-time announcer; and an office manager - plus - the station's founder (now semi retired) who does news, writes copy, and does a 1-1/2 hour a day board shift. Grady Cooper, after starting the station in 1957, sold it in 1979. Hattaway's management style is exemplified by his hiring of Cooper. "After he sold the station he worked for a newspaper for a couple of years, then another radio station. When he came to see me about a job, I asked him, what do you really like doing? He told me and I built a job to allow him to do the things he liked doing. You ought to be able to do that when you're old enough to retire."

Hattaway does all of the station's selling. When he came to W J J C, he says, "I'd never sold radio advertising, but, I didn't think it was that much different from selling meat to grocery stores. You give them something worthwhile, price it fairly, and do what you say." Hattaway says, that's what he's been doing, since he came to the station. In a typical month he does business with 100 or more accounts.

He does not have a second salesperson, he says, "I like being out with the people. That's what this business is about. I hired good people (he hasn't had an opening in 5 years). They don't need a lot of managing." About his low turnover, he says, "I have good people with roots in this area. I can't pay them like big stations, but it doesn't cost as much to live here as it would in Atlanta or Greenville. And, we can do other things, like giving them days off once in a while." - 7 -

Hattaway believes that the high turnover in small radio stations can be traced not only to low wages (we pay better than a lot of small stations), but, he says, "Format clocks, tight playlists - that kind of thing, takes the fun out of radio for the announcers, and, I think the listeners. We have a playlist of popular and recently popular songs and a good oldies library. The music changes a little from shift to shift on our station, but, I think that's good."

Hattaway's station carries 4 local newscasts a day. "We don't have a daily newspaper." He also runs paid religious programs almost all day Sunday, paid obituary announcements, free classified ads at Noon - "the usual things a small station in Georgia does." He also carries country music news and interview shows conducted by Biff Collie and Ralph Emery. "Country music fans want to know what the stars are doing," he believes.

Commerce, halfway between Atlanta and Greenville, at the intersection of I-85 and U.S.441 is a very busy intersection. "We've got all the fast food outlets out by the intersection - plus - a 45 store (soon to be over 70) factory outlet mall. "We get very little business out there. They're interested in the tourists. The local merchants here do a good job of giving people value. The outlet mall hasn't greatly effected the local business. What little business that's taken is more than made up by the jobs that have been created. They give a lot of local people work - and the local people tend to spend their money with local merchants. Big ticket items like cars, furniture, good clothing aren't out there."

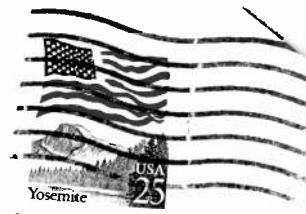
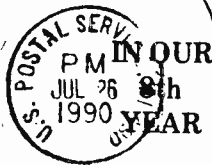
Hattaway says he's not concerned that his station is on AM or that it's a daytimer, "which he prefers to call a radio prime timer." "There's an important place for us in this area, because we're local. For instance, every Monday morning at ten A. M., as many as a dozen fan-business people go on the air for an hour to discuss and often argue about the weekend's high school, college, and pro games. You aren't going to hear anything like that on the big FMs."

#### THE LAST WORD

The impact of Wal Mart on small town America has spawned at least two consultants, advising small town merchants how to survive the "Wal Mart onslaught." They are Iowa State University (Ames) economist Kenneth Stone and Steve Taylor, owner of clothing stores at Scottsbluff and Gering, Nebraska, which he says remain profitable despite the coming of Wal Mart. These WalMart gurus are telling small town retailers, to last they'll have to price sharper, give better service and go to customer hours - not store hours.

SMALL MARKET RADIO NEWSLETTER (Inc.) IS PUBLISHED WEEKLY AND MAILED FIRST CLASS TO SUBSCRIBERS IN 50 STATES, POSSESSIONS, AND CANADA. SUBSCRIPTION: 52 WEEKS: \$109.00; 26 WEEKS: \$57.00; 13 WEEKS: \$33.00. ADDRESS: 275 19th STREET, OTSEGO, MICHIGAN-49078 - Phone: (616) 694 9357 - FAX: 616 692 6789





**S**mall  
**M**arket  
**R**adio  
**N**ewsletter  
 Inc.

Bob Doll - Publisher and Editor  
 Barbara J. Doll - Circulation

VOLUME VIII - Issue #9 - July 26, 1990

275 19th Street - Otsego, Michigan 49078 - (616) 694-9357 - FAX: (616) 692-6789

**AM NON N.R.S.C. COMPLIANCE FINES - HOW MUCH?** F.C.C. Field Offices have begun station inspections (SMRNewsletter 7-19-'90). 3 weeks into the effort, the F.C.C. says it is finding "fairly high compliance." Jeffrey Young, Enforcement Division engineer is quoted in Radio Business Report as saying "any violations found will result in a \$5,000.00 fine."

**MORE ATTENTION AT N.A.B. TO SMALL MARKETS** - The association's weekly paper "Radio Week" is now carrying a weekly "think piece" called "Small Market Idealine." Members of the Small Market Committee are being ask to suggest sources for items on personnel, sales, low-cost promotion, time management, cost cutting, etc.

**GOING AFTER THE BUSINESS** - To make up for its revenue short-fall, N.A.B. is stepping up efforts to sell ad space in weekly "Radio Week" and monthly "N.A.B. News." Advertisers who buy 3 ads in 6 months (as low as \$987.00) will get FREE participation in a 4,900 circulation coupon mailing and mentions in 4,000 telemarketing calls.

**TELLING IT LIKE IT IS** - Mike Povic of Regional Reps Atlanta Office tells readers of the firm's client letter this month, "Political activity continues to be a radio challenge. More and more candidates seem to feel the "only way to win a campaign today is by out-spending their competitors on television. We recently heard about one Alabama candidate who was fourth in the preliminary polls. He spent several million dollars on TV (nothing on radio) and wound up 4th on primary election day."

**SMALL MARKET MONEY SOURCE - MAYBE** - Steve Cashdollar, president of 5 year old Muncie, Indiana based Cashdollar, Inc. is an investment bank firm. Cashdollar says his firm looks at small market financing deals and has put several together. His phone # is 317 289 7140.

**#3,000** - A talk show at 10:00 A. M. on a country music station K.O.D.L would either be termed innovative or suicidal in a market as competitive as The Dalles, Oregon. But, "Coffee Break" hosted by station owner-manager Al Wynn has been on since 1978. The show is described at local paper as "town asset."

At the F. C. C. ....,

NEW STATIONS (Granted):

ALABAMA (Florence) Benny Carle B'c'g. 96.1 3 kW 328'  
CALIFORNIA (Orland) Ed E. Abramson 106.5 3 kW 328'  
LOUISIANA (Haughton) Cary D Camp 103.7 3 kW 328'  
NEW YORK (Rochester) Eisen and Assoc. 105.9 3 kW 328'  
(Webster) Fuller Assoc. 102.7 3 kW 328'  
PENNSYLVANIA (Meyersdale) Roger Wahl 93.3 3 kW 51'  
(Riverside) Controair Comm. 92.3 3 kW 328'  
TENNESSEE (Seymour) Seymour Comm. 96.3 3 kW 328'  
(Waynesboro) Pioneer Radio 94.9 3 kW 328'

AMENDMENTS TO THE FM TABLE (Amended):

CALIFORNIA (Mount Shasta) 107.9 c1 for 95.3 A. M.: M.: KEDY  
(Weed) 102.1 c1 for 100.9 A. M.: K W H O  
FLORIDA (Arcardia) 98.3 C3 for A. M.: W O K D.  
(Goulds) 98.3 C for A. M.: W R T O.  
(Immokalee) 92.1 A for 98.3 A. M.: W C O O.  
(La Belle) 92.5 A for 92.1 A. M.: W K Z Y.  
IOWA (Boone) 98.3 C3 for A. M.: K Z B A.  
(Stuart) 107.9 A. W.: 8-31/10-1.  
(Twin Lakes) 105.9 C3 for 105.5 A. M.: K L T B.  
NEBRASKA (Columbus) 93.5 C1 for A. M.: K W M G.  
OREGON (Sweet Home) 107.1 C1 for C2. M.: K S K D.  
SOUTH CAROLINA (Orangeburg) 103.9 C3 for A. M.: W K S O.

(Proposed):

ARKANSAS (De Witt) 97.3 C2 for 96.7 A. M.: K D E W.  
(England) 96.5 C3 for A. M.: K L R A.

(Requests):

MARYLAND (Mountain Lake Park) 98.9 B1 for A. M.: W K H J.  
NEW YORK (Hague) 96.7 (A0. Req.: EFEM, Inc.  
(Westport) 96.7 A. Req.: Brian Dodge.  
OKLAHOMA (Lone Grove) 93.7 C1. Req.: William L Cook II  
TEXAS (Bay City) 101.7 C2 for 96.1 C2.  
(Galveston) 100.5 C3 for 100.9 A. M.: K R T X. Change  
city of license to Redland.  
(Edna) 96.1 A for 100.7 A.  
(New Ulm) 97.3 A for 92.1 A.  
(Rosenberg) 100.9 (c1) for A. M.: K F R D.  
(Stephenville) 101.7 (C) for C1. M.: K S T V. Change  
city of license to Decatur.

INVOLUNTARY TRANSFERS:

CALIFORNIA (Petaluma) K T O B (Class IV AM) to Raymond E.  
Carey, Trustee in Bankruptcy, Address not available. (900709ED)  
(Yuba City) K O B O (Class IV AM) to Richard E.  
Bleau, Chapter 7 Trustee, P.O.Box 1390, Yuba City, CA-95992  
(900710EA)

The "M STREET JOURNAL reports K Y N G-AM, Coos Bay OR silent  
and W M R E AM, Knoxville, TN, back on the air.

MONEY PAGE - SALE\$ AND PROMOTION IDEA\$

Bowling, in recent years, has suffered 2 critical blows: the disappearance of heavy industry in the "Rust Belt" (long bowling's best area) and the entry of women into the workforce. Those daytime housewife leagues are not what they used to be.

Men's and women's league bowling, the lanes' steady profit center, reached an all time high of over 8-million in the early 1980s. By the end of the decade, that figure was down 25% to just over 6-million.

The bowling lanes in your area are more dependent on casual bowlers than ever before (non league). Their new growth area is among senior citizens who have the time and the desire for fellowship that bowling offers. Bowling lanes are also going after the health conscious, advertising a combination of "2 games of bowling + 1 hour of aerobics."

"3 GAMES FOR \$1.00" Many Michigan lanes use this promotion in late August as a 3 day special. The idea is to get people back to the lanes after a summer away, to recruit new interest, and to recruit players and teams for league play. Coincidental with the "3 games for \$1.00" special, many lanes also offer a hot dog and a "Coke" for quarter (25¢). Promotion has been running for years.

"PERFECT 300" An insurance policy can be purchased to cover the prize (\$1,000.00 cash, a car, etc.) Bowling lanes display a sign with sponsor's name prominently throughout the season.

Good Idea: "BACK YARD NEWS." - W G O G, Walhalla, South Carolina, this summer has invited listeners to host the station's 10-minute 5:05 P. M. local newscast. Marvin Hill says, "We've been out 2 or 3 times every week, doing the news from cookouts, watermelon slicings, pool parties." In addition to reporting the day's news, the newscaster does a brief interview with the host or guest of honor.

COUNTRY MUSIC "RADIOMAP" may be next year's hottest extra revenue stream for station programming country music. Multi colored map includes each of the 48 continental U.S. states. Principal cities and interstate are included along with the frequency of country formatted stations serving each area. Cost is \$4.50 for 1, \$9.95 for 3, \$22.95 for 10, 50 for \$107.00. They can be easily personalized for stations. For ideas and information: Call 800 451 3622 (Radio Retailing Network).

## \$ale\$ - Dealing With An Angry Customer .....

He or she is disappointed, frustrated, and upset. By the time a dissatisfied customer calls to complain, he or she has already visualized several possible scenarios with the station representative (all negative) and is armed for verbal battle. The Customer is in an attack mode. What do you do?

1. Let him or her speak. The customer has rehearsed a spiel over and over, each time adding more fuel to that fire of anger. He or she needs to speak up now, and won't calm down until he or she has satisfied this need. Don't interrupt!
2. Avoid becoming emotionally involved. Listen carefully to what the customer is telling you about the problem without taking any of the comments or threats personally. Don't butt into an emotional barrage.
3. Be sympathetic. When customers indicate they are ready to hear what you have to say, and not before, let them know you understand their plight and sympathized with them. For example. say, "I don't blame you for being upset. I would be displeased if this happened to me." Don't defend yourself or your company. What happened, happened. Concentrate on the solution. Don't question the customer's intelligence by telling him or her that he or she is the only one with this particular point of view.
4. Ask the customer what he or she wants. Don't be afraid of this request. Most customers want less than you would think - a minor adjustment to the bill or an apology. Ask them what you can do to appease them and let them know you're genuinely interested in complying.
5. Give the customers what they want: If at all possible, personally handle the request and then follow up to make sure they're satisfied.

Make it easy for customers to complain. Every business produces some unhappy customers. The lost business can be turned around if the customer has the opportunity to voice his or her complaints - if they feel they are being heard, if they sense someone cares about their concerns, and if their problems are taken care of quickly and effectively.

Don't fear unhappy customers. Those who voice their opinions or complaints are asking for help in using your service. Neglect to attend to their concerns can damage your reputation. Manage to satisfy them, and they will sing your praises. The customers who hurt your business are those with no complaint to you - but vent their anger to others who will listen.

Patricia L. Fry in  
"Self Employed America"  
(National Assoc. for Self Employed)

## BACK TO SCHOOL SAFETY

\_\_\_\_\_ says, slow down as you drive in school zones. Watch out for youngsters before and after school. A reminder from \_\_\_\_\_.

Parents! Have you taught your children good safety rules? \_\_\_\_\_ says, be sure your small children are especially cautious. For a safe school year, \_\_\_\_\_ reminds you to teach your children good safety rules and follow them yourself.

No story is more tragic than a news story about a child being struck by a car on the way to school or on the way home. \_\_\_\_\_ believes children should be taught safety. Drivers should use extra care. \_\_\_\_\_ says, that's the best way to keep that story from happening in our town.

\_\_\_\_\_ reminds you that a stopped school bus means children are walking near-by. That means motorists must stop and watch. \_\_\_\_\_ says, it's not only the law - it's the right thing to do.

\_\_\_\_\_ reminds parents to make sure their children are familiar with the way to and from school. Make sure your children know to go directly to school and come directly home. \_\_\_\_\_ says, this will save you a lot of worry and may save your child's life.

\_\_\_\_\_ know that your child is taught safety rules at school. , But, it's up to responsible parents to reinforce the lessons at home. \_\_\_\_\_ says, tell 'em and show them that safety is important.

\_\_\_\_\_ reminds you that children don't always watch out for cars. Motorists watch for children. Before and after school, there are a lot of children on foot. \_\_\_\_\_ says, drive with extra care.

\_\_\_\_\_ reminds you that many little children are going to school for the first time. They probably don't have much experience crossing streets and watching for cars.

\_\_\_\_\_ ask motorists to join them in watching out for children.

\_\_\_\_\_ reminds motorists that just before and just after school, there'll be a lot of youngsters walking and playing.

\_\_\_\_\_ asks you to drive with extra care and alertness - particularly before and after school.

\_\_\_\_\_ says slow down as you drive in school zones. Observe the posted speed limits. Watch carefully for youngsters as you drive through school zones. A reminder from \_\_\_\_\_.

Idea Exchange .....

# INVITE US TO YOUR NEXT EVENT

*With a live remote broadcast*

### WDME AM/FM

Cost: \$375. (3 hours)

We take our listeners back to your business for conversation between virtually every song.

When we're on the air from your business, we're on the air *longer*. WDME is an information station and our listeners are used to listening to extended, interesting talk.

We're at your business to promote you...not us. Our broadcasts focus on your merchandise and services.

All our listeners are local. They probably know just where you are and live close enough to make that short drive to take advantage of your values.

You get 36 bonus ads on WDME to promote your event and our broadcast.

### The "Competition"

Cost: \$2,000. +

Listeners may hear as much as 15-20 minutes with hardly more than a one-line mention of where the broadcast is originating.

Their "consultants" say they can't interrupt the music very long. If they talk too much, listeners will tune elsewhere.

Some stations bring bumper stickers, coffee mugs, and t-shirts to promote themselves.

It could very well take long-winded directions over the air to tell listeners how to get there from here. Remember... some of their listeners live 100 miles or more away.

. ????????



**WDME RADIO**  
**AM 1340 FM 103**

(207) 564-7005

(800) 564-9363

Although Fred Hirsch's stations do not have a local competitor, the "big" stations from Bangor (30 airline miles away) do solicit advertising in his market. The above piece, we believe, makes a very convincing argument, for using the local station. Some of you may find it helpful.

## About The Value of Your Station .....

"Broadcasting" magazine, two weeks ago (July 9) devoted 5-1/2 pages to a rather pessimistic reporting of the current financial ills of the radio business. The stories follow closely on the heels of the financial collapse of groups headed by Ivan Braiker, former executive with Satellite Music Network, TranStar, and most recently the failed Braiker Radio Services and Pat Shaugnnessy, former T.M. head.

One of the several articles on the subject, titled "Radio's newest partner - 'The Repo Man'" included the statement, "some brokers estimate that 50% of all radio stations in the last 3 years are seriously underperforming and in danger of default or are already in receivership." Is it time to get out before things get even worse? We don't think so!

We believe that the broker report carried in "Broadcasting" and elsewhere is an effort to "make a market," something common for years in buying and selling stock. Remember, the broker earns a commission whether a sale is prompted by high buyer expectations or by a seller's desire to get out before the price drops even further. Starting in the mid-'80s the brokers were making sales at dizzying gross and cash flow multiples by creating a frenzy e. g. "It'll cost you more to get into this market later," or "This may be the last time you'll get a chance to buy into this market." Now that buyer expectations were often not realized, the broker community is looking for and promoting "fire sale" type business.

The "go go" tempo of escalating prices present in the larger markets generally missed the small markets. "Rust Belt," "Oil Patch," and "Farm Belt" economic problems and the relatively small amounts of money involved kept the brokers and speculators out. Even for the most talented "dream sellers" there wasn't enough "blue sky" available to make it worthwhile spending their time and energies there. Actually, most of the major brokers got out of the business of selling properties under \$1-million. Some even set higher minimums.

In recent weeks, much of the "trade press" has been saying that the few financially able buyers who are actively seeking stations are "bottom fishing" e. g. trying to buy at a very low price at what some feel is the "bottom" trading cycle. Is there an opportunity to "bottom fish" in the small markets now? We don't think so. The brokers who deal in small market properties tell us there is a scarcity of good "cash flowing" (capable of supporting much debt) stations on market. The current tax laws do not favor either the buyer or seller in a typical "good small market station" buying/selling situation. The buyer does not get investment credit, careful I.R.S. scrutiny precludes much writing up of a station's hard assets, and the "in kind" rules have erased much of the opportunity to write off early year station losses against money earned in non broadcast investments.

For sellers, who can presently expect 7 times cash flow, if they've had their property for 5 to 10 years, in all likelihood they've recovered most, if not all, of their tax basis for investment, and will face local and state taxes and other selling costs of 1/3 of the price the property brings. If a station is earning \$50,000.00 in cash and fringes over what you pay yourself or someone else for managing it, you clear less than 5-times cash flow. Not attractive unless you have another reason for selling. A buyer has to be motivated by a wish to retire, a family problem, or a strong desire to do something else. Most of the sales of "good cash flowing" small properties we've seen recently were prompted by something other than just "turning it for a profit."

In most small marketplaces the number of stations is growing faster than the general population or retail sales. And, while we haven't seen it said anyplace else, we honestly believe, there just aren't as many bad operators as there used to be. There are few chances to find a station and double the gross in 2 years - as there used to be.

On Page #1 of our May 31 edition, we quoted the publisher of "Broadcast Investment Analysis," Tom Buono, as saying the '90s will be the decade for "operators - not speculators." Obvious! Where are the opportunities in small market radio now?

Buying stations "close together", allowed by the new rules where management can oversee the smaller stations conveniently and bookkeeping, perhaps half the programming, and other operating aspects can be originated at the central station.

Providing a strong local service on an AM station (or perhaps a Class A FM) where the high powered FM has forsaken its city of license to seek the "greener pastures" in a medium or major market.

Moving an unsuccessful property out of a "metro" to a near-by community with a local identity. Choose with extreme care.

Putting a tourist service on an AM station with good signal coverage of an interstate for 60 or more miles. A single program and commercials are repeated every 60 minutes (or more depending on signal coverage).

As always: Buy something at a fair price and operate it better than the person from whom you bought it.

SMALL MARKET RADIO NEWSLETTER (Inc.) IS PUBLISHED WEEKLY AND MAILED FIRST CLASS TO SUBSCRIBERS IN 50 STATES, POSSESSIONS, AND CANADA. SUBSCRIPTION: 52 WEEKS: \$109.00; 26 WEEKS: \$57.00; 13 WEEKS: \$33.00. ADDRESS: 275 19th STREET, OTSEGO, MICHIGAN - 49078 - PHONE: (616) 694 9357 - FAX: 616 692 6789



275 19th Street - Otsego, Michigan 49078 - (616) 694-9357 - FAX: (616) 692-6789

**S**mall  
**M**arket  
**R**adio  
**N**ewsletter  
Inc.



Bob Doll - Publisher and Editor  
Barbara J. Doll - Circulation

VOLUME VIII - Issue #10 - August 2, 1990

**DIGITAL RADIO #1 ON F.C.C.AGENDA** today (August 2). There are 3 applications on file. All are expected to be considered. A notice of inquiry is also expected to be issued. Just how soon digital radio will enter the marketplace is uncertain. However, since some testing is already underway in Canada and elsewhere, expect the Commission to move forward quickly in studying the technical and policy questions.

**N.A.B. CONTINUES ITS PRESSURE** at the F.C.C. to get the Commission to reverse itself on an earlier decision permitting FM stations to employ directional antennas. Before and since the December, 1988 decision, N.A.B. has warned against the "Amitization" of the FM dial. The latest N.A.B. petition was filed last week, asking the Commission "to abandon all notions of using FM directional antennas."

**SATELLITE MUSIC NETWORK** has announced that it is closing its suburban Chicago facilities by September 15. This will put all S.M.N. operations at one location in Dallas, Texas. Some observers feel the move is an effort to escape the A.F.T.R.A. union. S.M.N. Chicago employees voted to be represented by A.F.T.R.A. in February. Texas is a "right to work" state. S.M.N. officials claim there are other more compelling business reasons for the Dallas consolidation.

**N.A.B. MARCONI AWARD NOMINEES** include the following small market stations (city of license 25,000 or under) K H A S, Hastings, NE; K S N O, Aspen, CO; W A G E, Leesburg, VA. "Personalities of the Year" from the same size markets: Todd James, W A G E, Leesburg, VA; Gary Lee, W I T Z, Jasper, IN; Fred Smith, K C C R, Pierre, SD. 2 ballots will be mailed to each N.A.B. member station and 1 to each associate member. Winner will be announced at N.A.B. "Radio '90" in Boston, 9-12/15.

**SELECT MEDIA SERVICES** has become Promotions International. Scott Marcus and Grant Maynard have formed a new partnership with Internet Business Network, Inc., a business barter firm. Telephone # is (707) 444 9258.

**WE LOOK FOWARD TO UTAH BROADCASTERS MEETING** this Friday and Saturday (8-10/11) at Park City. Our seminar; 10 A.M. Saturday.

At the F. C. C. ....

NEW STATIONS (Granted):

ARIZONA (Oro Valley) Pueblo Radio 97.5 3 kW 328'  
CALIFORNIA (Ford City) Ford City Broadcasting 102.1 3 kW 33'  
(Shafter) Pioneer Broadcasting 104.3 3 kW 318'  
FLORIDA (Graceville) Lina M. Parish 102.1 3 kW 328'  
LOUISIANA (Haughton) Cary D. Camp 103.7 3 kW 328'  
MAINE (Thomaston) Jonathan Lee Leveen 105.9 50 kW 492'  
MISSISSIPPI (Belzoni) Larry Rogers Scott 92.9 3 kW 298'  
MISSOURI (Ash Grove) Ash Grove, Inc. 104.1 3 kW 328'  
NORTH CAROLINA (Rose Hill) Duplin County Broadcasters 104.7  
3 kW 328'  
PENNSYLVANIA (Berwick) Robert Moisey 103.5 2.08 kW 394'  
SOUTH DAKOTA (Belle Fourche) Lovcom, Inc. 95.9 3 kW 328'  
WASHINGTON (Goldendale) Colin Malcolm 102.3 3 kW 118'

AMENDMENTS TO THE FM TABLE (Proposed):

LOUISIANA (South Fort Polk) 95.7 A for 101.3 A. M.: C.P.  
(Sulphur) 101.3 A from 100.9 A. M.: K T Q Q  
(Vivian) 105.3 A from 95.7 as 2nd.  
MARYLAND (Mountain Lake Park) 98.9 B1 from A.M.: W K H J  
NEW MEXICO (Mora) 104.7 A as 1st.

The M STREET JOURNAL (703) 684 3622 reports these stations have "gone silent": K Z K S (FM) Rifle, Colorado and W B I G (AM), Conway, South Carolina. W F N W (AM) Naugatuck, Connecticut and K U R A (FM) Ouray, Colorado are back on the air.

About Filings with the F.C.C. ....

The F.C.C. has issued new guidelines for filing documents with the Commission. Your filing package should consist of an original document (one which contains an original signature), and the proper number of copies. The original and each copy should be individually stapled; the package should be held together by a rubber band or paper clip (not bound by a binder clip or Acco-type fastener). To obtain a receipt, place a copy of either the cover letter or the filing (first page will do) on top of your package. One and only one receipt stamp will be issued per filing.

If your filing is "self explanatory," no cover letter is required. If you must provide information to the Commission which is not included in the filing, a copy of the cover letter should be included with each copy of your filing.

Filings submitted to the Secretary's Office requesting that the document not be made available to the public should be clearly stamped "NOT FOR PUBLIC INSPECTION." When these documents are filed, they should be placed in a separate envelope, and the envelope and document clearly marked "NOT FOR PUBLIC INSPECTION."

Walker, Bordelon, Hamlin, Theriot  
and Hardy Client Letter

MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

"CITIZEN OF THE WEEK" Many stations have run a similar feature for years. W L E A/W C K R, Hornell, New York turned this old idea into a special event and a profit center.

Each week, the stations select an outstanding community volunteer. The person's "good deeds" are recited during a 60-second vignette voiced by the station's longtime woman-personality, Beth Moore. The recipient receives a small but attractive trophy featuring a replica of a microphone. (It's a stock design and should be available from most trophy dealers).

At W L E A/W C K R, the "Citizen of the Week" is co-sponsored by a small general insurance agency. Kevin Doran, general manager, describes the agency as comfortable. "Although the owner is not interested in dramatically "growing" his business, he knows he needs to keep the agency name in front of the public. This does that, plus, it serves the owner's personal interest of promoting volunteerism."

"COMING" - Joe Tilton, creator of the "69¢ Dollar" has come up with another promotion that may shake up the industry. It's called "Stik-Im" (trade mark).

"Stik-Im" is a bumper sticker "with your picture on it." The design includes station calls and frequency, co-sponsor logo, and the picture of the car's owner.

A special piece of equipment is set up at a sponsor location. The person's picture is taken directly on the bumper sticker in 20-seconds.

Joe says the cost per bumper sticker is competitive with standard bumper stickers. "Stik-Im" is being tested on a Texas station now. Stations interested in "getting in on the ground floor" can call: Joe Tilton (817) 540 2754.

"WEEKEND PROGRAMMING" - American Music Formats, New Berlin, Wisconsin, is offering on a barter basis (via reel to reel tape or cassette) a 4 hour country music program called "America's Country Classics" (trade mark). Country classics of the past 50 years are featured in the weekly program.

For a demo, make request on station letterhead signed by the manager and addressed to M. N. Mattson, American Music Formats, 15205 West Lynwood, New Berlin, Wisconsin-53151.

\$ale\$ - Help Your Customer Hear What you Say .....

Don't overload your client with information. People's brains are like computers - when the memory is full - something gets dumped. When you give your client too much detail, or discuss topics that don't deal with his or her individual needs, he or she simply stops paying attention to you. A look of preoccupation is a warning that says, "I can't absorb any more." The best thing you can do is refocus on your prospect's dominant needs and to ask feedback questions that allow the client to verbalize his or her understanding of what you have to sell.

Summarize the benefits, not the features of your offer. A customer's hearing improves dramatically when you point out what is in it for him or her. Explain how other customers rave about your product. Make sure the customer hears your reasons for buying by concluding each topic with a benefit summary. What seems obvious to you may be completely new to the client. Pull together the essence of your complete presentation into a single benefit that reflect's your individual prospect's needs.

Help your customers hear your message. You'll increase the desire for what you have to sell which will increase your potential for more and bigger sales.

Gerhard Gschwandtner in  
"Personal Selling Power"

\$ale\$ - About Ratings .....

The economics of collecting ratings research makes it cost-prohibitive to adequately measure each county in its own right. It would be prohibitively expensive (for Arbitron or Birch) to properly sample each county independently. The current syndicated system simply works better for stations with larger coverage areas than for stations with small coverage areas.

(In a small market) by focusing on your own trading area and using local marketing strategies, your efforts, and the dollars they bring are better spent.

Develop a sound marketing plan to emphasize your retailing successes and strengths. Document what kinds of schedules and creative strategies work best for your local clients. This is what you should be selling as solutions to your client list.

Local retailers that advertise (on large metropolitan stations) have a lot of "wasted reach" or listeners extending way beyond their trading area. Your station offers them efficiency, since all of your listeners are likely to be in their trading areas.

Rick Ducey and Gerry Hartshorn  
in "Small Market Idealine"  
N.A.B. Radio Week (7-9-'90)

## What Your Customer is Reading .....

In the current issue of "Auto Age" magazine (July), Jack Reed has an excellent article on "Succeeding In a Buyer's Market." About advertising, he says:

Find The One Best Reason Why A Prospective Customer Should Do Business With You Rather Than Your Competitors. Do not try to fool the public with phony phrases or impossible promises. A promise of better service must be backed up with better service. A promise of lower prices must be backed up with lower prices. Most dealer complaints stem from unkept promises. Never forget that the public is not stupid.

Finding the one best reason may well be the hardest merchandising problem you'll ever tackle, but you must solve it. If you want to come close to dominating your market.

Plan and prepare a continuing advertising campaign based on that one best reason. Domination cannot be achieved on a "one shot" campaign. If you are serious about dominating your market, you must plan your promotions and advertising by the year rather than by the week. It doesn't take an expert to make a sale --- it does take an expert to create customers.

Plan the theme of your advertising and stay with it. Before deciding on the theme, gather your best advertising and merchandising talent for brainstorming sessions. Only then do you decide the best ways that your one best reason can be told to your prospective customers.

Find the one advertising medium that will deliver your advertising message to the largest number of your prospective customers at the lowest cost-per-message delivered.

Whether you decide on newspaper, radio, or TV, do not deviate from this as your base medium. Consider the use of other mass-media as only a supplement to your choice. Avoid the obvious pitfalls. Remember that any good media salesperson is prejudiced in favor of his product. Watch for these deadly mistakes:

- Do not choose an advertising medium just because your competitor uses it.
- Do not choose an advertising medium just because someone has told you that you can't afford to use it.
- Do not confuse newspaper circulation with readership. There is a difference.
- Do not confuse radio sets in use with listenership. There is a difference.
- Do not confuse TV sets in use with viewers. There is a difference.

When approving advertising copy, substitute your competitor's name throughout the copy. Does it fit his dealership as well as yours? If so, reject it.

Repeat and repeat and repeat and repeat and continue to repeat and repeat and repeat your message on the only best reason why the customer should do business with you rather than your competitor.

When every person you meet complains that they're tired of hearing the same thing over and over, you're just beginning to get your message across. Do not allow anyone to convince you to stray from your central theme. The key to successful advertising is repetition.

#### About the Automobile Market .....

Dealers: At the start of 1989, U.S. car dealers' average pretax earnings were 2% of revenue. Most of that came from parts and service, not the sale of new cars. Now, the typical dealer is losing money. Auto dealers went through a massive shakeout in the 1980s, and it's likely another will occur in the 1990s. Ward's Auto Dealer magazine estimated that 300 major dealers will go out of business by the end of 1990 if sales don't improve.

Consumers - While the slump would seem to be a buyer's delight because of the hefty rebates and many model choices, experts say buyers are all but paralyzed. They don't know when to make a purchase or what's a good price to pay. But, the "market-share hungry Big Three" won't eliminate rebates, even though they are so costly that the automakers are just breaking even on North American car and truck operations. The companies are afraid to fall behind their competition.

A new car costs \$16,300.00 on average - more than half the median national household income of \$32,000.00 (51%). In 1980 the figure was 36% (\$7,574.00 vs. \$21,023.00); in 1970 40% (\$3,942.00 vs. \$9,867.00). In the 1950s and 1960s, the average auto costs 1/3 of a family's annual income, government statistics show.

Industry sales this year are forecast at 14-million, about 9% below the 15-million the industry calls a normal year (15-million) and 2-million less than the recent peak year of 16-million (1986).

(U.S.A. Today - 7-11-'90)

#### Why People Buy a New Car .....

A 1986 survey conducted by Newsweek magazine (reported in R.A.B. "Instant Background - 1988) showed the following reasons for buying:

Costly repairs needed on old car	23%	Old car in accident	5%
Year to buy new car anyway	11%	Wanted more economical	
Got tired of old car	10%	car	5%
Liked appearance of new car	5%	Better performance	5%
		Better gas mileage	4%

Choice of dealer: Previous experience with dealer 29.5%, dealer reputation 62.8%, Convenient Location 46.6%, Price/Deal 72.8%, Parts/Service 74.7%. (N.A.D.A. Survey - 1986)

"Intense" .....

His acquaintances describe him with one word, "Intense." Jim Coursolle says that he doesn't really mind that. "My 30 years in radio have had there ups and downs and have taken some very abrupt turns. A lot of things have happened for which I hadn't planned."

He broke into radio at K W N O, Winona, Minnesota while attending a small college there, St. Mary's. He finished school at St. Cloud University, again working part-time at W J O N.

"I knew early on that I wanted to be an owner-operator. He talked to his father, then a Minneapolis attorney, who Jim says told him that when he save \$5,000.00, he'd back him. Shortly after graduation, they bought K K I N, Aitkin (a town of 2,000). 5 years later Jim wanted to expand. "That was not what my father wanted to do, so I went off on my own." The Aitkin station is still in the family, owned by Jim's brother in law and sister (Mr. and Mrs. Mike Patterson).

In the mid-1970s, Jim bought W L K D AM/FM, Waupun, Wisconsin. He paid \$330,000.00 for it. 6 years later its financial record justified a \$1.2-million sale price. Jim used the down payment to buy an AM station In Oshkosh. "Chapman Company, who handled the Waupun sale earned \$60,000.00 in commission. I decided I wanted to be a broker."

Jim spent a year with the brokerage firm. "I did not make a sale. Paul Chapman told me when I joined their firm, 'If you don't have enough money to live and travel for 2 or 3 years, this isn't for you. It takes that long to get established in this business."

"I didn't make any money, but I learned a lot that year. The biggest thing was how to read financial statements and quickly spot trouble spots in a station. And, I'll tell you this, brokers earn their money. There is nothing tougher than keeping things under control between a buyer and seller."

Jim's brokerage career can to an abrupt halt when his Waupun buyer failed to perform. "In a year, the station was \$300,000.00 to \$400,000.00 in debt. I spent high '5 figures' in legal fees getting the station back and there was that 'mountain of debt."

Jim says the first of many jolts when he took repossession was a \$20,000.00 unpaid phone bill which stopped service. "Until we could negotiate a settlement with the phone company, we conducted business from a telephone on my kitchen table. It took over 2 years to restore the station billing to its pre-sale level."

Jim is now entering, at 47, what he hopes will be the highlight of his career. In 1977 he hired an engineer consultant to investigate the possibility of raising the power of his Class A FM. "That was before the rules allowed building 50 kW stations in C Territory. I got a letter which said the rules wouldn't permit it - and a big bill."

In the early 1980s, when the F.C.C. changed the rules, Coursolle with a new consultant filed for an upgrade. "We ran into '80/90' conflicts, site problems. You name it." But, on July 19, 13 years after the effort was begun, the 50,000 watt upgrade went on the air.

The grant necessitated another "turn" for Jim. He says that when he went out in the current "tight money market," money sources "wanted almost half the equity plus very high interest rates." Coursolle financed his upgrade by selling his 2 AM stations. "I had to put aside emotional ties. I'd owned them for over 10 years." and to justify his investment, he's decided the stations must target Appleton-Oshkosh (market #133). His facility will be one of only 2 high power stations serving that market.

He's stepping into a market with 13 radio competitors. He's decided what he does has to be good and clearly stand out. He's changed the call letters to W P K R, "Packer" and is using the slogan, "Country with a Kick." In an area where Packer pro football is "central" in almost everyone's life, he's, with the team blessing, adopted the Packers. Station colors for visual advertising, like the Packers are green and white. A host of Packer tie-in promotion year 'round are planned. His station will not carry the team's play by play broadcasts. Rights for them are tied up for 3 years. A Packer star will co-host a part of the Monday "morning show."

As he makes his current turn in his career, Jim says, "There's a lot of competition here, but, it's a great market. This is going to be hard - but it won't be boring."

#### THE LAST WORD

We believe as the radio business gets more crowded and competitive, there is a disturbing, widespread thought among station people that they're engaged in "Radio War." That mentality is naturally followed by "anything is fair in war." Such thinking, we believe takes radio people's minds off what they really do, entertain and inform the public and attract customers for the station's advertisers' goods and services. In a free enterprise economy, the stations that do that best should be the most successful.

Fellow human beings always owe each other respect and fairness. No matter how competitive a situation is, there is never an excuse for conducting business as anything but ladies and gentlemen. Just as important, radio people need to resist the herd mentality that says, "I don't agree with what they do, but, they do it well."

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**S**mall  
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Inc.



IN OUR  
8th  
YEAR



(S...)  
Kath...  
...ing

Bob Doll - Publisher and Editor  
Barbara J. Doll - Circulation

VOLUME VIII - Issue #11 - August 9, 1990

**A FULL PLATE** - N.A.B. lobbyists have the toughest job in memory this year. One of the deficit reductions ideas under consideration is a SPECTRUM USE TAX of 4% which would be levied on the gross receipts of radio and TV stations and other communications firms "using the spectrum." The Congressional Budget Office believes it would raise \$4-billion annually.

N.A.B. lobbyists are concerned that the beer and wine companies might cave in to the idea of having their ad expenditures not deductible. They'd do that to keep the federal government from doubling its consumer taxes on beer and wine.

And, among the campaign "reform" measures under consideration is requiring stations to sell fixed position "spots" at "lowest unit rates." Still another proposal would give candidates a buy 2 - get 1 free deal on their ads.

**DIGITAL RADIO ON FAST TRACK** - Last Thursday (8-2) the Commission voted to start an investigation into the implementation of digital radio in the U. S. The Commission says digital radio promises significant quality and performance improvements. It believes it must assess immediately what impact digital would have on existing audio services and to ascertain the amount of spectrum space needed to accommodate digital radio.

Meanwhile, Dave Hicks, N.A.B. Radio Board Chairman and members of the Digital Task Force have been in Montreal, Canada this week (8 8-9) to observe digital radio testing being done there.

**F.C.C. N. R. S. C. COMPLIANCE INSPECTIONS** - The Commission says its Field Operations Bureau audited 374 AM stations in July. 325 of them (87%) were in N.R.S.C. compliance.

**RADIO AD SALES WERE UP 5%** over last year for the first 6 months of this year, according to R.A.B. All areas of the country were up. Smallest gains in the Southeast. Largest gains were in the West. R.A.B. called the reports heartening in light of results reported by print and TV.

At the F. C. C. ....

NEW STATION (Granted):

ILLINOIS (Danville) Kathleen D. Rollings 94.9 6 kW 328'

AMENDMENTS TO THE FM TABLE (Amended):

IOWA (Ottumwa) 92.7 C3 for A. M. K T W A.

MISSOURI (Mount Vernon) 106.7 C3 for A. M.: C. P.

MISSISSIPPI (Greenwood) 104.3 C3 for A. M.: W G N L.

(Proposed):

TEXAS (Coahoma) 94.3 A as 1st.

INVOLUNTARY TRANSFERS:

KANSAS (Topeka) W R E N (5 kW U - 1250) to N.E. Patton Jr.,  
Trustee, P.O.Box 7350, Leawood, KS - 66207 (900629EA)

And ---

MASSACHUSETTS (West Yarmouth) W O C B (Class IV AM) and  
W O C B-FM (Class B) from Patch-Dunn, Debtor in  
Possession, to U. S. Media Group, Matthews, NC.

The M Street Journal (703-684-3622) reports that W A R I AM and  
W I Z B (FM), Abbeville, Alabama, have gone silent.

FINES .....

K K O L -FM, Hampton, Arkansas, has been fined \$4,000.00 for  
failing to maintain up-to-date political broadcast and  
public files. The F.C.C. conducted an investigation after a  
complaint was filed in behalf of Congressman Beryl Anthony,  
Jr. (D-AR). The K K O L Political File, according to the  
F.C.C., had not been kept current for 2 years. (N.A.B. Radio  
Week - 7-30-'90)

K M N Y (AM), Pomona, California, has been fined \$10,000.00.  
The F.C.C. said the violations included at least 3 payments  
by guests for the opportunity of appearing on station talk  
shows. (Such an arrangement would require a broadcast  
disclosure that the guest had paid to appear). The station  
also is alleged to have moved its studios from its city of  
license (Pomona) to Anaheim, without Commission approval.  
It also, the Commission said, failed to provide public  
access to public records in Pomona (also required by F.C.C.  
rules). K M N Y is the originating station for Money Radio  
Network.

MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

"HOMETOWN HEROES" - W X C Y (XTRA 103.7), Havre De Grace, Maryland, and the Miller Beer distributor there are searching for local residents to honor as "Miller High Life/W X C Y Hometown Heroes."

The honorees will have demonstrated extraordinary personal qualities such as honesty, heroism, integrity, or dedication to a worthy cause or causes.

12 will be chosen to be honored at a banquet at an area restaurant. Bob Bloom, W X C Y manager, says he got the idea from Miller's national radio-TV ads. "We are looking for the same kind of people locally that you hear and see in those ads."

**"SHARE THE WEALTH"** - W M S T, Mount Sterling, Kentucky, is giving listeners 25 chances to play the state lottery. 5 times each day (Monday through Friday), W M S T says; "If the last 4 digits in your phone number equal # (1 to 36) be the first to call ### #### to play the lottery free." Winner gets his/her state lottery prize. Like most states, Kentucky pays cash for 4 or more numbers in succession. To give the game a little extra "kick" for radio players, W M S T is awarding a cash prize for 3 numbers. The prize is \$10.55 (The station's FM dial position is 105.5).

A listener who wins a major prize pledges 20% of his/her first year winnings to his/her "favorite charity."

15 extra tickets are being purchased by the station weekly. These tickets are put into a pool. In case one of those tickets wins, the money would be split by the 25 advertisers who bought into the "Share the Wealth" game at \$27.75 per week for 13 weeks.

Looking Ahead to September .....

Special opportunities for the month include: all month: Cable TV Month, Farm Safety Week 9-16/22.

Special days: Labor Day Monday 9-3; Grandparent's Day Sunday 9-9; National Hunting and Fishing Day Saturday 9-22 (by presidential proclamation); First day of Autumn Sunday 9-23.

September is the #1 month for the sale of new cars, #3 for used car sales, and #2 month for tire sales. By our count, the 60 day lowest unit rate for political advertising goes into effect on September 7.

## \$ale\$ - The Ideal Salesperson .....

A good salesperson need 3 qualities, according to Mike Weaver, president of Achievement Associates, Inc., a Kentucky based human resources development firm. Those three qualities are: 1.) They need a strong sense of identity, including personality characteristics such as high motivation, self confidence, sociability, and a competitive spirit. Second, the person needs generic selling skills, which are part science and part art. Third, the person needs a good grasp of the product or service being sold. "An estimated 80% of most companies' training activities with salespeople focus on product knowledge," Weaver says. "We think that's backwards."

Like many sales experts, he contends certain personality characteristics make it easier for someone to succeed in sales. "When the personality structure doesn't fit the job, the person is forced to turn to role-playing." he says. Weaver also says, the 3 biggest reasons commissioned salespeople fail are: 1.) a lack of clear personal goals; 2.) negative attitudes about what they're selling, the business for which they're selling, the sales profession, themselves; 3.) poor work habits.

Two of the most important selling traits are a natural enthusiasm and a positive self-image. People who feel good about themselves and about being a salesperson are most likely to succeed. According to a profile of successful salespeople, prepared by Profiles International, Inc., based in Texas, the best salespeople are sociable but not overly talkative. They are generally dominant, highly motivated, competitive and mentally alert.

To get the best from a salesperson, management must be honest about the person's earning potential, the reward system, and the opportunity for promotion. Unrealistic expectations set up a salesperson for failure.

"Sales Marketing/Management Magazine," recently surveyed 10,000 sales and marketing executives in 10 major industries. By a margin of at least 7 to 1, these executives agreed - good salespeople are made - not born.

"Entrepreneur" 8-'90

## \$ale\$ - The Marketplace .....

Customers with money to spend for your customers: Homeowners are twice as likely as renters to have discretionary income. Households in which there are at least 2 earners control 2/3rds of all discretionary income. This type of household now outnumber those with only 1 earner. And, believe it or not, homes headed by persons 65 or older = 21% of the population and 16% of all discretionary spending.

## LABOR DAY (September 3)

Labor Day weekend is the last big weekend of the summer. \_\_\_\_\_ hopes it will be for you the climax of a truly happy summer. Make it a safe weekend. \_\_\_\_\_ says, stay alert and have a happy, safe holiday weekend.

American working men and women have worked hard to give this country a standard of living that is the envy of most of the world. \_\_\_\_\_ salutes the working men and women of this area this Labor Day Weekend. \_\_\_\_\_ says enjoy this Labor Day holiday. You've earned it.

During this last holiday weekend of the summer, \_\_\_\_\_ reminds you that shallow water dives often cause serious spine injury - including permanent injury. Before you dive, know how deep the water is. The speed of a dive is only broken effectively after the diver has gone through 5 or more feet of water. \_\_\_\_\_ says, check before you dive.

\_\_\_\_\_ believes that the working men and women of any community are its great resource. Labor Day is your special holiday. \_\_\_\_\_ sincerely hopes it'll be a happy and safe one. \_\_\_\_\_ says, make sure your holiday plans include following safety rules. Safety should never take a holiday.

If you're traveling this Labor Day weekend, \_\_\_\_\_ reminds you that traffic will be heavy. Start early. Make sure your tank is always at least half full. If you're traveling unfamiliar roads, drive during daylight hours when possible. Best wishes for a safe, happy holiday from \_\_\_\_\_.

When our nation changed from an agricultural country to an industrial country, America's working men and women made the change so successfully that our nation became the envy of the world. \_\_\_\_\_ knows that we are in the midst of change again. We know that the American worker will again meet the challenge. This Labor Day weekend, \_\_\_\_\_ is happy to salute the working men and women of \_\_\_\_\_.

It's the last big holiday weekend of the summer. Are your Labor Day weekend plans including boating? \_\_\_\_\_ reminds you to be sure your boat is equipped with proper life saving gear. Follow the rules of boat safety - including the most important rule, courtesy. \_\_\_\_\_ says, have a happy, safe Labor Day holiday.

This Labor Day Weekend, \_\_\_\_\_ reminds you that safety belts save lives. It takes only a split second to fasten your safety belt. That split second, fastening your safety belt can prevent serious injury - even death. \_\_\_\_\_ says buckle up for a safe Labor Day weekend.

Programming - How Long Do They Listen? .....

As you can imagine, we hear the phrase, "my market is different" many times each day. It is true there are some fundamental differences in what kind of radio is preferred in each market. It is often assumed that in the smaller markets, time spent listening to radio is considerably greater than it is in the larger markets.

Let's take a look at a couple of case studies:

Market population: 42,200.

Adults 18+ Time Spent Listening to Radio: 3 hours  
7 minutes a day.

#1 Radio Station 18+ Time Spent Listening: 1 hour  
35 minutes a day.

Market Population: 166,400

Adults 18+ Time Spent Listening to Radio: 3 hours  
7 minutes per day.

#1 Station 18+ Time Spent Listening" 1 hour 13  
minutes per day.

Market Population: 339,200

Adults 18+ Time Spent Listening to Radio: 3 hours  
46 minutes per day.

#1 Station 18+ Time Spent Listening: 1 hour 44  
minutes per day.

Pretty amazing, right? There is really no pattern to the market size vs. Radio Time Spent Listening. In fact, one of the highest belongs to a top 10 market where there are 31 stations in the metro. The smallest market has 7 listenable signals.

The point here is that while stations in the very smallest markets may tend to have Time Spent Listening which is SLIGHTLY higher than the big markets, there is no reason to junk up the station with 1,000s of titles just because you perceive that listeners are spending 8 or 10 hours a day with your radio station.

We have done a lot of research here to determine how many titles should be scheduled in each format. Our findings:

Oldies 850/1,200 titles  
Soft AC: 650/900 titles  
C. H. R.: 250/400 titles  
Country: 750/1,000 titles.

Phil Barry, V.P. Programming  
Drake Chenault, Radio Consultants  
June Client Letter

"Wal Mart Comes To Town" .....

The Wal Mart Store opened for business 4 years ago in Tomah, Wisconsin (population 7,204). In the words of Mrs. Phyllis Rice, owner-operator of W T M B (AM - 1 kW D - 1460), "Things have never been the same."

As she view's the town's Main Street from her office, she says, "There were 4 shoes stores. There are now 2. There were 4 womens stores. There are now 2. There were 4 hardware stores. There's 1 now. There were 3 drug stores. There's 2 now."

3 of the survivors were featured in the July/August issue of "IB", the member magazine of the National Federation of Independent Business (headquarters in San Mateo, California). The owner of the local "Hometown Hardware Hank Store" told the magazine, "We'd become complacent. Suddenly, people were saying, 'Holy cow, we're going to be put out of business.'"

To stay in business, the store's owner, Jolene Fedderson, dropped several categories of goods where she couldn't match Wal Mart prices or selection, including toys and housewares. These lines were replaced by building and home-repair supplies and paint. Quick availability of special order merchandise was stressed. Hard-to-find services were added such as fixing window screens. She pushed her store's willingness to lend expert advice on everything from lawn care to picking a paint color or digging a well. "Wal Mart may have 100 bags of fertilizer in stock, but, they can't tell you how to use it," she says. Ads and remotes on WTMB have reminded local shoppers of the store's hometown flavor. The store has expanded from 3,000 to 6,000 square feet and she claims business is better than ever.

Jim Steele, the second generation owner of Steele's Pharmacy, unlike a competitor who sold out and went to work for Wal Mart, says he's doing well explaining, "My philosophy is to provide a combination of things that customers can't find anyplace else. That means the best possible service. You can't put a price on that." He has expanded his home delivery service and features it in his ads. He has added and promoted health-related services like free blood sugar tests, cholesterol checks and a blood pressure monitor. He has expanded store hours and has raised wages and benefits because "People like to see a familiar face in a pharmacy."

John Rose, Jr. claims his department store, Tomah Cash Mercantile, is more profitable than ever. His strategy is to offer merchandise "upscale from Wal Mart." He told, "IB," "What WalMart does is force the small merchant to find his niche. If the business is just a hobby, you can't compete."

Phyllis Rice, who has sold in the market 30 years and has been owner-operator of W T M B for 6 years, confirms the "IB" stories, adding, "There are other folks who have also done a good job - but, they just don't make up for the businesses that have given up." The problem is further complicated, she says, by major street work which has kept the town's downtown Main Street "torn up for 2 years."

The Class C FM licensed to Tomah, which was a companion to WTMB under the previous ownership, is now a satellite of a non commercial Milwaukee religious station. A Class A FM went on the air 6 weeks ago. A C. P. for a second one is as yet unbuilt. Mrs. Rice says she wanted an FM station, "but the cost of litigation and construction "did not make business sense. I hope I'll have a chance to buy 1 of them out at a sensible price," she says.

Mrs. Rice, along with most small market broadcasters, hopes that Wal Mart will one day be a major advertiser. In the meantime, she says, "we have to do like our customers. For her that's meant putting extra emphasis on the station's Saturday morning auction. It now accounts for about 25% of her billing. "It brings in revenue from franchised restaurants whose money goes on TV and from struggling little businesses."

She also is putting more emphasis on events that will bring business into her established accounts. One recent success: A local jeweler staged a "re-mounting clinic." Listeners were invited to bring in their old rings for a free estimate on re-setting the gems in smarter new settings. The jeweler ran 50 ads and attracted hundreds of prospects. "It was a banner 3 days, not only for re-mounting business, but other stock in the store. He's going to repeat in October." The advertising stressed the sentimental value of a ring, as well as its investment value.

A recent article in a jeweler trade magazine predicts a return of customer loyalty and viable family businesses. Mrs. Rice sees signs of that in her town and quickly says, "That's why I'm still here."

#### THE LAST WORD

A 4% Spectrum Tax is a bad idea. Few radio stations are in a position to absorb it or pass it along. It puts broadcasters in an unfair competitive position with print and other media. The president and Congress need to tell the American people we've wasted your money and have to have more from everybody NOW - before election day.

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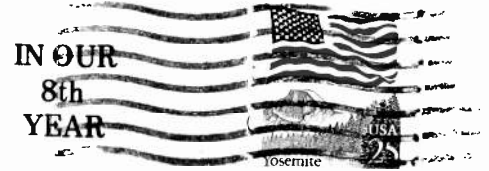
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**S**mall  
**M**arket  
**R**adio  
**N**ewsletter  
Inc.



Bob Doll - Publisher and Editor  
Barbara J. Doll - Circulation

VOLUME VIII - Issue #12 - August 16, 1990

**87% N. R. S. C. AM COMPLIANCE?** Joel Bump and Jerry Clements of Radio Design Labs don't think so. In a letter to N.A.B. President Eddie Fritts, they say, "If the feedback we hear from the engineering community is correct, compliance cannot be anywhere close to 87%. That figure was contained in an F.C.C. release and reported in SMRNewsletter 8-9-'90.

Bump and Clements say the non-complying AM stations are located outside the major urban areas. "If a large number of rural stations do not comply, the desired improvement will not be achieved anywhere."

Radio Design Labs is 1 of 6 makers of N.R.S.C. compliance equipment. The others are Inovonics, C.R.L., Orban, EnergyOnyx, and Gentner. Radio Design Labs want to know just how many AMs are complying. To do that, he wants N.A.B. to obtain confidential customer counts from each of the 6 N.R.S.C. equipment makers. No word yet from N.A.B.

**N.A.B. PAINTS A BLEAK PICTURE** of the radio business in its 4% SPECTRUM FEE mailing (see Page #8). It quotes government figures showing that in 1988, 3,250 radio stations operated at a pre-tax loss. 930 other radio stations had such slim profits that a 4% tax on gross revenues would have put them in the loss column.

**ABOUT A COMPETITOR** - "U.S.A. Today" reported on 8-8-'90 that "television network viewership the week of 7-29/8-4 was the lowest on record for regular programming. Only 50% of sets tuned to A.B.C., C.B.S. and N.B.C. that week. (See Page 3 )

**THE MARKETPLACE** - Sears, the nation's #1 retailer as long as anyone can remember will be #2 by year - end, overtaken by K-Mart. K-Mart will slip back to #2 by mid-1991 as Wal Mart becomes the nation's largest retailer. (Advertising Age 8-6-'90)

**SUPER LADY** - Billie Oakley, heard on K M A, Shenandoah, Iowa and 20+ other Midwest stations was the Marconi Awards Small Market "Personality of the Year" at last fall's N.A.B. Radio convention. She was rightly the "hit of the show." The 72 years young lady has been on the air since the 1930s. She's on the "presenter list" for this year's awards in Boston. The other 21 are from major markets and network radio.

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

At the F. C. C. . . .

NEW STATIONS (Granted):

ARIZONA (Oro Valley) Pueblo Radio 97.5 3 kW 328'  
CALIFORNIA (South Oroville) Linda Adams 104.9 3 kW 328'  
ILLINOIS (Peoria) B and G Ltd. Partnership 92.3 3 kW 328'  
NEBRASKA (Plattsburg) Platte Comm. 96.9 3kW 328'  
NORTH CAROLINA (Old Fort) Mc Dowell Comm. 104.3 3 kW 328'  
OKLAHOMA (Lawton) Arthur Patrick 107.3 50 kW 492'  
PENNSYLVANIA (Boalsburg) Clarvista, Inc. 92.9 3kW 328'  
TENNESSEE (Henderson) Wanda Smith 107.7 3 kW 328'  
(Manchester) Phase One Comm. 106.5 3 kW 328'  
TEXAS (Elgin) Elgin FM, Ltd. 92.5 3 kW 328'  
WISCONSIN (Elk Mound) Emalee C. Payne 92.9 3 kW 328'

INVOLUNTARY TRANSFER:

MASSACHUSETTS (West Yarmouth) W O C B (Class IV AM) and  
W O C B (Class B FM) to Patch Dunn Associates, Debtor in  
Possession, 278 South Sea Avenue, West Yarmouth, MA - 02673  
(900723HZ)

There was no announced activity on the FM Table this week.

About Buying Used Equipment . . . . .

Steve Vanni of Northeast Broadcast Lab, Auburn, New  
Hampshire, shares his experience and feeling on the subject  
of used equipment in the current New Hampshire Association  
of Broadcasters member letter. He advises:

Used Console/Associated Audio Gear: "Stations usually don't  
replace it unless there is a good reason. We tend to run  
them into the ground in this business and while the  
electronics may still be good, the mechanical sections,  
motor bearings, heads, brakes, etc. are often worn out.  
Having to replace a drive motor or even heads at today's  
prices quickly erase any savings in purchase price."

Audio Processing: "This can be an area to look at used and  
save. Processing is very subjective and perfectly good  
items become available simply because 'the new guy' wants  
'brand X.' Stay with fairly recent vintage and be sure the  
unit hasn't been 'souped up.'"

PROGRAM AUTOMATION: "Perfectly good systems become available  
when stations decide to go live. Make sure the unit is a  
fairly recent model. On-going factory support is often  
required. Check with manufacturer to see if the circuit  
cards and support you'll need are available."

Transmitters: "Caution is advised. Invest in an independent  
professional inspection. Check for P.C.B. containing  
components."

If You Use A Contract Engineer: "Consider how quickly your  
saving may erode if you must pay a contractor's hourly rate  
to revive a tired, worn piece of gear."

MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

"CANDIDATE RADIO SEMINAR" - Dean Sorenson, small market group operator (SD,ND,MN, and IA) has done convention programs this summer for State Associations in Oklahoma and Wyoming. He tells us that one of the best ideas he's come across is a station sponsored "Candidate Radio Seminar."

The station invites candidates and their principal campaign people to a breakfast which is followed by a short presentation of the benefits of candidate use of the radio station. "Take along" material includes F.C.C. political advertising regulations and station political rates.

LETTER TO CANDIDATES - Office seekers don't automatically use a radio station (or as much as they should). Good idea! Send a letter to each candidate in your area reciting the political advertising regulations, your political rates, and why your station should be a primary vehicle to reach voters with frequency at low cost. AS the 60 day pre election (lowest unit rate) starts September 7, that letter should go out before the end of August.

"GET OUT THE VOTE" - Falling voter participation in elections is a growing concern. Here is a contest that should get good participation and has a good "public service hook." Offer a prize to the person who comes closest to guessing the vote in your county. Distribute entry blanks to co-sponsoring locations. Each entry blank contains a pledge to vote in the November 6 election.

About Your Customers .....

The Wall Street Journal reports that the auto industry is undertaking a professional certification program from automobile sales people. The idea is to elevate the image of the trade. It's a project of the National Automobile Dealers Association. The association claims, "If it weren't for the scandal-plagued television evangelists, we'd be on the bottom,." in terms of public image, N.A.D.A's president says. Auto sales turnover rate is 40% annually. The program will include training in contract law, psychology, social studies and business ethics.

About a competitor .....

The big 3 TV networks are all heavying up on use of network radio in hopes to bring back viewers to their prime-time lineups. C.B.S. is making its biggest network and spot radio pitch ever (several million-\$s). N.B.C. and A.B.C. are also upping their radio spending. In the words of one network exec "We are going to make a transition and try to get out of the 50-to-death category and move the center core of our audience younger." (Advertising Age)

\$ale\$ - Study Yourself .....

Harvey Mackay, in his new book, "Beware the Naked Man Who Offers You His Shirt," suggests that to increase your sales effectiveness, you should fully study yourself and how you do what you do.

Based on the theory that each of us performs better under certain conditions, MacKay advises recording lots of information about each sales call, similar to analyzing every step of a golf stroke. For example, record how you got the sales lead - what was the day and time, who gave it to you and was it a business or social setting.

Describe your preparation - did you study the prospect, rehearse comments, make an appointment or just drop in.

Analyze the call. Did you use printed material. What kind of questions did you ask. How did you approach the close. Were you prepared for objections. Was it easier or more difficult than you expected. Size up the results.

MacKay suggests you create a questionnaire that you can answer after every call. The idea is to get to know what works for you and when. Then you, he says, can play to your strengths, improve your weaknesses and call on top prospects when you're at your best.

\$ale\$ - Why Customers Quit Doing Business .....

The July issue of "Farm Store" magazine reports on a recent survey among general consumers. The survey shows that the reasons people quit doing business with a particular firm are pretty straightforward:

3% move away.

5% become involved in other friendship-based transactions.

10% leave for competitive reasons, such as more convenient location, better prices, better service, etc.

14% don't like the product.

68% quit because of an attitude of indifference toward the customer by the owner, manager or employees.

\$ale\$ - The Real Truth .....

From Mel Goldberg, W H J B, Greensburg, Pennsylvania:

"When wealth is lost, nothing is lost.  
When health is lost, something is lost.  
When character is lost, all is lost."

About Your Customers - How Small Retailers Are Fighting  
The Mass Merchandisers .....

The advice come from the July/August edition of the member magazine of the National Federation of Independent Business (headquarters San Mateo, California):

1. If you are a franchised business, enlist the franchisor's help - at the very least ask for information on what others in your position are doing.
2. Consider ancillary lines of business to generate traffic. For example, hardware stores can rent tools and equipment. An office supply store could become a U.P.S. or Federal Express drop center.
3. Emphasize speed and simplicity of shopping in a smaller store. Many people are frustrated having to trek their way through 100,000 square feet of superstore to find what they want.
4. Carry brand-name merchandise the superstore doesn't stock.
5. Don't fight price wars. You'll lose. (Wal-Mart buys merchandise - be it brooms or baby bottles - by the boat load.) Stay close in price on the most competitive and most important goods.
6. Sell around the discounters. Try to carry complimentary lines of goods instead of competing head on - different colors and sizes, separate brand names, more upscale items.
7. Consider specialty product lines. Emphasizing locally made craft items is often successful.
8. Offer liberal return policies. That's one way to keep customers loyal.
9. Deliver free. Most discounters either don't deliver or charge for it.
10. Offer accurate, prompt special ordering. It's one way you can have a selection to match the discounter's.
11. Greet customers. They do that in Wall-Mart too. But welcome shoppers by name when possible and make sure you find out if there's any way you can immediately help them.
12. Solicit and investigate advice and complaints. Ask customers point blank what they like and don't like about your operation.
13. In advertising, stress your differences from the discounters, including special services, extended hours, etc.

## Management - Managing the Sales Effort .....

Never criticize the person, only their actions, and then in a positive, constructive way. Salespeople get enough rejection from their clients without you adding to it. If they're in a slump, remind them of their previous successes.

Then, objectively analyze the way they're conducting their business, from the way they're making appointments to the way they close the sale. Make constructive suggestions about the way they can improve their techniques. Have them evaluate their own performance. Get them thinking about their actions and how they can improve them. Get them to stop thinking about the personal rejection.

Finally, give them permission to fail. I know you would like them to be successful on every call. However, if 85% of your audience is between 35-64 and you lose the business for the local teen nightclub, that is to be expected. Make it clear you don't expect them to get every order. What you do expect them to do is a well thought-out, professional job of prospecting, qualifying, presenting to and closing clients. If they do all these things well, they will become continually more consciously competent and successful.

There are conditions that prevent us from getting every piece of business. Conditions are different from client objections. Objections can be overcome, conditions can't. Know the difference and allow your salespeople to fail when they run up against a condition that they are powerless to change. If they feel this kind of support from you, they'll think less about the personal rejection and be willing to take more risks. More risks equal more calls and more calls equal more sales. REMEMBER, THAT EVERY YEAR BABE RUTH LEAD THE MAJOR LEAGUES IN HOME RUNS, HE ALSO LEAD THE MAJOR LEAGUES IN STRIKE-OUTS.

Joe D. Buys, President  
Clear Communications, Inc.  
(313) 294 4408

Joe will lead the Sales Training Seminar at the New Hampshire Association of Broadcasters in October in Laconia, New Hampshire. The above is an excerpt from his forthcoming book, "Quick Fixes and Magic Wands - the Ten Secrets to Success." It is scheduled to be on the market next year.

"An Interesting Ride" .....

Roy Roberts graduated from college in Denver in 1978. His first radio job was in the Western Kentucky "coal town" of Madisonville. Homesick for the West, he moved to Holbrook, Arizona where he landed a job as program director and "just about anything else that needed to be done."

With 4 years in small market radio "under his belt," he decided he was ready for the "big time." He landed a job on a major Phoenix FM station. He calls that, "just about the end of my radio career," saying, "Those big stations in big markets have to play things 'so safe,' everyday is the same as the day before. It just wasn't like being in radio."

Roberts left radio for several restaurant management jobs in the Phoenix area and in New York state. His wish to "get back into real radio" and his wife's desire to return to her home town prompted the couple to buy K D J I, Holbrook, a 5 kW daytimer on 1270, the station where he'd worked in the early 1980s.

Like many small Western towns, the economy had fallen during the 1980s. "The previous owner kept thinking things would come back, but they didn't."

By the end of his first year, some drastic changes needed to be made. First, he changed the stations adult contemporary format (which was going up against a Class C FM) to a '50s, '60s, early '70s "oldies" format. "Nobody else on AM or FM was doing that." Secondly, he reduced his staff by going on satellite with S. M. N's. "Pure Gold."

"I made a lot of mistakes in hiring people early," he says. "I learned not to hire mail order dis jockeys by using trade classified ads." He now operates 16 hours a day with a full-time news director, who also does 2 hours a day on the board and 2 salespeople. The remainder is covered by 4 part-time operators. "Everybody here has roots in the community. We haven't had an opening in 14 months."

The big break, he says, was not of his making. When he got post-sunset authority at 130 watts (which covers about 7 miles in every direction), he went strongly into local sports covering high school and the local junior college. He calls doing play-by-play "my favorite part of the business." The sports not only raised his station's gross, but, he says, "added some fun to the hard work of running a small radio station."

About the difference between running a radio station and managing a restaurant, he says, "They're both people businesses. You have to focus on your employees and the public - advertisers. The nice thing here is, You don't have inventory that spoils."

2-1/2 years into the ownership of K D J I, he says, "Most people here think the local economy has bottomed out and is now moving up slowly. Of his station's income, he says, "It's growing slowly." Like many new, first time operators, he says, "We're still paying for some of those first year mistakes - trying to catch up and keep up at the same time." He describes his first venture into station ownership as "a rough ride - but an interesting ride." In his view, "There's a great satisfaction in being your own boss, owning your own business and making a living doing a lot of things you really enjoy doing. I'm not sure that you ought to expect a lot more out of life than that."

#### THE LAST WORD

N.A.B. has often been accused of being "asleep at the switch" when it comes to lobbying. Last week, it proved otherwise when it mailed out to every broadcast station in the country (members and non members) a bulletin concerning the 4% SPECTRUM FEE under consideration by the administration and Congress. Although some articles in the trade press indicated the actual passage of such a tax is remote, broadcasters need to talk to the Congressmen about this. Sadly, many things have happened in Washington which in their early stages were given little chance of success. The budget situation in Washington is critical. Anything is possible.

If you haven't already done so, we urge you to read the N.A.B. mailing carefully and to take appropriate action. The activities of the paid lobbyists are not nearly as effective as the words of "the folks back home." If by chance you misplaced the mailing or it went into "file 13" before you read it, call them for another copy (202-429-5300). And, take appropriate action.

Broadcasters are now paying cost of regulation fees at the F.C.C. Absent an entirely new licensing method, which this publication has several times discussed, they should not have to pay more. The 4% SPECTRUM TAX can't be absorbed or passed along to the customers. It's a bad idea that needs your immediate attention.

The N.A.B. mailing points out, quite correctly, "This tax would fall most heavily on those broadcasters who can least afford it -- smaller market station. Ironically, it is those smaller communities which depend on local broadcasting the most."

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**S**mall

**M**arket

**R**adio

**N**ewsletter  
Inc.



IN OUR  
8th  
YEAR



Bob Doll - Publisher and Editor  
Barbara J. Doll - Circulation

VOLUME VIII - Issue #13 - August 23, 1990

**ASCAP CHARGES TO STATIONS** for carrying programs bartered by non-licensed networks (satellite) and syndicators are #1 on the agenda for negotiations between the Radio Music License Committee and ASCAP. Other primary agenda topics: a per-program license which is realistically usable by more broadcasters who program a limited amount of music; a lower percentage for the annual inflation adjustment; a short period for station audit liability; an effective way to settle audit disputes without litigation. The agenda items were released by RMLC last week, along with the announcement of the appointment of David C. Fuellhart as Executive Director. He is a recently resigned Baltimore radio station manager.

**ZAP STRIKES AGAIN** - Jim Hood's nationwide discount radio news service (delivered on FAX) has now set up its 2nd state news service in as many months. It started a California state service on July 16 and an Ohio service on August 13. Stations pay \$49.75 for the state service - plus - as little as \$126.00 per month for national service. Information: 1-800 525 2175. (Editor's Note: ZAP News seems to be making an impression on U.P.I. We recently saw a U.P.I. contract in Ohio with a rate comparable to 1970.)

**N.A.B. FINANCIAL CRISIS SEEMS TO HAVE SLOWED** - The Executive Committee, meeting in Washington last week, was told that April through June revenues were slightly above budget, expenses "at or below" projections.

**DIGITAL RADIO** - The N.A.B. Task Force was in Montreal August 8 to hear the system being tested by Canada. The Task Force was taken on a bus to hear digital radio. Radio Board Chairman says sound quality and reception are far superior to conventional AM and FM radio even under the most adverse conditions. The N.A.B. position now: a terrestrial system of local radio stations licensed to present AM and FM operators. Lots of political hurdles to overcome.

**ANOTHER BUSINESS BUILDING PROMOTION** by "N. A. B. Radio Week" is getting some criticism. Each of the Marconi Awards nominees was "pitched" an ad to solicit votes. They were told in a letter from sales manager Randi Reiten, "The people who get 'Radio Week' have the ballots."

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

At the F.C.C. ....

NEW STATIONS (Granted):

CALIFORNIA (Lake Isabella) K V L I Radio 104.5 3 kW 328'  
FLORIDA (Silver Springs) Silver Springs Comm. 95.5 3kW 328'  
ILLINOIS (Carlinville) Carlinville B'c'g. 95.9 3 kW 328'  
INDIANA (Bremen) W M R I, Inc. 96.9 3 kW 328'  
                  (Ellettsville) Katieco, Inc. 105.1 3 kW 328'  
                  (Newburgh) Newburgh B'c'g. Corp. 106.1 3 kW 328'  
NEW YORK (Warrensburg) Karamatt B' c'g. 100.5 185w 1312'  
OHIO (Columbus) Horace Perkins 107.5 3 kW 328'  
                  (McArthur) Hometown b'c'g. 98.7 3 kW 328'

AMENDMENTS TO THE FM TABLE (Amended):

ALABAMA (Roanoke) 102.3 C3 for A. M.: W E R L-FM  
ARKANSAS (Rogers) 94.3 C3 for A. M.: K O L X-FM  
CALIFORNIA (Tahoe City) 95.5 C1 for C2. M.: K R Z Q-FM  
COLORADO (Walsenburg) 102.3 C3 for A. M.: K S P K.  
FLORIDA (Summerland Key) 102.5 C2 for 102.9 A. M.: W P I K  
                  (Tavernier) 95.9 A. W.: 9-25/10-25.  
GEORGIA (Rome) 97.7 C3 for A. M.: W K C X.  
HAWAII (Hilo) 97.9 C1 for C2. M.: K K B G.  
IOWA (Knoxville) 92.1 C3 for A. M.: K R L S.  
LOUISIANA (Ferriday) 107.1 C3 for A. M.: K F N V.  
MICHIGAN (Leland) 94.3 C3 for A. M.: C. P.  
NORTH CAROLINA (Wadesboro) 93.5 C3 for A. M.: W R P L  
                  (Warrenton) 107.3 C2 for A. M.: W V R S.  
OREGON (Gold Beach) 92.7 C1 for A. M.: K G B R.  
TENNESSEE (Alamo) 93.1 C3 for A. M.: W N B E  
                  (Spring City) 93.9 C3 for A. M.: W A Y A  
                  (Trenton) 97.5 C3 for 97.3 A. M.: W L O T  
TEXAS (Idalou) 105.7 A. W.: 10-2/11-1.  
WEST VIRGINIA (Lost Creek) 96.3 A. W.: 9-28/10-29.

(Proposed.):

GEORGIA (Cusseta) 101.3 A as 1st.  
VIRGINIA (Exmore) 106.1 B1 for A. M.: W P H G  
                  (Lynchburg) 100.1 C3 for A. M.: W K Z Z.  
WASHINGTON (Spokane) 103.9 C2 for C3. M.: K V X O.

INVOLUNTARY TRANSFERS:

COLORADO (Denver) K B N O (AM-Daytimer) to Paul Drew Stuber,  
Trustee, 999 18 St., Suite 305, North Tower, Denver, CO -  
80202 (900801ED)

ILLINOIS (Jerseyville/near St. Louis) W J B M AM/W K K X,  
Class B FM, to Don Cavaleri, Receiver, 2520 S. 74th St.,  
Lincoln, NE - 68506. (900727GU/GP)

The M STREET JOURNAL (703/684 3622) reports this week that  
W B N I (AM day on 910), Roanoke, VA has gone silent.  
K B W H, a Class A FM, Blair, NE returns to the air with an  
AC format and K M O O, an AM, Mineola, TX, returns to the  
air 9-3 with a Southern Gospel format.

## MONEY PAGE - \$ALE\$ AND PROMOTION IDEAS\$

"GRANDPARENTS DAY" (Sunday, September 9) - A relatively new "special day," it lends itself to the promotion for photographers, greeting card sellers, restaurants, etc.

You might want to run a simple contest saluting the oldest grandparents in your community, grandparents with the most grandchildren, youngest grandparents, etc.

FIRST QUARTER INCENTIVE - Some stations encourage first quarter buying by offering certificates equal to 10% of schedules run in the 4th quarter. These certificates can be applied to schedules run in the 1st quarter.

HALLOWEEN IDEA - It's little more than 2 months away Wednesday, October 31. Halloween masks are widely thought to be safety hazards for "trick or treaters." In Coushatta, Louisiana (population: 2,084), K R R P stations young ladies at 3 local businesses in late afternoon to "make up" youngsters before they start out on their "trick or treat" travels. Each of the 3 stores is sold a tie-in schedule of advertising. "It's made a lot of friends for the businesses and our station," Florence Bethard says.

### About Your Customers .....

A Chicago, Illinois firm, Schonfeld and Associates, has just released its 1989 report on advertising expenditures by publicly traded companies. Although advertising expenditures grew slowly last year, growth was high in many business groups:

Agriculture chemical companies spent 0.9% of sales and were up 12.2% from the year earlier.  
Apparel and accessory stores 2.4% - up 8.0%  
Auto/home supply stores 2.3% up 14.6%  
Department stores 2.8% - up 5.6%  
Drug Stores 1.2% - up 8.4%  
Eating Places - 3.4% - up 10%  
Furniture store 7.1% - up 6.4%  
Grocery Store 1.2% up 2.9%  
Hospitals - 5.-0% - up 14.5%  
Jewelry Store 2.7% - up 6.1%  
Variety Stores - 1.9% - up 8.9%  
Womens Stores - 3.4% - up 12.7%

### What Media Spent ...

Newspapers, owned by publicly traded companies, 3.1% up 9.6%, TV stations, 2.8%, up 2.2%, radio stations 9.3%, up 16.1%.  
"Advertising Age" 8-13-'90

\$ale\$ - People Skills .....

Charles Warner, former station manager and now on the faculty at the University of Missouri, is the writer of a book on broadcast sales called "Broadcast and Cable Selling." He is also a popular sales trainer. In his view, the 2 principal responsibilities of radio salespeople are 1.) Managing relationships and 2.) Building demand and value for the station's advertising inventory. We agree! Relationship management requires the ability to deal with a wide range of customer personalities. The following, from "Small Business Management" by William Hailes, Jr. and Raymond T. Hubbard, should be helpful:

Customer Type:	Require:
Nervous - Tired and Cross	Patience
- Fussy and nervous	Consideration
- Excitable	Quiet Manner
- Impatient	Dispatch
- Unreasonable	Calmness
Dependent - Timid and sensitive	Gentleness
- Undecided	Decisiveness
Disagreeable - Skeptical	Candid manner
- Inquisitive	Knowledge
Talkative	Courteous brevity
Insulting	Self-control
Trying - Critical	Product knowledge
- Indifferent	Tact
- Silent	Perseverance
- Chiselers	Convincing manner
Commonsense - Pleasant	What they expect
- Intelligent	Logic and efficiency

\$ale\$ - Relationships .....

Lou Holtz is not only one of the country's great college football coaches (Notre Dame), he is also one of the nation's premier motivational speakers. From a recent Lou Holtz speech:

"People want positive answers to 3 questions in a relationship. They need to feel comfortable with the answers to these 3 questions:

Can I trust you?

Are you committed to excellence?

Do you care about me?

When you can say yes to all 3, you've established the basis for an excellent supplier-customer relationship - or just about anything else,"

## FARM SAFETY WEEK (September 16/22)

\_\_\_\_\_ says, don't take safety for granted on the farm. During Farm Safety Week, they remind you that no farmer ever made money from a hospital bed. Keep yourself and your equipment in good repair. \_\_\_\_\_ hopes this is a successful and safe season for you.

\_\_\_\_\_ thinks Farm Safety Week is a good time to check your farm equipment and your farm buildings for safety. Be sure everything on your farm is up to safety standards. \_\_\_\_\_ believes safety is an important part of successful farming.

\_\_\_\_\_ knows that many jobs on the farm are repetitive. We tend to take them for granted. Repetitive jobs can be dangerous. Think about what you're doing. Don't take any task or equipment for granted. \_\_\_\_\_ says, "think safety on the farm."

This is National Farm Safety Week! Do you know why? \_\_\_\_\_ says its to remind farm families that farming can be a very dangerous trade. Equipment and farmers last longer if the equipment is properly maintained and used carefully. \_\_\_\_\_ believes farm safety needs very special attention.

\_\_\_\_\_ ask if you've ever made a safety inventory of your farm? This week, Farm Safety Week, is a good time to check every piece of equipment and every building on your farm. \_\_\_\_\_ know you'll feel better knowing that every possible precautions has been taken to keep your farm and your farm family safe.

Do children help you on the farm? \_\_\_\_\_ says, make sure those youngsters know about the need for safety. Explain the use of farm equipment carefully. Be sure to point out dangers. \_\_\_\_\_ thinks that farming is a great experience for a youngster. Make sure it's not marred by an accident.

We have all heard the chilling news about a farmer losing an arm, a leg, or a life in a farm accident. \_\_\_\_\_ says the old saying, "accidents will happen" is true. But, it is also true that they don't have to happen. \_\_\_\_\_ reminds you, during National Farm Safety Week, that most accidents can be prevented. Take a little extra time and a little extra care.

Good farmers take good care of their implements and equipment. There's a good reason! It works better that way. \_\_\_\_\_ remind you, during Farm Safety Week, that well maintained implements and equipment are safer. \_\_\_\_\_ says, take a good look. Are your implements and equipment in top shape and safe?

\_\_\_\_\_ remind you that safety instructions come with most farm implements and equipment. Don't toss them away. Study them carefully. Keep them and review them often. \_\_\_\_\_ says farm safety takes effort - but it's worth the effort.

## Announcing - About Being A Pro .....

The things that separate the Pros from the bushleagues are small items. During my years as a disc jockey, I kept a few note cards in my briefcase as reminders of some of those small things. Here's a list from my old cards:

1. Plan ahead. Think about what you'd like to do or say and about the best way to do it.
2. Pre-read everything. Pre-read aloud.
3. Rehearse your ad libs. If possible, write down bits of the thoughts to help "keep in focus."
4. Be aware of the pacing and balance of the show. Constantly refer back to your show preparation sheets to see where you've been.
5. Before each set, take a quick glance over the "board" to make sure all the switches and pots are set correctly.
6. Don't leave the control room unless the next "stop set" is completely ready.
7. Don't answer the phone until the next "stopset" is completely ready.
8. The control room is not a library. Don't read books, magazines, or newspapers during your shift.
10. You are in the business of presenting music and information in the best possible manner. Don't get in the way of the most important elements with unnecessary talk.
11. Talk to the listener on a one-to-one basis. Never talk to "all you people out there."
12. Stay comfortable. Relax to sound your best.

By Steve Warren, Fayetteville, Arkansas based program consultant in "The Programming-Operations Manual." The 3rd edition (250+ pages - \$99.00) from:

The Programming Co-Op  
Route #1 - Box 400E  
Fayetteville, Arkansas - 72703

(501) 521 1435

## Your Marketplace In the '90s .....

"Management Horizons" is a subsidiary of "Big 8" accounting firm Price-Waterhouse. The retail consulting firm employs 60 consultants and economists and numbers among its clients "K Mart, J.C. Penney, Montgomery Ward and American Express."

"Management Horizons" chief executive, Dr. Daniel J. Sweeney, in a recent issue of the trade magazine "National Jeweler" made the following predictions about the retail marketplace in the 1990s. His predictions agree with others we have read and therefore deserve repeating here. Sweeney's predictions for the next 10 years include:

**FEWER PLAYERS:** "Not all retailers will make it to the finish line. There is too much retail space for the market, too much copycat sameness among retailers and far too much leverage on the books (debt to equity). In the '90s, the retail playing field will be littered with the wreckage of the failed business strategies of the '80s. These conditions leave no room for marginal performers. By the end of this decade, more than half of today's retailers will be out of business. The next chapter in retailing is likely to be Chapter 11."

**LESS SPACE:** "With more than half of today's retailers going out of business, we will see not only a slowdown in new retail construction but an actual contraction of total retail square footage, as unproductive stores are closed and space is recycled to other uses."

**THE DE-MALLING OF AMERICA:** "The great age of the retail dominated mall in America faces a fitful demise by the end of the '90s. New centers will be living/working/entertainment/shopping centers. Poorly performing retail malls will be closed and either razed or adapted to different purposes. This will happen through attrition, not an immediate wrecking ball."

**THE DEATH OF THE MASS MARKET:** "The consumer base is fragmented into thousands of different geographic, ethnic, and age segments - and into thousands of specialized niches that exist across different segments. This splintering of the customer base along with continuing advances in information technology will write the epitaph for the mass market."

**THE RETURN OF CUSTOMER LOYALTY:** "Even though shopping frequency will decline among a large segment of the population, customer loyalty will grow among the 35-plus age segment."

"These mature, time poor consumers will become 'exclusively destination-store oriented in their shopping behavior.' That is, people will know exactly what store they want to patronize: it will be their only destination, instead of a browse through the mall, for example. Store preference will replace brand preference.

"Specialty stores will be 'reinvented' to encompass an expanded mix of merchandise. Rather than aiming at a larger customer base, these stores will seek to gain a larger chunk of the shopping budget of a small but more loyal customer base."

DEMISE OF THE DISCOUNT DEPARTMENT STORE: "The discount store as we know it today will peak in the mid-1990s. Marginal players will be first to go. Upper-tier discounters will evolve once more into 2 or 3 national or multi-regional discounters who will become strictly commodity distributors. They will not longer represent off-price but the price. Some will be transformed into specialized mass merchandisers or 'category killers' (e.g. "Toys Are Us.")

#### THE LAST WORD

SMRNewsletter has always believed that radio, particularly small market radio, is a fundamentally sound business. The retail trends forecast in the preceding article are not isolated - they are widely held.

From our daily conversations with subscribers all across the country, we have found generally that the old "80/20 Rule" has slowly disappeared. Conventional business wisdom, before the 1980s held that 20% of the customers represented 80% of the business. Generally, by our observation, active account lists have grown longer. The number of businesses needed to run a profitable radio station has grown. The account that we formally "drove by" to get to someone with "some real money" is now being seen regularly.

With the "death of the mass market" businesses will have to "super serve" their specific target group of customers and that will require "super advertising" to their target group. Radio advertising is the most cost efficient way of doing that. Small market stations whose service area and programming targets a specific geographic area and generally in the course of its broadcast day reaches into the most viable economic and age cells in its market offers the merchant of the '90s an unparalleled communications opportunity.

It fits "the time-poor consumer" best of all media. You can listen to it while you're getting necessary chores done or engaging in a hobby or recreational activity.

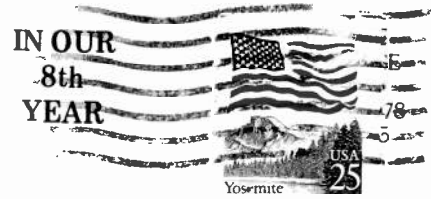
The growth of "destination shopping" will make the merchant "who rides on advertiser's coat-tails" outmoded. The merchant who survives and flourishes will "ask for the business" - he/she won't get much by accident. There'll be a lot more serious advertisers.

Radio's unique ability to talk "one to one" is the most efficient opportunity to build and grow customer relationships as store preference replaces brand preference. SMALL MARKET RADIO NEWSLETTER (Inc.) IS PUBLISHED WEEKLY AND MAILED FIRST CLASS TO SUBSCRIBERS IN 50 STATES, POSSESSIONS, AND CANADA. SUBSCRIPTION: 52 WEEKS \$109.00; 26 WEEKS \$57.00; 13 WEEKS \$33.00. ADDRESS: 275 19th STREET, OTSEGO, MICHIGAN - 49078 - PHONE: (616) 694 9357 - FAX: 616 692 6789



275 19th Street - Otsego, Michigan 49078 - (616) 694-9357 - FAX: (616) 692-6789

**S**mall  
**M**arket  
**R**adio  
**N**ewsletter  
Inc.



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Bob Doll - Publisher and Editor  
Barbara J. Doll - Circulation

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**PREMATURE** - That's what N.A.B. is calling an application for a direct satellite to home digital radio broadcasting application filed by Satellite Radio, Inc. N.A.B. favors a land-based system for digital radio. N.A.B. and the F.C.C. have launched studies on D.A.B. technology. N.A.B. wants Satellite CD Radio, Inc.'s. application dismissed.

**OPERATORS NEED TO BE ALERT**, according to Coldwater, MI based consulting engineer Harold Munn, "for F.C.C. action expected this fall concerning the new FM translator rules. Maximum power may be increased to 1 kW. Full service stations which now may enjoy extensive secondary area service may expect to be subjected to loss of such service. Operators should consider either upgrading of present facilities or the potential of working with translators or dropins to provide the coverage they need to retain fiscal health."

A **PER INQUIRY OFFER** has been made to radio stations in 9 Midwestern and Western states. The offer is a \$19.95 radom test kit. Stations get \$10.00 (about 50%) for each order generated. SMRNewsletter investigation indicates the Fargo, ND based firm (VHI Builders Supply) is legitimate. Product is registered with E.P.A.

**"GOOD CUSTOMER SERVICE" NOT F.C.C. STYLE** - One of our Midwest subscribers sent 3 applications for Restricted Operators Licenses on August 1. On August 22, he was informed the applications were being returned. He was advised each application had to be submitted separately with a separate check (\$35.00.)

**WAR OF THE WORLDS**, the epic 1938 Orsen Wells Halloween broadcast, is available again this year for local sale on a cash basis. It's 60 minute long - 12 minutes of commercial avails. Call Charlie Michelson 1-800 648 4546.

**SALES TRAINER JIM WILLIAMS** is trading those humid summers and bitter cold winters of Washington, D.C. for sunny-California. He's moving to 2437 Grand Avenue (#278), Ventura, California - 93003-0191 - phone (805) 655 5645. He'll continue to conduct many of his seminars in the East, pointing out, "the planes fly both ways - you know."

At the F. C. C. ....

NEW STATIONS (Granted):

ILLINOIS (Decatur) Howard G. Bill 93.1 3 kW 328'  
INDIANA (South Bend) Goodrich B'c'g. 106.3 3 kW 328'  
LOUISIANA (Vivian) North Caddo B'c'g. Co. 95.7 3 kW 285'  
MINNESOTA (Nisswa) Bellfonte Co. 96.3 96 kW 328'  
NEVADA (Hawthorne) Hawthorne FM L.P. 93.5 32w 2936'  
NORTH CAROLINA (Hope Mills) James E. Carson 103.5 3 kW 328'  
(Southern Pines) Elizabeth Younts 102.5 3 kW  
328'  
TEXAS (Claude) Lucille Ann Lacey 95.7 6 kW 328'  
(Hawley) George Chambers AM 1060 500w D  
VERMONT (Derby Center) Steele Comm. Co. 92.1 794w 620'  
WASHINGTON (Dishman) Great Scott B'c'g. 106.5 3 kW 328'  
WEST VIRGINIA (White Sulphur Springs) World Media, Inc. 93.3  
283w 1073'  
WISCONSIN (Tomah) Tony Trunkel 96.1 3 kW 328'

AMENDMENTS TO THE FM TABLE (Amended):

ALABAMA (Citronelle) 102.1 C3 for A. M.: W K Q R.  
WISCONSIN (Merrill) 104.1 C3 for A. M.: W M Z K

(Proposed)

TENNESSEE (Trade) 102.3 A as 1st.  
WASHINGTON (Pullman) 99.5 C1 for C2. M.: K Z Z L  
WEST VIRGINIA (Bethlehem) 105.5 C3 for A. M.: W H L X.

(Requests):

NORTH CAROLINA (Longwood) 95.3 A.  
(Shalottee) 94.5 C3 for 93.5 A  
add 98.3 C3  
SOUTH CAROLINA (Murrells Inlet) 107.9 A for 94.5 A.

Unusual Relief for Unusual Problem .....

Bill Barry's 50 kW D, 1 kW N (1160 kHz) has been unlistenable at night because of jamming by a Cuban radio station. Barry's station is in Donelson, TN, a Nashville suburb. Barry has asked the Commission to allow him to operate an FM simulcast at 75 watts on his 400' AM tower. The Commission called it an unusual action and said "it's an absolute 'last resort' measure." Don't expect this to be repeated elsewhere.

Involuntary Transfers .....

LOUISIANA (Natchitoches) K N O C (Class IV AM) K D B H  
(Class A FM) to Mark K. Sutton, Interim Trustee, P.O. Box  
2239 Natchitoches, LA - 71457 (900717EC/D)  
NEW MEXICO (Santa Fe) K V S F (AM 5kW D/1 kW N) K N Y N  
(Class C FM) to James T. Davis, C.P.A., Trustee, P.O. Box  
1933, Longview, TX - 75606 (900621EA/B)

MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

"EVERY DAY OPPORTUNITY" - Somebody has a birthday every day. It's the one gift giving occasion that happens year 'round. Several statistics we've come across say that the average adult buys birthday gifts for 6 different people every year.

Why not schedule a birthday calendar every 45-minutes during your morning show. It won't be repetitious. The audience on the average radio stations turns over every 45 minutes from 6:00 to 9:00 A. M.

Read the list of local people having birthdays. Sell participating sponsorships to a bakery, a greeting card department, the cosmetics department of a drug store, a restaurant (birthdays are a leading eat out occasion for adults), a clothing store, etc. Have a daily drawing, selecting one person with a birthday for a special gift rotating among the sponsors.

BUMPER STICKER-LOT'S OF MILEAGE - Jim Coursolle has sent SMRNewsletter the W P K R (Waupun/Oshkosh, Wisconsin) bumper sticker. 75% of the sticker is devoted to the call letters, frequency and station logo in the station colors: green on white. 25% is taken up by the Hardee's Restaurants' logo (red letters on yellow background).

On the back of the sticker are 2 Hardee's coupons offering a free item with the purchase of another item. The 3rd coupon is a mail in to W P K R. The bumper sticker holder is asked to fill in his/her name, address, phone number to be eligible for some special station contests.

By the way, W P K R was written up in the July 21 issue of the national newspaper, "U. S. A. Today." The newspaper described a station contest in which listeners were being asked when Green Bay Packer "holdout" Don "Majik" Majkowski would sign (day, date, time). Closest guess won tickets for 2 to 3 "Packer" home games. Jim and Paul Vidmar say many of the newspapers readers sent guesses.

What About Christmas? ,.....

An executive of retail research firm, Leo Shapiro and Associates, says, "This Christmas is more unpredictable than probably any time in the last 15 years because of the Middle East and the feeling that we're in or close to a recession."

Retailer expect apparel sales to save the 4th Quarter. Durables, like home appliances, are expected to be hardest hit. Penney's is projecting single digit 4th Quarter gains. Expect heavy Christmas sale advertising as early as Columbus Day (October 8). (Advertising Age-8-27-'90)

\$ale\$ - Closing .....

You've applied the basics. You're talking to the right person. You've qualified the prospect. You've presented benefits, answered objections. You've established rapport. The customer is listening - even sounding a little bit interested. Now what? Ask for the sale! When? Whenever you have an opportunity. If the prospect is asking you for information, it means he or she is interested. Try using trial closes: "If I can get you on some newscasts starting next week, can we start?"

Your agreement form is an outline of trial closes. Each piece of information is an opportunity for a trial close. "A 60-second message is only 25% more than a 30 second message. Don't you think 60 seconds will get your message across better than 30 seconds?" "I'm in this area every Tuesday and Thursday. Which day will be best for me to see you to keep your message current?" If the customer has stated a clear preference, "I'll make sure it's done that way."

Another closing technique is using an objection to close. The prospect has brought up an objection. You acknowledge that the concern is valid. "Yes business is a bit slow, but, there are still a lot of people in the market for ---. This will give you an opportunity to talk to prospects who might not otherwise think about you." "I can understand you're concerned about getting a big bill once a month. Why don't I bring along a weekly statement when I come in to freshen your message. That way, there won't be a big monthly bill." Or, "use the "feel/felt/found" technique. "I can understand this is a pretty good size financial commitment (I understand how you feel). Many of our clients have had the same concerns (have felt the same way). But they have found that this kind of campaign really pays off (found)."

Alternate choice questions are an easy, nonthreatening way to close the sale. "Which would you prefer?" Open questions include the following, "Which plan do you like?" "Would you like to start Monday, or would you rather wait until the first of the month?"

Another method of closing is the assumptive close = making statements that assume the sale: "All we need to get started is for you to give me some information so I can complete the agreement for you -----." Many sales are closed with a combination of the assumptive and the alternative. For example, "Which should we do, 12 a day, 9 a day or 6 a day?"

Any of these closing techniques can be applied to most sales situations. If the prospect wants to think about it, what exactly is he or she going to think about? Ask yourself, "Did the benefits I described apply to your situation?" Is the offer (money) within the buyer's ability to pay? These questions allow you to take control of the real objections, and often allow you to get to the close.

After you ask the prospect to buy, be quiet. Don't play with papers or otherwise create distractions. Don't break the silence. Don't talk past the close. Quickly sum up the agreement, thank the customer for his purchase. Remember, most sales are closed after the 5th ask.

Deanna Hanson  
Co-opnet, Inc. in  
"Telemarketing" 7-'90 and  
Other Sources

#### \$Ale\$ - 6 Reasons Why Winners Win .....

1. Persistence - "Keep on going and the chances are you will stumble onto something, perhaps when you are least expecting it. I have never heard of anyone stumbling on something when sitting down."

2. Attitude - "Nothing can stop the man (or woman) with the right mental attitude from achieving his goal. Nothing on earth can help the man with the wrong mental attitude."

3. Effort- "The kind of people I look for to fill top management spots are the eager beavers, the mavericks. These are the guys (and gals) who try to do more than they're expected to do - they always reach."

4. Courage- "To be courageous requires no exceptional qualifications, no magic formula, no special combination of time, place, and circumstance. It is an opportunity that sooner or later is presented to us all."

5. Competition- "Far better it is to dare mighty things, to win glorious triumphs, even though checkered by failure, than to take rank with those poor spirits who neither enjoy much nor suffer much, because they live in the gray twilight that know not victory or defeat."

6. Adversity- "A failure is not always a mistake; it may simply be the best one can do under the circumstances. The real mistake is to stop trying."

Gerhard Gschwandtner in  
"Personal Selling Power"  
7/7-'90

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Spendable Income Per Person (Table #723 - U.S. Statistical ABstract-1990  
Average 15/24 25/29 30/34 35/39 40/44 45/49 50/54 55/59 60/64 65/70 70+  
\$12332 7790 9130 10919 12405 13999 14448 13550 14584 14356 12921 11015

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More than 60 million Americans (almost 1 in 4) are at least 50 years old and the number is growing by 6,000 every day. The market is big and getting bigger. Jeff Ostroff in the 7-31 issue of "AdWeek's Marketing Week" advises marketers that they can't afford to wait for the "baby boomers" to turn 50. He says, "An understanding of today's older consumer is essential to both a business's short and long-term prosperity."

He offers some facts to back up his statement and gives some thoughtful advice on selling and serving the 50+ market:

1. Mature adults do not think of themselves as old. He quotes the late statesman, Bernard Baruch, as saying, "Old age is always 15 years older than you are." Research back this up, saying, "Getting old to most people begins well after 70. By failing to recognize that the internal youthfulness felt by most older people, your business will seriously undermine its mature market success. He quotes baseball great, Satchel Paige, "How old would you be if you didn't know how old you was?"
2. Older adults are an important consumer segment. The 50+ population controls 1/2 of all the discretionary income held by American consumers. The Bureau of Labor Statistics says that households headed by those 55 and over account for 30% or more of all dollars spent on ranges, refrigerators, floor coverings, new cars, groceries and jewelry.
3. Mature adults do try new things. Many Americans in fact use their later years to do just that. Within a 12-month period proceeding a survey by Goldring and Company, almost half had tried a new brand of cereal, 30% tried a new brand of canned soup, 30.5% tried a new brand soft drink.
4. Older people do not have impaired mental facilities. Even among those over 65, only about 5% are victims of serious mental impairment. And, most older persons are in good health. A majority are in good health until their last years.
5. According to a recent Gallup survey, 44% of the nation's 89-million volunteers are over age 50 and other Gallup poll showed that nearly half those 65 and over regularly exercise. Senior "wellness" will be among the major trends of the future - developing products and events for this market.

Here is the % of audience 50+ to the 6-major radio station music formats (Impact Research reported in Radio Business Report):

Full Service A.C.	Music Intense A.C.	Country	Oldies	Big Band	C.H.R.
45.5%	12%	36.5%	15%	68%	5%

"We Ought to Have Our Own Radio Station" .....

The post-World War II small market radio station building boom was fueled mainly by the investment of professional people and business men who had made their money in other businesses. Whether a small town radio station would "make money" was not a sure thing. Prior to World War II, there was only a handful of radio stations operating in towns of less than 25,000. More often than not, the decision to build a radio station was prompted not by its being a "sure fire" investment, but more the feeling that "a good town should have its own radio station."

In the late 1940s and the 1950s, small market managers had put together financial stakes and reputations "working for other people" to buy or build their own radio stations. The small market radio business by the early 1960s became largely an "owner-operator business."

Jim Bethard, an attorney in Coushatta, Louisiana (1980 Census: 2,050) is a radio investor reminiscent of the late '40s and the '50s. When he finished law school, he returned to Coushatta to practice law with his father. Red River Parish, population 10,700 with retail sales of \$33-million would be seen by most radio people as too small to support a radio station. His wife, Florence says, "He didn't think about that. He just thought the town and the parish (county) should have its own radio station." He built AM K R R P in 1981. Jim's experience was typical of most non-broadcaster small market radio stations. During the station's first 5 years on the air, the station had 3 managers. "The good ones went on to bigger and better things and one just 'couldn't do the job."

Jim's wife, Florence, had many times "filled in" in various jobs at the station "when they were short handed." After the couple's 4th child entered school, Jim suggested she take over "running the station." An elementary school teacher by training, Florence, after taking over 4 years ago describes herself as comfortable with her station managing responsibilities. "Sometimes it's long hours, but, the hours are pretty flexible" - a must for a mother of 4 school age children.

Mrs. Bethard runs her station (a daytimer) with 2 full-time people (a newsman/announcer and salesperson) and 5 part-time people. "The biggest thing you have to learn in this business is what's important and what's not and to deal with the station's financial limitations."

5 years ago, the station was put on satellite (Satellite Music Network's "Country Coast to Coast.") In her words, "There just wasn't anyway for us to hire and keep good announcers to 'run' the station all day." The station reduced its "live" programming to 6:00 A. M. to 9:00 A. and 4:00 to 6:00 P. M. "Our local programming is what you'd

find on most good small town stations: a lot of local news (there is no daily newspaper), classified ads in the morning and late afternoon, a twice daily report from the sheriff's office, etc." The station makes use of its 200 watt P.S.S.A. to broadcast the local high school football games.

The sales effort at K R R P is carried on primarily by 1 salesperson. "Maybe we should have more, but, it's a good job for 1 person. I don't think it would support 2."

To get an advertising investment every month from most of the businesses in the area, Mrs. Bethard and her salesperson work out an advertising plan "of the month," centered around the most important promotional event of that month. (February, Valentine's Day; May, Mother's Day and Graduation; August, Back to School.) The plans feature either a discounted rate or a small value added depended upon the demand for the station's advertising time.

Florence calls K R R P "a good steady business," saying, "that's the kind you hope to have in a little place like this."

Like most young small town lawyers and their wives, Jim and Florence busy themselves in a lot of civic and social endeavors. "The radio station is great for that."

Jim's satisfaction with his radio station investment is best evidenced by the fact that he will expand his radio interests when he builds a co-located 25,000 watt FM station within the next year.

#### THE LAST WORD

The N.A.B. recently published government collected data that showed in 1988, 3250 radio stations operated at a loss and that another 930 had profits of 4% or less of their sales. Most knowledgeable observers say this bleak picture can be blamed largely on bad selling and business practices - not the least of which is the wide practice of trade.

It was disturbing therefore to see N.A.B. "Radio Week" carry an advice article in its "Small Market Idealine" authored by a Billings, Montana sales-book author giving advice on reducing employee turnover. His generally good advice was marred by the following:

"In order to discover their needs, you must be creative. Get to know more about your employees' personalities. Don't pry, but find out what their interests are. For example, does he/she play tennis? Obtain, through trades, complimentary tickets to a local tennis tournament for that employee. Complimentary meals and clothing are also employee benefits which can be traded."

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275 19th Street - Otsego, Michigan 49078 - (616) 694-9357 - FAX: (616) 692-6789

**S**mall  
**M**arket  
**R**adio  
**N**ewsletter  
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VOLUME VIII - Issue #15 - September 6, 1990

**NO RETURN TO 3 YEAR RULE YET** - A federal Court of Appeals has upheld the F.C.C.'s. decision against restoring the "Three Year Rule." That rule was in effect for 20 years, prior to 1982. Though the courts and the Commission oppose bringing the "3 Year Rule" back, there is widespread support for it in Congress.

**PAUL HARVEY ON "PLAYING THE RADIO IN STORES"** - The matter got his attention after he received a letter from a fan - in Houston, TX He complained to Harvey that an ASCAP representative wants to sell him a license to "play music in his store." In his 8-28-'90 broadcast, Harvey called ASCAP (and BMI) efforts to collect from merchants, "double dipping", pointing out that radio stations pay license fees for playing music. Harvey's advice to his fan, "Tell ASCAP you're playing the radio for your enjoyment. You can't help it if customers eavesdrop."

**BACK IN GEORGIA** - Truman Conley who was president-elect of the Georgia Association of Broadcasters when W C H Y AM/FM, Savannah were sold, has returned. He's been named Vice President, Marketing/Southeast of R.A.B., headquartered in Atlanta. He most recently was manager of a station in Spokane, Washington.

**KENTUCKY SMALL MARKET LICENSE REVOKED** - The F.C.C. has revoked the license of AM daytimer W R P Z, Paris, Kentucky. The station reportedly went off the air in November, 1987 without notifying the Commission. It has been off the air since. In addition to losing the license, the owners of the licensee, Mega Broadcasting Corporation, face a hefty fine. Taking the station off the air, without Commission approval, is contrary to F.C.C. rules. The station was a 1 kW daytimer on 1440 kHz. The station went on the air in 1955.

**ONLY ABOUT 20%** - The Radio Music License Committee has received only 2,000 authorization forms from stations allowing R.M.L.C. to negotiate music license contracts for them. That's only about 20% of radio stations - far short of the 50+ the committee had hoped for. Stations who haven't sent their forms are asked to do so: P.O. Box 18915, Baltimore, MD - 21206. Stations which have misplaced their forms should write or call (301) 882-2427.

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

At the F. C. C. ....

NEW STATIONS (Granted):

ARIZONA (Sierra Vista) Ana Zumuano 101.7 3 kW 328'  
ILLINOIS (Mount Vernon) Daniel Stratemeyer 102.1 25 kW 328'  
MISSOURI (East Prairie) Usher B'c'g. Co. 105.3 3 kW 328'  
NEW HAMPSHIRE (Lebanon) Radio South Burlington 100.5 3kW 328'  
(Winchester) Radio Keene, Inc. 98.7 3 kW 328'  
NEW YORK (Homer) John Eves 101.5 3 kW 328'  
OHIO (Ada) Ohio Northern University 94.9 3 kW 328'  
PENNSYLVANIA (Mount Carmel) H and P Comm., Ltd. 99.7 1 kW  
516'  
TEXAS (Gregory) Stuart Gaines B'c'g. Corp. 104.5 3 kW 328'  
VIRGINIA (Vinton) Michael Scott Copeland 106.1 3kW 328'  
WISCONSIN (Spooner) Su Jacobs-Claussen 106.3 3 kW 328'

(Amended):

IOWA (Red Oak) 94.3 C3 for A. M.: K O A K.  
KENTUCKY (Morehead) 96.3 A as 2nd. W. 10-16/11-15.  
(Westwood) 99.7 A as 1st. W.: 10-16/11-15  
LOUISIANA (Bunkie) 104.3 C3 for A. M.: K R B G.  
(Clinton) 92.7 C2 for A. M.: W Q C K  
MISSISSIPPI (Lumberton) 95.3 C2 for A. M.: W L U N.  
TEXAS (Carthage) 104.3 A as 2nd. W.: 10-12 / 11-13  
WISCONSIN (Merrill) 93.5 C3 for A. M.: W M Z K.  
(Shawano) 99.3 C3 for A. M.: W O W N.

(Proposed):

KANSAS (Larned) 106.9 C1 for A. M.: C. P. (KYSG)  
MISSOURI (La Monte) 97.1 C3 for A. M.: C. P. (KOSY)  
NEW YORK (Monticello) 99.7 A as 2nd.  
TENNESSEE (Crossville) 102.5 C3 for A. M.: C. P.  
TEXAS (Lometa) 101.9 A as 1st.  
WEST VIRGINIA (Rainelle) 95.3 A for 95.7 A. M.: W R R L.  
WISCONSIN (Tomahawk) 92.5 C3 for 92.7 A. M.: W J J Q.

The M STREET JOURNAL, (703) 684 3622, reports this week the following stations have "gone silent:" W R N B AM, Prattville, AL; K X G O AM, Arcata CA; W Q M A-AM, Marks, MS; K L B N-FM, Albion, NE; W K X C-AM, Aiken, S.C. and K T U S AM, Galveston, TX. Also silent, W I R E-AM, LeRoy, IL (formerly W M L A). The station has surrendered its license to the F.C.C. Co-located/co owned W R X Z-FM (licensed to LeRoy) is back on the air. Both stations serve the Bloomington, IL market and are owned by Midwest group operator Dave Keister. He's had a string of small market successes during the past 20+ years. The LeRoy/Normal properties have been a different story. He's owned them just over 3 years. He told SMRNewsletter some time ago, "This is the kind of thing that keeps you humble." Also back on the air, W I B G-AM, Ocean City, NJ (covering Atlantic City) with a travel information format.

MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

HALLOWEEN "TRICK OR TREAT" BAGS - McGruff Specialty Products, which is licensed to sell "McGruff the Crime Dog" products by the National Crime Prevention Council, is offering plastic trick or treat bags featuring the McGruff likeness along with Halloween safety tips for "trick or treaters." They are in the traditional Halloween colors, orange and black on a yellow background.

The price includes imprinting of up to 5 lines of copy, a "p.r." kit, and 1 FREE 12" McGruff dog. Prices:

500 32.6¢ --- \$163.00  
1,000 25.0¢ --- \$250.00  
(Larger quantities = less)

Information: (518) 842 4388.

USED CARS - "Tight money" and high "stickers" on new cars have forced many former new car prospects into the used car market. And, used cars are now generally a bigger profit center for dealers (In 1988, the latest year for which statistics are available, used cars = 22.8% of total sales in a typical dealership and percentage of profit contribution rose to 26% vs. 7% 3 years earlier.)

Why not a schedule by the dealer/and/or his salespeople describing the "featured" used cars of the day? Have them record it via the phone direct from the dealership. Don't feature just the prices, but, down payment and monthly payments. The dealer's service reputation should also be stressed. It's very important to women buyers.

Looking ahead to October .....

October is an above average retail month (8.7% of the year's business). It's the #1 month for sales of home heating equipment and carpet. It's #2 for bedding sales, dry cleaners, and autos. It's #3 for sale of tires, womens wear and business at the drug store.

October is #1 for TV and appliance repairs. After warranties run out, services shops gets 35.4% of the business.

Special opportunities include: Columbus Day 10 -8; Return to standard time on Sunday 10-28, Halloween on 10-31 (Wednesday).

Special Weeks Fire Prevention Week 10-7/13; Credit Union Week 10-14/20. All month: "Let's Go Hunting Month," "Country Music Month," "Pizza Month," "popcorn Month," and "Microwave Month."

\$ale\$ - Advertising During A Business "Downturn" .....

We will not recite here the "bad" economic news. It is everywhere in the media. You and your customers are seeing it and hearing it constantly. Keep in mind the long held axiom, "Advertise when business is good - you should. Advertise when business is bad - YOU MUST." When a customer says, "I'm going to pass. Business is bad," keep these facts in mind:

1. If the business is open, it has overhead (rent, utilities, payroll, etc.) CUSTOMERS MUST BE ATTRACTED.
2. The business has invested money in advertising which it stands to lose if it quits advertising.
3. Most of the business's competitors are advertising. At anytime, even during business "down cycles," there are customers "in the market." The business must advertise to get its share.
4. Some competitors have ceased advertising or severely cut advertising. The business that continues its advertising has a substantial advantage over competitors who have ceased advertising.
5. Mobility and non-loyalty are a fact of life in the increasingly competitive retail marketplace. A business must advertise to protect its customer base. Present customers must be reassured constantly that they're doing the right thing by doing business where they are.
6. In "down" business cycles, an advertiser must make a specific offer and ASK FOR ACTION. Loss leaders or low margin items are advertised because for every 10 items people plan to buy, they buy 3 impulse items - items they didn't plan to buy, while visiting the store.
7. Historically, businesses that maintained a good level of advertising during business "downturns" enjoyed greater market share when business conditions improved. Good business conditions always come back.
8. Most current research says a prospect must receive an advertising message 3 or more times before he or she will take action. LOCAL RADIO IS THE MOST INEXPENSIVE WAY TO ATTAIN THIS MAGIC NUMBER.
9. In a sluggish economy, people, more than ever, respond to specific offers, made on a timely basis reflecting last minute weather changes, merchandise arrivals, and competitive changes. As one to one communication, radio advertising, more than ever, is the ideal media to "ASK FOR THE BUSINESS.'
10. Advertising is central to a business effort to maintain a positive image to keep customers, add new ones, and maintain good morale among its employees.

Jay Levinson, formerly of  
J. Walter Thompson, R.A.B. and  
Other Sources)

About This 'n' That .....

ABOUT TV - The current issue of "American Demographics" (9-'90) carries figures (table) showing the number of weekly primary television viewing hours for people fitting into a wide range of demographic cells. Primary TV viewing hours are described as "When people give television their undivided attention." The average person, 18 to 64 years old devotes 15 hours to viewing his/her TV set, the statistics gathered by University of Maryland say. Higher viewership (18.5 hours per week) is by people 55 to 64; people with a grade school education (21.3 hours) vs. people with graduate school educations (11.8), unemployed people (18.8 hours) vs. people who work 50+ hours per week (11.1 ). Urban dwellers spend 15.4 hours per week vs. non-urban dwellers (rural) 14.2.

ON THE MAP - Radio Retailing Network's "Country Music Radio Map," which details interstate highways and country music stations in the 48 contiguous states proved to be one of the most popular giveaways ever on nationally syndicated "Country Quiz." Regina Robinson says, "I've never had so many listeners call to find out how they could purchase a quiz prize product." Information on buying the maps for re-sale or promotional purchases can be had by calling 800 451 3622.

TWO NEW OLDIES FORMATS - JR Productions, headquartered at W V R Q, Viroqua, Wisconsin is syndicating "Vintage Gold". Selections are from the top 40 charts 1955 to 1980. Information: Jeff Robinson 800 236 1023. And, Mary and Dick Wagner are introducing "Concept 3 Gold" with dee-jays or without on either tape or DAT. Information: Buddy McGregor 800 783 3454.

WHAT EVER HAPPENED TO P.S..Productions of Los Angeles? One of our subscribers wants to buy their "I'd Like to Wrap Up A Dream for you." It's a series of Christmas vignettes. If you know, please write or call SMRNewsletter.

BUILDING OR UPGRADING TRIALS - One of our border state subscribers is building an FM station to pair with his AM. He tells us he called a cable manufacturer to order coax, telling him, "please expedite shipment. My construction crew will be here next week." The company complied with his request sending him 425' of coax for \$1,589.00. The expedited shipment of the cable, which weighed 170 pounds carried a shipping bill of \$958.46. The cable was wound on a spool which weighed 430 pounds. The spool is of no value once the cable is removed from it. Even at 25¢ a mile and a day and a half of time, our subscriber could have transported it himself for less than \$200.00. Lesson: Get a freight charge quotation "up front." - 5 -



Grenville T. Emmet III, President  
Charles C. Thornton, Jr., General Manager

a division of Emmet Broadcasting Company, Inc. • 711 WAGE Drive Leesburg, Virginia 22075 (703) 777-1200 Metro 478-1864

August 14, 1990

Dear

I would like to first congratulate you for your willingness to stand for election in November.

As a candidate for public office, I want to let you know that WAGE Radio is interested in your comments and views regarding the seat you are seeking election to.

Our News Director at WAGE Radio is Mr. A.C. Russell. Also reporting news for WAGE is Ms. Kathleen Hazelton. A.C. and Kathleen can be reached directly in the news room at 703-777-4747 or by calling our main number at 703-777-1200. If you have a statement for release after regular business hours, WAGE does maintain an overnight actuality service that can record your statement. The number to call for this service is 777-2810.

As a candidate for public office, you are also eligible to use the "lowest unit rate" established by the Federal Communications Commission for election periods. The "lowest unit rate" entitles you as a candidate to use the highest volume discount in the comparable time period regardless of the number of announcements you schedule.

A copy of the WAGE Political Rate Schedule for the fall elections is enclosed. Should you wish to reserve time on WAGE for your campaign you do receive at no additional cost an hour of studio and technician time to record your message.

If you have any questions or desire any further information, please do not hesitate to contact me personally.

Sincerely,

Chuck Thornton  
General Manager  
WAGE Radio

"Running Counter to Some Conventional Wisdom" .....

When Tom Anderson came out of college and into the family radio station in 1983, the Price, Utah station had done \$32,000.00 the previous year, and he says, "showed a profit." By 1982, "a \$32,000.00 month would have been a disaster." Then in 1983, "the energy bust came." Tom saw revenues at K O A L/K A R B drop 50% from 1983 to 1986. "We didn't cut expenses as fast as the gross was dropping and we lost a lot of money."

In late 1986, K O A L/K A R B revenues started to climb. "This year," he says, "our gross will be back where it was in 1982 - our biggest year."

During the past 3 to 4 years, Tom says, "I have consciously made sales central here. I have thrown away the rule book in making a lot of sales decisions."

First, Tom says he decided, "Although our AM (a 10 kW U programming information and country music) our FM (a Class A programming adult contemporary music) were 2 different stations with different audiences, we were wasting our time and the customer's time presenting 2 different radio stations. We now sell, almost exclusively, duplicate schedules on both stations - same number of ads. Same copy."

Secondly, "although we have a rate card, we do not use it in making presentations. Instead, we use a written proposal. The price isn't even on it. If the price is on the proposal, the customer keeps looking at it and doesn't put his attention on what is being offered and its benefits. We tell him what we're offering and what it can do for him - then, we tell him what its going to cost." Whether it's a short flight - or - 'an annual' that's the way we do it."

Until April, 1989, Tom had 3 full-time salespeople (in a town of 8,000). "Also ran #1', then 'also ran #2' left a couple of months later. I told Nancy Wood, our biggest producer, 'I have a person who can do the paperwork (copy writing, routine servicing, researching co-op - that sort of thing.) For the time being, I want you to take over all the accounts."

A year after Tom embarked on his 1 salesperson only "for the time being" sales operation, his billing rose over 17% while his payroll costs remained the same. "I was tempted to keep things as they were, but ---"

"In going over the records I found 60 businesses that had not been on with us for at least 4 months. The real truth was, we were doing more business and making more money than we were with 3 salespeople - but, we were not doing as much as we should have been doing. Although Nancy was doing a terrific job, she can only cover so many accounts."

Tom decided to make a 'bold move,' saying, "You can afford to do that when things are going well." He put ads on his AM and FM stations asking for applicants to fill the sales position saying, "The job starts at \$1,800 per month plus benefits." The ads brought in 25 telephone inquiries - 12 of which seemed worth pursuing. Each were mailed an application (following a preliminary telephone screening by the receptionist). After 12 interviews, Tom says, he had 3 good prospects to choose from. He settled on a young housewife with no selling experience. She had worked part-time teaching dancing and gymnastics. Tina Christopher started at K O A L/K A R B July 1. An intensive training program began, including calls on the 60 prospects who make up her list accompanied by Tom. "I introduced her and, with her found out what was on the customers mind."

Tom also called with her on Nancy's best accounts. "I asked them, 'What do you like most about Nancy?' Their answer, almost universally was, 'She brings me ideas ' I asked them about Nancy's routine of picking up the monthly advertising check. They said, 'It's a good service. I appreciate it.' Picking up those checks was her idea, not mine," Tom says.

6 weeks on her new job, Tina has 12 of her 60, formerly non-active accounts on regularly, Tom says. "Some of the annuals she's written are small, but they're annuals. I think 50% of a salesperson's billing has to be regular business if we're both going to make money."

Tina told SMRNewsletter, "I did have sales experience. I had to sell myself to the parents of my students. This is hard work, but it has a lot of satisfactions. It was the \$1,800.00 that caused me to call for an interview. I don't think I would have called if it had been a lot less." Her biggest surprise, she says, "What a good deal radio advertising is. Nobody ever called on me when I was teaching dance classes, but I spent \$200.00 twice a year on a couple of newspaper ads. That'd buy a lot of radio time."

#### THE LAST WORD

Historically, it has not been SMRNewsletter's practice to "tin cup" our readers, but, we believe the negotiation of the ASCAP and BMI contracts by the Radio Music License Committee is so important to every radio station operator that it deserves a financial contribution and an authorization form. Dollars may be scarce now, but, they'll be a lot "scarcer" if ASCAP and BMI have their way. The address is: P.O. Box 18915, Baltimore, MD - 21206.

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**S**mall  
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**N**ewsletter  
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Barbara J. Doll - Circulation

VOLUME VIII - Issue #16 - September 13, 1990

**A FIRESTORM IN CONGRESS** after release Friday (September 6, 1990) of an F.C.C. audit of radio and TV stations in 5 cities. The audit shows, "stations in five cities have recently been charging political candidates significantly more money than other customers." The stations getting these higher rates are using "grid cards" where prices are set by the demand for time. During election periods (45 days before a primary - 60 days before a general election), demand for station inventory is abnormally high, resulting in higher rates. The practice is "within the law," but many feel "not within the spirit of the 'lowest unit rate' for political advertising rule" mandated by Congressional action back in the 1960s.

**"HO HUM"** is the way August retail sales are being described. The big retailers had only small gains for same period-same store sales vs. 1989: Sears +4.1%, K Mart +1.6%, Wal Mart +13.0%. Penney's in the midst of a merchandise and image change suffered a -2.4% drop. Retailing experts see the August sales figures as a preview of a tough Christmas season.

**SALES TRAINING OPPORTUNITIES** - There are 2 more Radio Sales Universities this year. R.A.B. took them over when N.R.B.A. "merged" into N.A.B. The intensive sales training sessions are particularly targeted to salespeople with less than 2 years experience. Dates: Friday, September 21 through Sunday, September 23 in Milwaukee and Friday, October 26 through Sunday, October 28 in Cincinnati. They are open to both R.A.B. members and non members. Information: (212) 254 4800.

**FATE OF MISSISSIPPI STATION IN DOUBT** - W U M S, a Class A FM at University, Mississippi, went on the air April 10, 1989. The Student Media Center at University of Mississippi was given a "c.p." after a competing application was returned because of "technical errors." The turned away applicant appealed, saying, the errors were not "that serious." Upon appeal, the F.C.C. agreed and intends to call a comparative hearing. W U M S will continue operating, pending outcome.

**RADIO TRIVIA** - Revenues of all U.S. radio stations are equal to those of the #100 firm on "Fortune 500." (Jay Mitchell)

At the F. C. C. ....

NEW STATIONS (Granted):

CALIFORNIA (Orland) Edward Abramson 106.5 3 kW 328'  
INDIANA (Tell City) Carolyn Hagedorn 96.9 6 kW 328'  
MICHIGAN (Benton Harbor) Lake Michigan College 94.9 2.2 kW  
380'  
(Brooklyn) Cascades B'c'g., Inc. 105.3 3 kW 328'  
SOUTH CAROLINA (Bishopville) JKRC-Central 93.7 3 kW 328'  
WASHINGTON (Camas) KMAS B'c'g. Corp. 94.7 3 kW 222'

AMENDMENTS TO THE FM TABLE (Amended):

ALABAMA (Fairhope) 92.1 C3 for A. M.: W Z E W.  
FLORIDA (Destin) 92.1 C3 for A. M.: W M M K.  
KANSAS (Ogden) 103.5 C2 for A. M.: K Q L A.

(Proposed):

KANSAS (Atchison or Wathena) 93.7 A as 1st.  
WISCONSIN (Park Falls) 98.7 C3 for 98.3 A. M.: W N B I-FM

INVOLUNTARY TRANSFERS:

MISSOURI (St. Genevieve) K S T Z (Class C FM) to Channel One  
Communications, Inc., Debtor in Possession, 222 South  
Central Avenue, Suite 704, St. Louis, MO - 63105  
(900820GI)  
NEW YORK (Cobleskill) W S C M (1 kW D AM) to Barry W. Sims,  
Receiver, 1000 Worcester Road, Framingham, MA - 01701  
(900824EB)

Some Money Saving Ideas .....

In purchasing equipment, consumer grade may serve your  
purpose just as well as professional equipment. Check the  
"specs" and the warranty carefully. You can save a lot of  
money on many items.

Set up a preventative maintenance schedule on every piece of  
equipment in your operation. Make sure your engineer or  
contract engineer keeps it up to date and that it's easily  
available for your periodic inspection.

Insist that purchase order be submitted. In this day of  
"outside" contract engineers, with other interests, it's an  
especially good practice. Also, whether you know anything  
about engineering, you'll be able to spot troublesome  
engineering problems early.

SMRNewsletter's "99 Money  
Saving Ideas"

MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

National 4-H Week is October 7 through 13 (according to our local county extension office.) There are chapters all over the country. The activity is coordinated by county extension offices.

Member ages are from 9 to 19. There are also pre-4H groups aged 5 to 8. Originally an organization catering exclusively to farm youth, 4 H (Heart, Hands, Head, Help) now counts among its members urban youth as well (with some chapters in inner-cities with particular emphasis on "children at risk."

4-H chapters feature individual projects and community service projects. Some ideas:

"SALUTES TO 4-H" - Contact the person at your county extension office for facts about county wide and individual chapter/member activity. Make up a series of announcements. They should be an easy sell.

"4-H RADIO SPECIAL" - On Sunday afternoon, October 7, or Saturday, October 13, set aside several hours in which 4-Hers serve as "co disc jockeys", relating their 4-h experiences and accomplishments between the records. Sell it with advertisers rotating through the program or in quarter hour segments to businesses in the individual 4-H chapter area.

"4 H INTERVIEWS" - Broadcast a series of interviews with outstanding 4-H members/leaders. Your county extension office should be able to supply you with a list. Schedule them throughout the week. Good sales opportunity.

Worth repeating .....

Jason Jennings has used this for a long-time in his sales motivation programs. We carried it first in SMRNewsletter 9-13 '90. We believe it is well worth repeating:

"Webster's New Collegiate Dictionary defines "SPOT" as:  
'Spot  
(is akin to stain, speck) 1. Taint on character or reputation; 2. A small area visibly different from the surrounding area; 3. An area marred or marked; 4. A circumscribed surface lesion of disease or decay; 5. A small quantity or amount."

"As you can see from Webster's definition, the word SPOT carries a very negative connotation and MUST be removed from our radio vocabulary. Your radio station will never begin to approach the dollar volume of your newspaper or the respect it receives in your community as long as you continue to sell SPOTS."

Editor's Note: Our favorite description of what radio stations sell is from Wandell Allegood, K S L O/K O G M, Opelousas, Louisiana: "30 and 60 second sales talks."

\$ale\$ - What the Customer Expects .....

1. To be serviced regularly with follow-through.
2. To be convinced of benefits of advertising and of your radio station.
3. To have a salesperson they can trust.
4. That the salesperson has genuine concern.
5. Well-produced, creative, effective ads.
6. Results, traffic, and return on investment.
7. Ideas that move merchandise.
8. Understanding.
9. Correct commercials: prices, pronunciation, etc.
10. Enthusiasm.
11. Honesty.
12. Confidentiality.
13. Information about how to use the station better.
14. Proper billing.
15. Analysis of his current position and unique position in the market.
16. Campaigns directed at solving problems.
17. Long-term plans.
18. Targeted, memorable, creative advertising.
19. A sustaining source of ideas and information.

Chris Lytle in  
"How To be Successful In  
Radio Sales Sooner"

1-800-255 9853

Editor's Note: Chris's list of customer expectations of his/her salesperson is a lengthy and challenging one. Meeting those expectations, in our opinion, is a lot easier than having to replace his/her business.

## Announcing - Critique Yourself .....

True self-evaluation of air work is nearly impossible. One is too close to the subject to have an unbiased opinion. We are either too hard or too soft on ourselves. It's almost as difficult to find someone else to critique your air work. There aren't many qualified disc jockey teachers out there. So, since most of us are in this alone, here's a list of things to listen for as you listen to an aircheck of yourself and search for ways to improve:

1. You must say the call letters somewhere in your "rap" everytime you open the mike. Some think it best that the call letters be the first thing. I believe they may be placed anywhere in the "rap" so long as they are prominent and clear.
2. Call letters should always be spoken with same sense of ownership and pride you have when you speak your name.
3. You should sound friendly. You should try to sound the way you do when you talk to your friends on the phone. Be quick, but be relaxed.
4. Constantly promote and cross-plug the station, its promotions and specials. It's good for you, as well, when you recycle a listener to another daypart. Constantly promote what you have coming up on your shift: the news, a contest, another great record, etc. Give your listener reasons to keep listening a while longer.
5. Listen for the redundant phrases you use. Everybody's got them. Find yours and eliminate them.
6. Balance your music. Play what the listeners want to hear. Listen to your personal favorites at home.
7. Make sure your ad-libs are quick and to the point.
8. Make all your "raps" brief-brief-brief-brief. Radio can sell anything in 30 seconds, so you can surely get your idea across in that amount of time - or less.

in this decade, as the numbers separating the winners from the losers continue to shrink, real, honest-to-goodness communications will become a truly hot commodity. They've always been few in number and the need is now greater than ever. Anyone who truly wants to work at it and who can control his/her ego has a great future.

Steve Warren, Program  
Consultant  
Route #1, Box 400E  
Fayetteville, AR - 72703  
(501) 521 1435

Management - Terminating An Employee - 7 Don'ts .....

When firing an employee:

1. DON'T terminate an employee on the spot. Rarely is it necessary that a termination take place instantly, except in serious cases of abuse or when there may be a safety problem.
2. DON'T terminate an employee publicly. There is almost always an opportunity to review the situation behind closed doors, or at least out of the view and hearing of co-workers.
3. DON'T do it alone. This rule has 2 parts. First, when you meet with an employee for a job termination, you should have another management person with you, if only as a witness. Second, you should ask someone who's not caught in the cross-fire to check out your decision to terminate. A cooler head may have a different perspective or alternative solution.
4. DON'T state the wrong reason. There is no need to be brutal, but if you give a reason that's been fudged, and you're later sued or have to defend the termination in an unemployment hearing, your misstatement could be a real problem.
5. DON'T terminate without looking for comparable situations. Remember, just because someone has technically broken a rule, your termination is not necessarily defensible.
6. DON'T terminate without reviewing the employee's personnel file. What action has taken place previously? Has he or she been given a chance to correct behavior?
7. DON'T publicize the reasons for termination. It's rarely necessary that other employees in your business be told the specifics of why someone has been terminated.

James Moyer, Attorney  
Stites and Harbison  
Louisville, Kentucky  
in Kentucky Broadcasters  
Association Member Letter

"Radio Talk With a Long Time Friend" . . . .

We reached Bill Rollins at his lakeside home. He's been associated with Bob Hilker in the North Carolina based Suburban Group for 31 years. The sale of the group's Virgin Island property and other stations promoted our call. "Are you and Bob getting out of the radio business?," I asked. Bill replied candidly, "No, we're sort of fluid right now. If we find something that will be 'fun', we'll buy it or build it. If a good buyer wants one of our stations, we'll probably sell it."

He went on to describe a good buyer as not only someone willing to pay a good price, "but to make it work." Over the years, he said, "we've sold 4 radio stations to managers in what are now describe as leveraged buyouts. 2 worked. 2 did not. I'm afraid that many good, hard working managers don't realize, when you become an owner, that's when the work really begins."

One of the recent Suburban Group sales was W S T X AM and FM at Christiansted in the Virgin Islands. They bought the station in late 1985. "It's a tropical, resort atmosphere," Rollins says. "It was hard for Bob and me to adapt to the easy going work ethic there. We had a hard time putting a team together that would operate like we've done in the Carolinas and Virginia. By the time we got that done, the station took a direct 'hit' from Hurricane Hugo. The entire station had to be re-built from the ground up." Hilker and Rollins decided to sell the licenses and let the buyer re-build. I think it was the best for him and us."

Rollins first radio experience "was hanging around a radio station" during his high school years. When he came back from the service, Hilker hired him as an announcer-salesman at W C G C, Belmont, North Carolina. Hilker built the station there in 1954. "He'd sold advertising there for the Gastonia radio station and felt it was a good place to build a station. It was."

When Rollins got the job in Belmont, Hilker had purchased a second station in 1957. Of Hilker, he says, "He is an ideal small market operator, a triple threat man, an engineer, a great salesman, and a good manager."

Rollins tells young people in the business, "Find yourself a guy like Hilker to hook up with. He'll open the doors for you. But remember, you've got to walk through that door."

In the 1960s, Hilker grew his Suburban Radio Group, to the then maximum allowable number of stations. Rollins grew along with him, moving up the ladder to the presidency of the group when Hilker decided to make himself chairman. "We bought and sold quite a few stations - grading up our inventory. We made money trading and operating," he says.

The biggest money he and Hilker made was on the "move in" of the Concord FM to the Charlotte market. They sold the station for \$16-million. "We made more money there than anyplace else - but we had less fun. It took a lot of discipline to make decisions 'by the rating book.' It's very, very hard work and most people who try it, aren't really successful."

Rollins is not concerned about "move ins." He says, "Generally an AM radio station is left behind in the smaller community. Generally, an AM radio station lends itself better to providing local services than an FM station. Without the competition for the local advertising, that AM station has a lot better chance of being successful and therefore really serving that local community. When the FM station raises its rates to \$100.00, it opens some real opportunities for the AM station at \$10.00 or \$15.00."

Rollins, like Hilker, has been active in state and national industry affairs, serving terms on the N.A.B. Radio Board and the N.A.B. Small Market Committee. He was its chairman in 1978. One of the committee members was Eddie Fritts, now N.A.B. president.

At this point, Rollins says, "I still am active in the radio stations, but, I spend a lot more time on my boat. Bob does the same thing, but, he and his wife travel a lot. If there's any place on earth they haven't been, I don't know where that is."

At this time, which Rollins describes as his "winding down time," he says, "The opportunities are here and will continue to be. They're different, but, the opportunities were different in 1959 from what they'd been in 1939. That's the way things work."

#### THE LAST WORD

It had to happen. On sale at this week's N.A.B. "Radio '90" a "Monopoly-like" game called "Investing In Radio: The Game." The inventors of the game, B.I.A. Publications, describe the game as "a fast paced, action-packed game of skill, luck and negotiation" where players "wheel and deal their way around the broadcast track, buying, selling and enhancing the value of radio properties." Price is \$35.00 cash - no creative financing. Phone 1-800 323 1781.

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**S**mall  
**M**arket  
**R**adio  
**N**ewsletter  
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VOLUME VIII - Issue #17 - September 20, 1990

**EXHIBITORS WERE AT "RADIO '90"** in record numbers this year. A total of 197 were on hand vs. 168 last year and 187 in 1988. More technical equipment is being displayed. Hospitality suites, listed in the program, show a steady downward trend from 102 in 1988 to 96 last year and 81 this year. The number of banks and other financial institutions dropped in half from the 8 with suites in 1988 to 7 last year and 4 this year. The consolidation of networks has also taken its toll on radio convention suites. And as one longtime convention goer told SMRNewsletter, "Business is done differently from what it used to be."

**MIDDLE EAST EFFORT** - Care packages for service people stationed in the Middle East are being collected by Radio Station W A G E, Leesburg, Virginia and a local bank. The idea developed after a listener phoned the station, sharing a letter from a son stationed there. He asked for personal items not available at either the post exchange or commissaries. (N.A.B. Radio Week)

**NEW WORD ORIGINATES IN SMALL MARKET** - Kermit Edney and Art Cooley's plans to add W P N F-AM, Brevard, N.C. and W T Y N, Tyron, N.C. to their W H K P, Hendersonville, N.C. (See SMRNewsletter 7-12-'90) is being described as a "trimulcast."

**MORE FROM ZAPNEWS** - Kenny Noble, a "heavy hitter" morning disc jockey in San Diego is offering, via Zapnews, a "show prep service" for morning disc jockeys. It's delivered early morning to be "fresh." Material includes humor like, "Iraq and Kuwait are like the Roach Motel. You can check in, but you can't check out." In unrated markets: \$49.75 per month. Info: 800 525 2175.

**ABOUT A COMPETITOR** - "U. S. A. Today" reports that the 10 largest circulation public newspaper companies suffered a 29% drop in their net earnings the first 6 months of 1990. Losses ranged from -3.8% for Gannett (the biggest) to -76.2% for #7, E.W. Scripps. Soft spending by department stores and a big drop in classified ads (real estate, automobiles, and help wanted) are blamed. Steps being taken: cutting staffs, cutting back on news content and going after new business including smaller businesses in new "zoned editions."

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

275 19th Street - Otsego, Michigan 49078 - (616) 694-9357 - FAX: (616) 692-6789

At the F. C. C. ....

NEW STATIONS (Granted):

GEORGIA (Ocilla) Osceola Communications, Inc. 98.5 3 kW 328'  
TENNESSEE (Calhoun) Carroll, Carroll, and Rowland 104.1 3kW  
328'

AMENDMENTS TO THE FM TABLE (Amended):

LOUISIANA (Coushatta) 98.5 C3 for 92.3 A. M.: K S B H-FM  
TEXAS (Amarillo) 100.9 (C1). W.: 10-23/11-23.  
VERMONT (Rutland) 94.5 (C3) for A. M.: W K L Z.

(Proposed):

NORTH DAKOTA (Kindred) 92.7 C3 for 92.5 C1. M.: K D D R.  
(Oakes) Delete 92.5 C1. Prop.: K D D R

(Requests):

GEORGIA (Bowdon) 105.5 A as 1st. Req.: Bowdon B'c'g.  
IOWA (Albia) 96.7 C3 as 1st. Req.: H and H B'c'g. Corp.  
MISSOURI (Memphis) 97.1 A for 96.7 A. M.: K M E M Req.:  
H and H Broadcasting Corp.  
NEW YORK (Calverton-Roanoke) 92.9 A as 1st. Req.:  
Calverton-Roanoke Broadcasting Co.  
VIRGINIA (Fort Lee) 96.5 B. Req.: Keymarket of Virginia.  
(Grottoes) 92.1 A as 1st. Req.: Sinclair Tele  
Cable, Inc.  
(Ruckersville) 102.7 A for 92.1 A. Req.: Sinclair  
(Harrisonburg) 89.7 (educational) for 91.7  
(educational). M.: W E M C. Req.: Sinclair

Some Money Saving Ideas .....

When entering into contracts for services (libraries, news services, jingles, etc.) ask for a 90 day cancellation privilege. You may not get it - but, it doesn't hurt to ask.

If you sign a term contract, immediately send a letter of "protective cancellation." That eliminates the end of the contract "slipping up" on you - and the vendor is not likely to take you "for granted."

You might also ask for a guaranteed renewal at no increase in price.

If your cash position allows it, you might offer to pay a year in advance in return for a substantial discount. Discounts of this kind at 15% to 20% are not uncommon.

SMRNewsletter's "99 Money  
Saving Ideas"

## MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

**SUPERMARKET MYSTERY VOICE** - The station records testimonials from store shoppers (e. g. "Even after we moved much closer to another store, we still come back to ----- because ----.") The taped testimonials (15 to 20 seconds) are incorporated into the store's radio ads. The taped testimonials are aired without identifying the persons making them. If the person on the testimonial hears hisself/herself and calls the station within 3 minutes of the ad broadcast, he/she wins a prize from the store.

**GREAT PUMPKIN GIVE-AWAY** (low cost Halloween multi store promotion). The station provides each participant a large pumpkin for display. Store customers guess the weight of the displayed pumpkin. Each store awards the pumpkin to the person who guesses its weight (or closest to the ounce).

**COUPONS FOR RADIO PROMOTIONS** - There are dozens of uses for them every year. This 208 page book (8½" by 11") contains ready to use coupon designs - plus - tips on how to use coupons and make them more effective. The book allows you to produce good looking coupons with a word processor and copying machine. Price is \$22.95 (including shipping and handling). You can get information, toll free, by calling the Radio Retailing Network at 800-451 3622.

**NO COST! JUST SOME TIME** - If you have a big station promotion starting, why not enlist some of your staff members to do some early evening "call out promotion." Just have them call random numbers from the phone book telling people who answer about the promotion and inviting them to tune in. If you have a good promotion, here's a way to get some new listeners and start some invaluable "word of mouth" advertising. (Broadcast Programming Inc. client letter).

About Selling to Retailers .....

**OBSERVE.** Get a feel for the physical reality of the store. How are the goods displayed? How is lighting used? What colors are emphasized? Is the mood of the store subtle or up-tempo, refined or flashy? Watch customers and salespeople interact with each other and their environment.

**LISTEN.** Try to observe the salesperson/customer dialogue. The nature of this communication will give you clues to the store's merchandising attitude, and suggest techniques for you to use when speaking to the decision maker. For example, if salespeople are very formal with their customers, you should initially at least, respectfully maintain a similar distance.

**FORMULATE.** No matter how many times you have rehearsed your presentation, tailor your service's benefits to the retailer's specific needs.

**RECOMMEND:** Your presentation must show how your service can compliment the store and increase its profitability.

## \$ale\$ - Thinking Creatively .....

1. Believe it can be done. When you believe something can be done, your mind will find the ways to do it. Believing there is a solution paves the way to solution.  
  
Eliminate "impossible," "won't work," "can't do," "no use trying" from your thinking and speaking vocabularies.
2. Don't let tradition paralyze your mind. Be receptive to new ideas. Be experimental. Try new approaches. Be progressive in everything you do.
3. Ask yourself daily, "How can I do better?" There is no limit to self-improvement. When you ask yourself, "How can I do better?" sound answers will appear. Try and see.
4. Ask yourself, "How can I do more?" Capacity is a state of mind. Asking yourself this question puts your mind to work to find intelligent short-cuts. The success combination in business is: Do what you do better (improve the quality of your output), and: Do more of what you do (increase the quantity of your output.)
5. Practice asking and listening. Ask and listen and you'll obtain material for reaching sound decisions. Remember, big people monopolize the listening; small people monopolize the talking.
6. Stretch your mind. Get stimulated. Associate with people who can help you think of new ideas, new ways of doing things. Mix with people of different occupational and social interests.

## Thinking Big .....

1. Don't sell yourself short. Conquer the crime of self-depreciation. Concentrate on your assets. You're better than you think you are.
2. Use the big thinkers vocabulary. Use big, bright, cheerful words. Use words that promise victory, hope, happiness, pleasure; avoid words that create unpleasant images of failure, defeat, grief.
3. Stretch your vision. See what can be, not just what is. Practice adding value to things, to people, to yourself.
4. Get the big view of your job. Think, really think your present job is important. The next promotion depends mostly on how you think toward your present job.
5. Think above trivial things. Focus your attention on big objectives. Before getting in a petty matter, ask is it really important?

GROW BIG - THINKING BIG!

FIRE PREVENTION WEEK  
(October 7/13)

Do you know the telephone number to call in case of a fire? \_\_\_\_\_ says, when seconds count, you'll want to call as quickly as possible. Affix the telephone number of the fire department permanently to every phone in your home. A reminder, during Fire Prevention Week, from \_\_\_\_\_.

Do you have fire extinguishers around your home? \_\_\_\_\_ says, fire extinguishers are a must for kitchens, workshops, garages. After they're installed, follow the manufacturer's instructions about maintaining them. A fire extinguisher that doesn't work is no better than none at all. A reminder, during National Fire Prevention Week, from \_\_\_\_\_.

It's too late to get rid of a fire hazard after a fire strikes. During National Fire Prevention Week, \_\_\_\_\_ reminds you to clear your attic, basement, and garage of clutter. Make sure your furnace and stoves are clean and in good repair. Do it now. The best time to stop a fire is before it happens. This reminder, during National Fire Prevention Week, comes from \_\_\_\_\_.

Just because your home has a smoke detector, don't think your home is safe from fire. \_\_\_\_\_ reminds you that all family members must know when fire strikes. This means an escape plan. Make sure every family member knows at least two exits from every room in the house. Make sure you have a specific meeting place outside the house. This reminder, during National Fire Prevention Week, from \_\_\_\_\_.

There's nothing like a wood fire on a chilly night. During National Fire Prevention Week, \_\_\_\_\_ says, "Be sure your chimney is free of harmful creosote deposits. Don't burn green wood. Make sure your fireplace and chimney meet fire safety standards. This reminder from \_\_\_\_\_.

Space heater can save a lot of heating dollars. They can also cause fire. During National Fire Prevention Week, \_\_\_\_\_ reminds you to keep space heaters out of reach of small children. Keep them away from curtains and drapes. Read the manufacturer's instructions carefully. If you have misplaced those instructions, visit the dealer where you bought your space heater and get another set. This reminder, during National Fire Prevention Week, from \_\_\_\_\_.

Faulty wiring is a major cause of fires. During National Fire Prevention Week, \_\_\_\_\_ remind you, if your home is an older one, the wiring should be checked by a reputable, experienced electrician. \_\_\_\_\_ says, such an inspection will cost you a lot less than a fire.

## RADIO FARM FACTS

- Fact #1: Radio ranks higher than TV and Newspapers in delivering farm news, market reports, local farm news, accurate information and information on new products.
- FACT #2 81% of farmers listen to radio for farm market reports nearly every day.
- FACT #3: 60% of farmers listen to radio for non-agriculture news each day
- FACT #4: 50% of farmers listen to radio Noon to 1:00 P.M.
- FACT #5: 34% listen from 6:00 to 7:00 A.M.
- FACT #6: 61% of farmers own an average of 4 radios.
- FACT #7: 90% of farmers listen to radio in their homes
- FACT #8: 64% of farmers listen in their trucks.
- FACT #9: 52% listen on their tractors.
- FACT #10: 92% of farmers get their weather information from radio each day.
- FACT #11: 81% of farmers get farm news and non-farm news from radio each day.
- FACT #12: If your station programs country music, you're on target: 71% of all farmers prefer country music.

Rockwood Research, an arm  
of "Farm Journal"  
(Conducted in the  
Midwest Farm Belt)

Ag Dollars - Are you getting your share? .....

Are you getting as much "farm business" as you should? Probably not unless your programming and sales effort is set up right. The Jefferson City, Missouri based Brownfield Radio Network this past spring sent its affiliates the following check list. We publish now so that you can make your farm business calls in October when most of the decisions for next winter/spring "farm business" advertising are made.

1. Do you know your local "ag" economy? Your programming and sales effort should take the following into consideration:

- a. What kinds of crops/livestock are produced?
- b. How does your area rank nationally - regionally?
- c. What is the total value of your local ag production?  
(The above information can easily be obtained from your county extension office(s), your state agriculture department, the U.S.D.A.)

2. Does your station really serve the farm audience? Many stations run farm programming because it's free (from the wire or a barter network) or "because it's always been on. The fact is, farming has changed drastically during the past several years. You may be broadcasting information that is of little use to your farm listeners - or is on at the wrong time. If you're serious about farm programming and farm business, the appointment of a station "ag advisory board" made up of a dozen farmers and ag-businesspeople is probably a good idea. Stations that have them, usually host a dinner meeting twice a year to get input on station farm service/programming. Keep in mind that farming increasingly has become a second, though important, livelihood for many farmers. The most recent figures show that 62% of all farms nationwide have gross receipts of less than \$20,000.00 per year. What is the makeup of the farm operations in your area? You should know.

3. Are your salespeople equipped to sell ag programming? Your salespeople to be effective in selling farm accounts need to be knowledgeable about the local farm economy. A good sales department in a market where agriculture is important should have at least one salesperson with a farm background.

4. Does your station make quality presentations? Just a coverage map and a rate card won't do. Presentations should address specific problems/opportunities with well thought out plans.

5. Do you have a list of farm events in your area? Your county extension service can provide such a list. Many of the events lend themselves to coverage by your newspeople - and some can be broadcast and sold. Many stations sponsor an annual spring "farm show" with good results.

6. Now is the time to lay the groundwork for increasing your ag business next year. Set up a target list of advertisers: The obvious:

Feed	Fertilizer	Seed
Implements	Trucks/parts	Fuel
LP gas	Fencing	Tires
Chemicals		

Not so obvious, but good prospects:

Computers	Paints	TV satellite dish
Concrete	Work clothes/boots	Meat processors
Insurance	Banking	Real estate
Animal health	Air crop spraying	

(Check on co-op. There's a lot of it available - now is the time to start looking for it.)

7. The old "early morning," "noontime" is "farm-time" idea is as outdated as "housewife time" on a radio station. The idea in serving the farm audience (a lot of it is part-time) is to provide needed information in a timely, easy to understand, compact way. You'll get the attention of the farm audience without driving off your non-farm audience if you do it right. And you can do a lot of business.

#### THE LAST WORD

Another "sorry" chapter in the F.C.C. "80/90 mess." When a Class B FM channel became open for applications in Louisville, Kentucky, 30 aspiring station owners filed. One of the applicants called it "a cast of thousands." Rather appropriate considering Louisville is the birthplace of D.W. Griffith producer of the 1920s movie spectacular, "Birth of a Nation."

The channel did not go to hearing. The Commission probably doesn't have a hearing room sizable enough to accommodate the throngs of individuals and groups and their attorneys and witnesses. The aspirants included all manner of minorities, females, people with meritorious local civic involvement, and local broadcast experience. The winner: an out of town group operator who has doled out something in the neighborhood of \$2.25-million to the other applicants for removing themselves from the proceedings.

Whether or not Louisville needed another radio station is highly questionable. Best information has it that few of the already more than a dozen stations operating there make a usable profit. The new entrant is unlikely to create something new and different given its group operator ownership. There won't be a new person or group in broadcasting as the "80/90 program" was designed to do - just more (or better stated too much) of the same. A good case can be made that the \$2.25-million should have gone into the federal treasury.

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IN OUR  
8th  
YEAR



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**M**arket  
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Volume VIII - Issue #18 - September 27, 1990

**F.C.C. WILL ENSURE** that existing radio broadcasters have the opportunity to obtain digital audio broadcasting (DAB) licenses. That was the promise made at the recent N.A.B. Radio Convention in Boston by Chairman Al Sikes. Sikes, a former broadcaster-investor, told the convention, "Radio has a good future and it will have a brighter future if the F.C.C. works hard to bridge new technologies and the important traditions of radio broadcasting."

**TWO BIG VICTORIES AT R.A.B.** - Research commissioned by Radio Advertising Bureau has developed a new concept called "Consumer Cycle Marketing." First major sale: "Subway Sandwiches", the fast growing, nationwide fast food franchise has reportedly targeted 70% of its 1991 media budget into radio.

And, at R.A.B.'s urging, "Advertising Age," devoted 20+ pages of its September 10 issue to a special report on radio. "Ad Age" is the most widely read trade weekly in the ad business.

**NOT SO GOOD NEWS FROM R.A.B.** - Registration fees for the annual "Managing Sales Conference" got a hefty "double digit" increase to \$495.00 (\$50.00 less if you pay by 12-1).

**GOING AFTER THE BUSINESS** - Minnesota Public Radio ran big ads in the Minneapolis ad-industry monthly telling its readers what a great buy underwriting public radio programs is. The public group used the same publication to herald its coverage of the primary election on its 16 radio stations.

**ABOUT THE RADIO CHRISTMAS SPECIAL** (SMRNewsletter (9-6-'90) Lee Norman, creator of "I'd Like to Wrap Up A Dream for You," called to tell us, "We had a 5 year union contract with the talent. The 5 years is up. The series won't again be available. It's great to be remembered." Address: 1606 North Argyle, Hollywood, CA - 90028.

**JERRY PAPANFUSS**, the Result Group, hdq: Winona, MN, has been named N.A.B. Small Market Chairman for a 2nd year. Other small market appointments: Walter E. May, co chair, Congressional Relations. Denise Shoblom, now at WUHN, WUPE-FM, Pittsfield, MA, Allocations/Regulatory Chair.

275 19th Street - Otsego, Michigan 49078 - (616) 694-9357 - FAX: (616) 692-6789

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

At the F. C. C. ....

NEW STATIONS (Granted):

ALABAMA (Florence) Benny Carle B'c'g., Inc. 96.1 3 kW 328'  
(Fort Rucker) Sky Way B'c'g. 100.5 3 kW 328'  
ARKANSAS (Clarksville) J.L. Richardson 106.9 3kW 328'  
CALIFORNIA (Lindsay) Lindsay B'c'g. 95.3 3 kW 328'  
(Morro Bay) Moro Bay Invest. Corp. 95.3 3 kW 328'  
(Rohnerville) North Star Communications 100.5 160w1755  
FLORIDA (Five Points) Carol Lamons 106.6 3kW 328  
GEORGIA (Jeffersonville) A.L.P., L. P. 93.9 3 kW 328'  
(Waynesboro) Clifford Jones 107.1 3 kW 328'  
ILLINOIS (Christopher) Brandt B'c'g., Inc. 103.5 6 kW 328'  
(Newton) S. Kent Lankford 103.5 3 kW 328'  
(Peoria) B. and G. B'c'g., L.P. 92.3 3 kW 328'  
INDIANA (Bicknell) Robert M. Mason 105.7 3 kW 328'  
MICHIGAN (Whitehall) Pyramid B'c'g. 102.5 3 kW 328'  
MISSISSIPPI (Columbus) Golden Triangle Radio 94.9 29.5kW 492  
MISSOURI (Ozark) Dorothy S. Lemmon 92.9 3 kW 328'  
OKLAHOMA (Byng) Central OK Comm. 100.1 50 kW 492'  
OREGON (Gleneden Beach) Stephanie Linn 100.7 8.4 kW 1172'  
PENNSYLVANIA (Mountaintop) Fairview Comm. 97.1 3 kW 328'  
TENNESSEE (Smyrna) Smyrna B'c'g. 94.1 3 kW 328'  
TEXAS (Bryan) Mex-Amer Comm. Enter. B/C Group 99.5 3 kW 328'  
(Huntsville) Helen Casey 94.9 3kW 328'

AMENDMENTS TO THE FM TABLE (Amended):

ARKANSAS (Wynne) 92.5 C2 for 92.7 A. M.: K W Y N  
FLORIDA (Holmes Beach) 98.7 C3 for A. M.: W A P Y-FM.  
KENTUCKY (Carlisle) 100.7 A. W.: 10-30/11-29.  
MISSOURI (St. James) 99.3 C3 from 99.5 A. M.: C.P.  
OKLAHOMA (Durant) 107.1 C2 for A.

(Proposed):

MICHIGAN (Pickford) 105.5 A.  
(Traverse City) 104.5 A.  
MINNESOTA (Wabasha) 102.5 C3 for A. Move to Lake City.  
M.: C. P.  
MISSOURI (Otterville) 107.7 A.  
VIRGINIA (Marion) 103.5 A as 3rd.  
(Royal Retreat) 95.3 A for 103.1 A. M.: W C R R.

INVOLUNTARY TRANSFERS:

FLORIDA (Valparaiso/Niceville) W F S H (AM - Class Iv) to  
Bayou Communications, Inc., Debtor in Possession, Box  
#308, Valparaiso, FL - 32580 (900830EI)  
MICHIGAN (Houghton) W A A H (C.P. FM A) to Houghton Radio  
Group, Inc. Debtor in Possession, Box 26268, Raleigh,  
N.C.- 27611 (900827HS)  
NEW YORK (Cobleskill) W S H Q (B FM)/(Rotterdam) W S H Z (A  
FM) to Barry Sims, Receiver, 1000 Worcester Rd.  
Framingham, MA - 01701 (900824GL/GM)  
OREGON (Medford) K Y J C (AM - 610 5 kW U) (Grants Pass)  
K F M J (B FM) to Andrew McClure, Receiver, Suite 230  
4340 Redwood Highway, San Rafael, CA-94903 (900822EA./EB)  
VIRGINIA (Chatham) W K B Y (AM 1 kW D) to Henry G.  
Bennet, Jr., Chapter 7 Trustee, 231 Magnolia Dr.,  
Danville, VA - 24541 (900905EA)

MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

The following were some ideas in Irwin Pollack's R.A.B. Program at the recent N.A.B. Radio '90 convention (Boston):

**HALLOWEEN STICKERS** - Find a printer who can give you a quick turnaround or "bank" the idea until next year. Have in print "day glo" stickers that trick-or-treaters can stick on their costumes. Use an orange background with black print that says "W W W W - 1 2 3 0 'witches' you a Happy Halloween."

You might want to do a "sticker spotter" promotion with your mobile unit awarding a prize to youngsters spotted wearing the sticker.

You can tie in some local advertisers by making them pick up points for the stickers. You might tie in a product by putting a logo along with your call letters/frequency. The prize might be a certificate for some of his products.

**"MONEY BAG"** - Pollack points out that businesses like convenience stores, thrift centers, department stores, hardware stores, drug stores usually have bags with their logo on one side. For 1¢ to 1.5¢ the blank side can be printed with your call letters and perhaps 8-coupons for brands that have co-op or participate in vendor programs. The product feature in each coupon gets radio ads featuring that product and a tie-in like, "### will fill your W W W W 'Money Bag' with great savings and you'll get extra savings by clipping the coupons on the back of the bag - including ### etc."

**"TANKSGIVING"** - Pollack calls this an excellent way to show your station's ability to draw a crowd. It's an old idea that he has re-done. Thanksgiving week, you announce that sometime during the week your listeners can fill up their tanks with gasoline at 97.5¢ per gallon (a compelling offer at current gasoline prices). On the day of the give-away you say, "The first 100 cars that arrive at ### station beginning at 4:50 P. M. can fill up at 97.5¢ per gallon (or a price that ties in with your frequency.)"

The gas station gets credit for the difference between the promotional selling price and the market price. Pollack advises, "be sure you take a lot of pictures of the line of cars. It makes a great sales promotion piece."

About Your Customers .....

Scientists at Auburn University have developed a low-fat, reduced-calorie ground beef they say has the flavor, tenderness, and juiciness of the traditional hamburger. The ground beef, when cooked, contains 40% less fat and 23% fewer calories than traditional ground beef. Ground beef accounts for 44% of the beef cuts available for consumption.

The F.C.C. Political Audit .....

"At 16 of the 20 audited television stations, (80%) candidates paid more for broadcast time than commercial advertisers in virtually every daypart or program time period analyzed. Indeed, candidates sometimes paid more than every commercial advertiser aired in the same dayparts. Candidates faired better on radio paying more than commercial advertisers at only 4 of the 8 (50%) audited radio stations that sold time to candidates." 2 radio stations audited had sold no time to political candidates. "It should be noted that some stations' selling practices appear designed to ensure that candidates are, in fact, on par with most favored commercial advertisers."

The audits were conducted in Cincinnati (the #31 market), Dallas-Fort Worth (#7), Philadelphia (#5), Portland (#25), and San Francisco (#4). The 20 TV stations and 10 radio stations audited were all group owned. Collectively those groups operate 115 major market TV stations and 216 major market radio stations.

In the report on the audit, released on September 7, "representative findings" in the 5 markets were enumerated - including:

"Every candidate paid \$4,000.00 for a 30 second 'news adjacency.' Commercial advertisers, within the new program, paid between \$575.00 and \$2,550.00."

"A political candidate paid \$750.00 for a 30 second spot during a 1-hour afternoon program, while a commercial advertiser paid only \$80.00."

"A candidate paid \$120.00 for a 60 second 'morning drive' spot while a commercial advertiser airing in the same daypart paid only \$20.00 for a 60-second spot. At another radio station, during 'morning drive time' some candidates paid as much as \$150.00 for a 60-second spot while commercial advertisers cleared at rates as low as \$45.00."

The chief enforcement officer of the F.C.C.'s Mass Media Bureau, Chuck Kelly, told an N.A.B. audience that the audit was undertaken in light of a mounting pile of evidence indicated there was "widespread non compliance" with the political advertising rules - which date back to 1952 (equal treatment and access for candidates) and 1972 (lowest unit rate - same as most favored regular customer). He indicated that inquiries would be made of stations with questionable political time selling practices and that offending stations could be subject to sanctions (e. g. fines).

The wide disparity between regular commercial advertisers and political candidates' rates in the major markets has evolved from a whole series of rather recently accepted sales practices. Over half the stations audited did not

have printed rate cards for regular advertisers, but, relied on internal memos which spelled out perimeters for negotiating prices for time that week or month. There are prices for no-preemptable, kind of preemptable and probably preemptable spots. Regular commercial time is subject to price negotiation. Obviously, because of a station's obligation to treat all candidates alike, political time was offered, in most cases, on a "flat take it or leave it" basis. The Commission says, that not affording political candidates negotiation does not give them equal treatment with regular advertisers, as the law prescribes.

A strong statement from Senator John Danforth (R-MO) came upon release of the F.C.C. audit. He and Senator Ernest Hollings, (D-SD) are co-authors of a political reform bill which would apply to federal and non-federal races and insure that candidates pay the same rates as commercial advertisers. Danforth said, "The audit confirms what candidates have known for some time: that broadcasters routinely ignore the law that requires equal pricing of political and commercial advertising."

One of the complaints in the F.C.C. auditors was that the stations (entities of most of the largest broadcasting companies), "Many of the political files are either incomplete or so disorganized that it would be impossible for any candidate to ascertain requisite information for equal opportunity purposes."

In the wake of the Commission audit, stations are advised by the F.C.C. and communications lawyers:

1. Make sure the political candidate is getting "the lowest unit rate" equal to that received by the most favored (best) commercial advertisers for the same length of broadcast aired in comparable time periods.
2. Every political agreement should be carefully reviewed for compliance by management.
3. Make sure your political file is complete and current. Current is defined by the Commission as the placing of requests/sales information in the file immediately.
4. The Commission says candidates must have access to your facility. They suggest, for instance, on the weekend, station personnel must be available to fill "last minute request for time." "If you've ever taken regular business on a weekend, you must be able to do so for a candidate."

\$ale\$ - Your Customer's Fears .....

Customer fears are hidden roadblocks to closing a sale. These fears do not simply fade away. The salesperson's job is to unearth them and deal with them. The salesperson may encounter any combination of the following. Once you uncover the fear and deal with it your closing ratio will improve - your results will rise:

1. Fear of spending money unwisely or of wasting money.
2. Fear of the unknown (the purchase, the salesperson, the station, level of service, quality, consequences of the buying decision.)
3. Fear of change.
4. Fear of being taking advantage of/duped.
5. Fear of making a decision that could damage his/her career.
6. Fear of protest or difference of opinion by others. (sometimes other decision makers)
7. Fear of being ridiculed or made fun of by others.
8. Fear of wasting time. (with salesperson or bad purchase)
9. Fear of harming an existing relationship with a seller's competitor.
10. Fear of being seen as being either too conservative or too experimental.
11. Fear that what is being bought is too cheap or too expensive.
12. Fear that the purchase will entail too much work.
13. Fear that he/she hasn't had enough time to research to make a good decision.

"Selling Power"

1-800 752 7355

(VA)- (703) 752 7000

\$ale\$ - Rules of Customer Service .....

Make the customer feel heard.  
Make the customer feel understood.  
Make the customer feel liked.  
Make the customer feel respected.  
Make the customer feel helped.  
Make the customer feel appreciated and remembered.

"Integrated Business  
Leadership" by Michael  
Baber (Warren H., Green)

## THE 1990 SMALL MARKET N.A.B. "CRYSTAL AWARD" WINNERS

6 of the 10 "Crystal Awards" for "the best in service to the local community" went to small market stations. The small market winners:

K T T X/K W H I, Brenham, Texas - The stations air over 376 minutes of locally produced community affairs programming every week, including: "The Washington County Healthline", a weekly 15 minute live talk show featuring area physicians; "Polka Time," an hour long ethnic music program for the area's large Polish, German, and Czechoslovakian communities and "Thoughts to Live By," a program featuring short, nonsectarian inspirational messages presented by local pastors. During the past year, the stations broadcast and/or sponsored 95 special events in an 8 county area. For 35 years the stations have sponsored a district spelling bee and do on the spot coverage of 4 county fairs and 5 community festivals. 21 different school and church choirs were heard on the stations during the Christmas season. The station co-sponsored 8 major public service campaigns during the past 2 years. One of those campaigns, a fund raising drive, raised thousands of dollars but, came up \$70,000:00 short of the money needed. The stations' owner, Tom Whitehead, put the drive over by personally making a \$70,000.00 gift.

W D L B - AM, Marshfield, Wisconsin - W D L B has for 43 years set a high standard of community service. During the past year alone, its 3 person news department (in a town of 19,000) won 5 major awards. The station broadcasts 95 minutes of local area news daily and a full hour of farm news each day. A daily talk show features guests from city government, the schools, and other community and business leaders. Weekly, W D L B airs "From the Mayor's Office," with the station news director interviewing the mayor on issues before the city council. W D L B sponsors a series of Dairy Month Breakfasts at which government officials and business leaders participate in a 5:00 A. M. remote from area dairy farms. The station broadcasts Christmas concerts from 10 area high schools.

W H I Z - AM, Zanesville, Ohio - For years the station has broadcast a daily 'lunch-time' farm program - 7 days a week. That program has been instrumental in fostering strong ties between urban and rural listeners. Additionally, the station broadcasts a weekly report of issues under discussion with the local grange organizations. Once a year, the station originates its entire broadcast from booths and events at the local county fair. Local news is broadcast 16 times daily. During the past year the station has produced locally issue-oriented program series on topics like the homeless, drugs, the local economy, colon-rectal cancer, and water quality. Off the air, Program Director Pete Petoniak and the W H I Z AM staff busy themselves in scores of community activities. Not only do they serve on boards, they can be seen actually doing their share in fund raising and community improvement efforts.

W S J M, St. Joseph, Michigan - The station programs a primarily news and information format. 1 or 2 local newscasts are broadcast hourly. Agricultural reports are heard 2 times daily. A locally produced 30 minute weekly program gives in-depth treatment to the week's dominant news story. 3 times each week, the station airs a half hour community affairs 2-way talk show. A heavy schedule of local high school sports and on the spot coverage of fairs, an art fair, festivals, and parades are broadcast. Great effort is put into community service campaigns including co-sponsorship of the Cancer Society "Great American Lock Up," an annual auction raising money for a children's museum and promotion of N.A.A.C.P. membership.

W T S N - AM, Dover, New Hampshire - Staff longevity fostered the creation and sustaining of a strong bond between the community and the radio station. The same management team has been in place 27 years; the morning man has been on the station 26 years; the mid-day host 17, the afternoon man 6 years. Local news is scheduled heavily. When a local Little League team won a berth in the Little League World Series, W T S N traveled all the way to Williamsport, Pennsylvania to bring the "folks back home" coverage. Over 6,000 announcements for local community service agencies are carried annually. The station sponsors or co-sponsors 17 major public service projects annually. Sports Director Jock Mackenzie was this year's "Dover Citizen of the Year" for his work in spearheading the building of the new Dover Ice Arena.

W P X C-FM, Hyannis, Massachusetts - The station's format is Classic Rock/A.O.R., but they are a full service station providing their audience with a steady stream of relevant news. The news task begins before dawn each day with phone calls to police and fire departments in 15 towns "up and down the Cape." Calls are also made to 8 Coast Guard Stations. The station is in touch with the personal needs of the community. W P X C's community involvement this past year included raising money to bring "The Moving Wall," a replica of the Vietnam Memorial to the Cape Cod Area. The area has an above average number of Viet Nam vets.

Major Market "Crystal Award" Winners: W A K R-AM, Akron, Ohio; W H B C, AM/FM, Canton, Ohio; W I L M-AM, Wilmington, Delaware; W Y A Y/W Y A L, Atlanta, Georgia.

#### THE LAST WORD

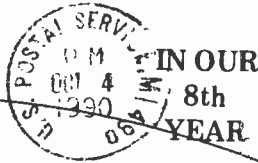
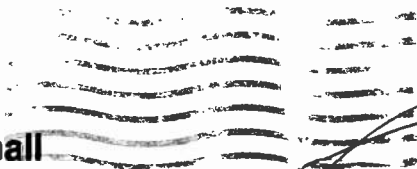
Please read carefully Pages #4 and #5. I am very interested in knowing what you think about the results of the F.C.C. Political Audit.

SMALL MARKET RADIO NEWSLETTER (Inc.) IS PUBLISHED WEEKLY AND MAILED FIRST CLASS TO SUBSCRIBERS IN 50 STATES, POSSESSIONS, AND CANADA. SUBSCRIPTION: 52 WEEKS: \$109.00; 26 WEEKS: \$57.00; 13 WEEKS: \$33.00. ADDRESS: 275 19th STREET, OTSEGO, MICHIGAN - 49078 - PHONE: (616) 694 9357 - FAX: 616 692 6789



**S**mall  
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Bob Doll - Publisher and Editor  
Barbara J. Doll - Circulation

VOLUME VIII - Issue #19 - October 4, 1990

**NO SPECTRUM TAX** was included in the bi-partisan deficit reduction bill made public Sunday 9-30. The likelihood of the spectrum tax in the near future seems remote. Despite loud protestations to the contrary, with the President and Congressional leadership for it, the prospect is that the bill will pass un-amended.

**COMMENTS ON F.C.C. PLAN** to return to the pre-1982 policy of limiting withdrawing applicants to being paid only "actual and prudent" expenses attracted mixed comments from the Washington bar. Some believe the change would help the process by removing "the profit motive," but other Washington lawyers believe the system of allowing withdrawal at a profit speeds up the creation of new stations. American Women in Radio TV share the latter opinion. N.A.A.C.P., the Black Media Coalition, and Latin American Citizens League favor the change, as long as it doesn't apply to minority applicants.

**N.A.B. SPRING CONVENTION PLANNERS** are not giving into pressure from major station groups and radio vendors to change the spring event into TV only. Advance publicity for the 4-15/18 Las Vegas convention shows a first-time ever radio reception and more radio programs than ever - particularly for small markets.

**ZAPNEWS HAS UNVEILED A MICHIGAN SERVICE** after announcing state services in California and Ohio. State news, plus national/world news, sports, and features are delivered via FAX machine early mornings for about \$175.00 per month. Information: 800 525 2175.

**N.A.B./B C.F.M. FINANCIAL SURVEY**, just released, shows average G.M. in market of 25,000 or under makes \$30,000.00 per year, disc jockeys under \$14,000.00. The average small market salesperson made \$18,000.00 in 1989 - only 2% better than 5 years before (1985).

**K U I C-FM, VACAVILLE, CA** won 4 of the 9 small market R.A.B. 1990 "Orson Welles Creative Advertising Awards." Others went to: W S N G, Torrington, CT, W L P O AM/FM, LaSalle, IL, W M P I (FM), Scottsburg, IN, W U P E-FM, Pittsfield, MA, and W N N C, Newton, NC.

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

At the F.C.C. ....

NEW STATIONS (Granted):

CALIFORNIA (Lake Isabella) K V L I 104.5 200w 1260'  
ILLINOIS (Golconda) Metro Media of Ky. 105.1 3.1 kW 450'  
INDIANA (Greenwood) Greater Greenwood B'c'g., L.P. 106.7 3 kW 328'  
MISSOURI (Cassville) Kevin & Patricia Wodlinger 93.3 1 kW 495'  
MINNESOTA (Nisswa) Bellfonte Co. 93.3 96 kW 328'  
NORTH CAROLINA (Hope Mills) Dr. James E. Carson 103.5 3kw 328'  
(Topsail Beach) Topsail B'c'g., Inc. 103.9 3kw 328'  
NEW MEXICO (Los Lunas) Patricia Bennis Komorowski 106.3 3kw 328'  
  
NEW YORK (Palmyra) Palmyra B'c'g. Corp. 99.7 3 kW 328'  
OKLAHOMA (Lawton) Arthur Patrick 107.3 50 kW 492'  
TEXAS (Elgin) Elgin FM Part. 92.5 1.3 kW 482'  
VIRGINIA (Lynchburg) Friendship B'c'g. Corp. 105.9 3 kW 328'  
WISCONSIN (Elk Mound) Emalee C. Payne 92.9 3 kW 482'

AMENDMENTS TO THE FM TABLE (Amended):

ALABAMA (Tuscaloosa) 92.9 C1 for C2. M.: W T U G.  
ARKANSAS (Forrest City) 93.5 C3 for A. M.: K B F C.  
GEORGIA (Sylvania) 106.5 A as 1st. W.: 11-9/12-10  
INDIANA (Seelyville) 95.9 A as 1st. W.: 11-14/12-14.  
KENTUCKY (Barbourville) 96.1 A for 93.5 A. M.: W Y W Y  
LOUISIANA (Abbeville) 105.1 C3 for 104.9A. M.: K R O F.  
(Columbia) 103.1 C3 for A. M.: K C T O.  
NORTH CAROLINA (Fuquay-Varina) 103.9 C3 for A. M.: W N N D.  
TEXAS (Lampasas) 97.9 C1 for 98.1 C1. M.: K L T D.  
VIRGINIA (Big Stone Gap) 93.5 C2 for A. M.: W A X M.  
(Pulaski) 107.1 C3 for A. M.: W P S K.

(Requests):

VIRGINIA (Fort Lee) 96.5 B. Req.: Keymarket of Virginia.  
(Grottoes) 92.1 A. Req.: Sinclair Tele Cable.  
(Harrisonburg) \*89.7 A for \*91.7. M.: \*W E M C  
Req.: Sinclair Tele Cable.

Also .....

The F.C.C. has affirmed its grant to the owners of W P C O, Mount Vernon, Indiana of a Class A FM station. Although the daytimer preference came into play, it was not the deciding issue: 100% integration of ownership-management vs. the opposing applicant's 15%.

W N S L, Laurel, Mississippi has been admonished by the F.C.C. for discriminating between opposing legally qualified candidates and for failing to broadcast the required sponsorship identifications.

In Florida, after complaints by the N.A.A.C.P. and N.B.M.C., the commission has renewed, with sanctions, the licenses of 9 stations, including W F S U-FM, Tallahassee (licensed to Florida State University). W Y Y N/W T N T (FM), Tallahassee, was fined \$2,000.00 and W N D B, W L L V, Daytona Beach was fined \$5,000.00. Palmer Broadcasting got a short-term renewal of 3 years and a \$15,000.00 fine at W N O G/W C V U, Naples. Area is 14% minority. No minorities on the 31 full-time staff since 1983.

MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

More of the Hottest Promotion Ideas for the 1990s from Irwin Pollack in an R.A.B. program at N.A.B. Radio '90 (Also see SMRNewsletter 9-27-'90.)

"SUPER, SUPER MARKET IDEA" - An "on the spot" remote is in a supermarket. The station disc jockey is set up in a "wall" of cases of a popular soft drink (a rectangular Jail). Disc jockey broadcasts until the cases, offered at special price are sold.

"CANINE CLASSIC" - Owners and their dogs enter a 1-mile run. Sign up fee is \$5.00. Each participant, runner gets a souvenir cap. Dog gets souvenir bandanna. Net proceeds are donated to local humane society.

"MEXICAN MILLIONAIRE" - Sell it to a Mexican restaurant. A customer sign up (no purchase necessary). Irwin says, "A million pesos = less than \$300.00 American money.

Did you know?

Dick Gleason, W O X O, Norway, Maine and other Maine stations, also own a local "Radio Shack" dealership. He tells us that all "Radio Shack" dealers have \$100.00 per month 100% co-op money that they can spend in any media they wish.

And .....

The franchisor or primary provider of goods/services often offers jingles the local store/business can use in its radio advertising. Often, a service charge (\$25.00 or less) is charged. Fred Hirsch at W D M E AM/FM, Dover-Foxcroft, Maine, reimburses it customers for such costs.

Shopping for products and service stressful .....

Members of dual earner households say that shopping is stressful. A poll of shopper attitudes in "American Demographics" magazine (10-'90) reports the following:

	Dual earners	Single earner
Resents shopping requires weekend time	71%	39%
Glad there are 24 hour supermarkets	70%	63%
Have less time to shop than 5 years ago	66%	42%
Wish there were ways to reduce shopping time	58%	35%
Shopping requires weekday evenings	38%	27%
Some stores too big/waste time shopping	36%	24%
Shopping interferes with quality time with children	30%	14%
Shopping more of a chore each year	45%	35%

Good retailers and service providers who have reduced customer stress from their operations should say so prominently in their ads.

\$ale\$ - Recalling An Over 40 Year Old Book .....

In Unistar's 9-24-'90 weekly letter to affiliates, Vice President/Format Sales, Neil Sargent, recalls a sales book which first appeared in the 1940s and is still selling well, insurance salesman Frank Bettger's "How I Raised Myself From Failure To Success in Selling."

Among Bettger's strongest points are those on the law of average - the number of presentations the salesperson makes and the number of times he/she gets a "no" and tries again. Simply put, the more quality calls you make, the law of averages says, the more likely you are to make a sale. On the matter of "nos", most sales studies indicate that the customer says "no" 7 times before he says, "yes." The law of averages, therefore, is working against you if you give up on the first "no" - or even the 7th "no".

Bettger said 40+ years ago, "Show me any individual of ordinary ability who will go out and earnestly tell his/her story to (a lot of) people every day, and I'll show you an individual who just can't help making good." The keys are quality and earnestly. Quality entails managing the elements of the sale - identifying prospects, making appointments, preparing presentations, making presentations, and asking for the order. Quality in the context of the law of averages entails making sure you've identified enough prospects, made enough appointments, prepared and made enough presentations, and asked for enough orders. Bettger's two thoughts go hand-in-hand. You need both the number of calls and the quality presentations to qualified prospects for the law of averages to work for you.

Here is some other wisdom from Frank Bettger's 40+ year old book on selling:

"The most important secret of salesmanship is to find out what the other fellow wants, then help him find the best way to get it."

"Basically, there are only two factors that move people to action: desire for gain and fear of loss."

"People don't like to be sold; they like to buy. Be an assistant buyer."

"Remember the forgotten art that is magic in selling. Be a good listener."

"A salesperson cannot know too much, but he/she can talk too much. Be brief."

## HALLOWEEN SAFETY ANNOUNCEMENTS

\_\_\_\_\_ reminds parents of Halloween "Trick or Treaters" to be sure your youngsters' costumes are made out of flame-resistant materials. Affix reflective tape trims to costumes so they can be spotted easily. Have your youngsters wear shoes that are comfortable and easy to walk in - no high heels. A Halloween safety reminder from \_\_\_\_\_.

Parents! Before your youngsters start out on their "trick or treat" adventure, \_\_\_\_\_ reminds you to be sure hats do not cover their eyes, use makeup instead of masks to assure that your "trick or treat" can see easily. Don't allow them to dress in costumes with big, baggy sleeves and long, flowing skirts that could brush against a flame and catch on fire. A Halloween Safety reminder from \_\_\_\_\_.

\_\_\_\_\_ hopes this will be a happy, safe halloween. Boys and girls, be sure to stay in neighborhoods you know well. Do not enter a house unless you are accompanied by an adult. Make sure you are carrying identification: your name, address, and phone number. A Halloween Safety Tip from \_\_\_\_\_.

\_\_\_\_\_ reminds youngsters who will be "trick or treating" this Halloween: visit only well-lighted houses. If there's no sidewalk, walk on the left-hand side of the road or street, facing traffic. Don't cut across lawn or go between parked cars. \_\_\_\_\_ hopes this will be a happy, safe Halloween.

Make your home safe, as well as welcome for trick-or-treaters. \_\_\_\_\_ reminds you to remove toys and other items from your steps and sidewalk. Keep jack-o'-lanterns and other Halloween decorations away from curtains that could catch on fire. Don't leave a jack-o'-lantern burning while unattended. A Halloween safety reminder from \_\_\_\_\_.

\_\_\_\_\_ reminds boys and girls who will be "trick or treating" this Halloween to be sure you don't eat any treats until an adult has checked them. \_\_\_\_\_ hopes this will be a happy, safe Halloween.

Most of the time, you don't expect to see children on the street on a dark night. But, \_\_\_\_\_ reminds you that on Halloween the "little goblins and ghosts" can appear unexpectedly. If you don't watch for them, they may not remember to watch for you. Join the folks at \_\_\_\_\_ in driving with extra care this Halloween.

About This 'n' That .....

ABOUT MUSIC LICENSE FEES AND SATELLITE/SYNDICATED PROGRAMMING. An attorney for one of our subscribers wrote ASCAP and BMI asking for clarification on this subject. BMI replied: "BMI attributes a value to each spot of the value of surrounding spots where such value can be ascertained. If the value of surrounding spots is unascertainable, BMI attributes a value to each spot equal to the station's rate card average rate." ASCAP has not yet replied.

ABOUT BUYING SMALL MARKET RADIO STATIONS - Rod Orr, a partner with station broker Charlie Earls in small market stations in Missouri and Tennessee, told an "N.A.B. Radio '90" audience: "When looking at a small market radio property go back and look for the good years; Is there a good newspaper in town. You'll do better if there is one; Study the market. Where is it going?; The most important ability you must have is an ability to train salespeople; Get all the seller financing and debt assumption you can; Remember, you have 2 audiences that must be served: listeners and advertisers."

BARTER SYNDICATION - Among the offerings at this years N.A.B. radio convention:

"INSTANT REPLAY WITH PAT SUMMERALL" - a daily 90 second version and a unique 2 hour weekend show that profiles a major sports personality (not a call-in). A combination of sound bites and interview. Information: Media America (212) 302 1100.

"RIGHT AT HOME" - a daily 60 second show of wide ranging tips for home owners. Series is underwritten by National Association of Home Builders (only a short mention). Information: Spencer Levine 800 368 5242 (Ext. 310).

"BIRD WATCH" - Paul Bartachevitz says that 1 in 4 Americans regularly watch and/or feed birds. The 90 second daily show (underwritten by State Farm with just a brief identification) features facts about birds and recording of birds singing. He claims its getting a lot of feedback on adult stations across the country. Information: Finger Lakes Productions (607) 273 0317.

3rd ANNUAL L.P.T.V. CONVENTION/EXPOSITION is scheduled for the Riviera Hotel, Las Vegas, November 17-19.. Information: 800 225 8183.

W E J T, a 25 kW FM, went on the air from new studios in the City Square complex, in Decatur, Illinois. Bud Walters and Larry Trimmer of the Cromwell Group picked the call letters to honor a favorite college professor, Miss Elizabeth J. Turnell, a 15 year resident of Decatur after her retirement. She was the center of the grand opening ceremonies October 1. In addition to the Cromwell duo, her former students included Vice President Dan Quayle.

Christmas 1990 .....

Contrary to all the bad economic news that fills the press and the airwaves, consumers apparently don't plan to change the holiday shopping patterns much. A recently issued Gallup Poll, commissioned by "Advertising Age" magazine asked a cross section of Americans, "Approximately how much did you spending during the Christmas season last year?" And, "How much do you expect to spend this year?" The results:

	Last Year	This Year		Last Year	This Year
Under \$100	8%	8%	\$401/\$500	12%	11%
\$101/\$200	11%	12%	\$501/\$750	12%	11%
\$201/\$300	13%	12%	\$750+	29%	29%
\$301/\$400	9%	9%	Don't Know	6%	8%

The survey shows little change in Christmas buying intentions from a year ago. Ernest Dichter, chairman of a consumer behavior research company points out, "In previous recessions, contrary to what the economists were predicting, people got off the sidelines instead of waiting for things to improve."

The 4th quarter accounts for 40% of annual electronics sales. This year, sales of V.C.Rs. will be flat (almost everyones home has one.) Camcorders are expected to enjoy double digit sales gains. Big screen and projection TV sets are expected to do 7.5% better than last year.

This is expected to be another "so so" toy selling season. There's just nothing to get youngsters excited except for video games (Nintendo and Nintendo software) and the Turtles, an ad buyer specializing in toys says. Toy sellers who rack up 60% of their business during the 4th quarter are expecting a lot of action from goods bearing Hanna Barbera (Jetsons, Flintstones) and Disney. Tyco's "Oopsie-Daisy" doll is expecting big sales again this year.

Soft goods (clothing) is expected to sell well. One industry expert calls this area, "the season's potential savior."

Overall, retail sales during the 1990 Christmas season are expected to grow from 4% to 6% (about the same as last year's growth.)

With all the bad news being circulated, it is generally believed most people "feel poorer" and will have a "guilt thing" about purely frivolous spending. Advertising that produces will sell solid benefits backed by real features, offered at real value prices.

On the plus side for this Christmas season: the calendar. There are 5 weekends and 32 days from Thanksgiving November 22 and Christmas, Tuesday, December 25.

## Planning for a Great Christmas .....

1. Carefully review your last 2 November/December billings. Get the "big" business in first. When you discuss his/her Christmas advertising plans, point out that scheduling early is necessary. Unlike print, a radio can't add extra pages. THERE'S ONLY SO MUCH TIME.
2. Look at last year's newspaper and shoppers. Good promotions usually repeat. What did you miss or undersell last year?
3. Greeting and holiday program income can be an important contributor to income. Get the jump on your print and broadcast competitors with a mid-November telephone canvas, offering a combination Thanksgiving, Christmas, New Year's package. Have 2 plans so you can ask, "which?", not "yes" or "no". Recanvas unsold mid-December.

You'll get easier sales and higher rates, if you program tapes of community, school, and church choirs in your holiday programming, rather than "just tracking an album."

4. Look for those special opportunities. There are 5 Sundays between Thanksgiving and Christmas this year. Many retailers, not normally open on Sunday, will be open and will need to do special promotion.
5. Look for events that can be broadcast and sold.
6. Don't let your station get sold out. Present schedules that cover all day-parts and all days of the week. Stay away from institutional copy. 98% of your listeners are "in the market" at Christmastime. They want to hear good retail (price and item) ads.
7. The % of the year's business done in November/December:

Appliance Stores	23.3%	Hardware Stores	18.2%
Book Stores	24.0	Jewelry Stores	33.0
Camera Stores	21.0	Mens Stores	26.0
Childrens Clothing	22.0	Music Stores	23.9
Consumer Electronic	24.2	Restaurants	16.5
Department Stores	26.4	Shoe Stores	20.1
Drug Stores	19.7	Sporting Goods	21.9
Discount Stores	25.0	Supermarkets	17.1
Fabric/Sewing	21.3	Variety Stores	25.7
Florists	19.8	Womens Clothing	23.3
Furniture	18.8		

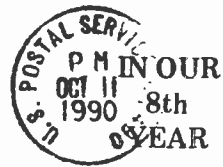
### THE LAST WORD

The job of radio advertising is to help people solve problems and realize opportunities. Stations that understand that, always have a good Christmas.

SMALL MARKET RADIO NEWSLETTER (Inc.) IS PUBLISHED WEEKLY AND MAILED FIRST CLASS TO SUBSCRIBERS IN 50 STATES, POSSESSIONS, AND CANADA. SUBSCRIPTION: 52 WEEKS: \$109.00; 26 WEEKS: \$57.00; 13 WEEKS: \$33.00). ADDRESS: 275 19th STREET, OTSEGO, MICHIGAN -49078 - PHONE: 616 694 9357 - FAX: 616 692 6789



**S**mall  
**M**arket  
**R**adio  
**N**ewsletter  
Inc.

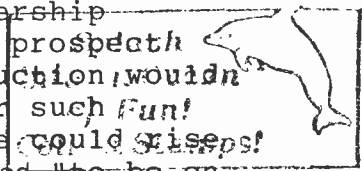


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VOLUME VIII - Issue #20 - October 11, 1990

"SPECTRUM FEE ALIVE", N.A.B. lobbyists advised board members, radio and TV group heads, and state association executives in a FAX on Friday evening (10-5) after the House voted down the administration-congressional leadership sponsored budget resolution. At press-time, the prospect was that details of funding a budget deficit reduction would be undertaken by Congressional committees. Under such conditions, N.A.B. believes that the spectrum fee could rise again. The recipients of the N.A.B. FAX were asked to be on the ready to respond" should the spectrum tax idea re-surface.



"THE OVERWHELMING NUMBER OF BROADCAST LICENSEES are in compliance with the Communications Act of 1934 and related F.C.C. rules that apply to political broadcast ads," N.A.B. president Ed Fritts told a house subcommittee last week (10-5). About the recent F.C.C. political audit (SMRNewsletter 9-27) he said, "Broadcasters should not be prejudged until the affected stations are given an opportunity to respond and the F.C.C., in turn, makes its own final determinations." Political candidates at many stations are buying in the equivalent of "a weekly auction of best available inventory," according to Fritts. He equated some station's pricing policies to the wide number of prices offered by airlines in filling their seats.

**SILENT! HOW MANY?** F.C.C. Chairman asked the Mass Media Bureau to tell him. Their figures (reported in "Broadcasting" 10-2-'90:

246 AM stations (4.9% of 4,978 or about 1 in 20)  
17 FM stations (.004% of 4.375)

There were also 20 "off the air" UHF TV stations (3.6% of 560). No VHF TVs were reported "off the air."

**RADIO AUDIENCE STEADY** despite the proliferation of non broadcast audio and broadcast and non broadcast video competition. Arbitron audience estimates:

	Spring '89	Summer '89	Fall '89	Winter '89	Spring '90
12+ /week	95.6%	95.5%	95.9%	95.8%	95.8%
Time Per Day	3:42	3:39	3:31	3:40	3:30

The same study shows that working women spend 2 hours per week more with radio than non working women. The figures are a compilation of Arbitron nationwide surveying.

At the F. C. C. ....

NEW STATIONS (Granted):

GEORGIA (Leesburg) Rowland-Albany Radio 103.7 3 kW 328'  
ILLINOIS (Mahomet) Adlai E. Ferguson IV 105.9 3 kW 328'  
INDIANA (Newburgh) Newburgh Broadcasting Corp. 106.1 3 kW 328'  
KENTUCKY (Radcliff) W and B B'c'g. 103.5 3 kW 328'  
(Must sell Class A at Fort Knox, Ky.)  
MISSISSIPPI (Lucedale) Allen B'c'g. Co. 106.9 3 kW 274'  
NEVADA (Sparks) Comstock B'c'rs. 92.1 1 kW 530'  
OREGON (Brownsville) Eads B'c'g. Corp. 102.3 345w 961'  
TENNESSEE (Manchester) Phase One Comm. 101.5 3 kW 328'

AMENDMENTS TO THE FM TABLE (Amended):

ALABAMA (Guntersville) 95.9 C3 for A. M.: W T W X  
ALASKA (Dillingham) 99.1 A as 1st. W. 11-17/12-17  
ARKANSAS (Helena) 103.1 C3 for A. M.: K C R I-FM  
FLORIDA (Vero Beach) 101.7 C3 for A. M.: W A V W.  
INDIANA (Veedersburg) 92.9 A as 1st. W.: 11-17/12-17  
IOWA (Asbury) 103.3 C3 as 1st. W. 11-17/12-17  
NEW YORK (Brockport) 105.5 A as 1st. W.: 11-20/12-20.  
NORTH DAKOTA (Arthur) 95.7 as 1st. W.: 11-20/12-20  
OREGON (Lincoln City) 105.1 C as 2nd. W.: 11-20/12-20  
PENNSYLVANIA (Oil City) 96.7 A as 2nd. W.: 11-20/12-20.  
TENNESSEE (Athens) 101.7 C3 for A. M.: W JS Q.

INVOLUNTARY TRANSFER: 2

TEXAS (San Angelo) K B I L-FM (Class C) to Robert G. Call,  
Receiver, 3298 Sherwood Way, San Angelo, TX-76901 (900918HM)

GONE SILENT (See item on Page #1):

ARKANSAS (Dardanelle) K W K K (FM) K C A B (AM)  
ARKANSAS (Greenwood/Fort Smith) K V O G-AM; ARKANSAS  
(Springdale/Fayette) K B R S AM; ARKANSAS (Waldron/ Fort  
Smith) K R W A (FM).

BACK ON THE AIR:

Mississippi (Monticello) W M L C-AM with a country/ Southern  
Gospel format.

M Street Journal (703) 684 3622

MONEY SAVING TIP:

Professional people :sell their time." When planning a  
meeting or phone conversation with your consulting engineer,  
lawyer, accountant, etc., Plan carefully beforehand. Be  
prepared. "The clock is running."

SMRNewsletter's "99 Money  
Saving Ideas"

MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

"NEW FACES" is what Dick Gleason calls W O X O's new business effort at Norway, Maine. The station does its morning show live. The station offers small retailers and service businesses a schedule of 3 ads per week. The ads (about a minute long) are done "ad lib" from a fact sheet, "the way it used to be done in radio's 'golden age", Dick says.

Each week the schedule runs, the station purchases a \$5.00 gift certificate from each "New Faces" client. Listeners get a chance to win a certificate by answering a question about the business (contained in the commercial.)

"New Faces" advertisers agree to a 13 week run. "Renewal rate is excellent" and many buy extra ads to heavy up for special business promotions," Dick says. W O X O open - AAA rate is used (\$17.00).

"FIRST QUARTER IDEA" - Many stations find a combination radio ad - direct mail package does well. A California based firm, "Radio Mail" does a marriage mail promotion consisting of advertiser coupons inserted into an eye-catching envelope. We have good reports from subscribers in California and Nebraska.

Usual procedure is to sell a radio ad schedule with a bonus coupon mailing. A mailing of 10,000 homes costs:

12 coupons	18 coupons	24 coupons
\$3,070.00	\$3,645.00	\$4,245.00
(\$255.83 per customer)	(\$202.50 per customer)	(\$176.87 per customer)
(Full printing and mailing cost).		

You can get full information by calling: Peter Hobbs at (619) 481 8815.

"ZANY THANKSGIVING PROMO" - C K K W, Kitchener, Ontario (Canada) took its cue from television's "W K R P" announcing it was going to drop 109 turkeys from a helicopter onto a shopping center parking lot at 10:00 A.M., the Saturday before Thanksgiving. The promos ran 2 weeks before the event. Neil Aitchison tells us the station received dozens of irate phone calls from listeners, including animal rights activists telling the station that turkeys can't fly. The station told callers "Most turkeys don't make it past Thanksgiving anyway."

On the appointed Saturday morning, 1,500 people showed up at the roped off portion of the center parking lot. At the appointed time the turkeys were dropped (papier-mache' turkeys into which gift certificates for turkeys from a supermarket were stuffed). To assure a smooth, targeted flight a small metal weight and parachute were attached to each turkey. Aitchison's advice: check with your insurance carrier and make sure there's adequate security to control crowd at event. He says, "This is not for the faint of heart."

## \$ale\$ - Remembering His/Her Name .....

Step # One: Observe the person's outstanding facial feature. In other words, everyone has at least one prominent facial feature that stands out the most. For example: big eyes, small eyes, deep-set eyes, big nose, small nose, thin eyebrows, wrinkled forehead, a mustache.

Step #Two: Exaggerate the person's outstanding facial feature. Once you have isolated it, exaggerate it the same way a caricature artist would. For example, if the person has a big nose, see that nose - in your mind's eye - as being huge. If the person has a small mouth, see that mouth as being very tiny.

Step # three: Observe the person's name. So many times we fail to observe the person's name in the first place, and then blame our "poor memory" for failing. Either we're too busy to take a moment to recall it, or we feel that we won't remember it anyway and go right by without giving ourselves a chance.

Step # four: Repeat the person's name out loud. The most important reason for doing this is to make sure that you heard the name correctly. If you didn't, that person will correct you right there with no hard feelings. Repeating the name once or twice in the conversation will also help you to become familiar with the name.

Step # five: Form a mental picture of what the name suggests, or a sound alike. Many names in themselves present a mental picture for us. Taylor, Lake, Carpenter, and Horn are easy for us to envision. But, what about other names like Gordon, Bielawny, and Minton?

In these cases, a sound-alike image should serve as enough of a reminder of the name. For example, Gordon-garden, Bielawny-baloney, Minton-mitten. The sound-alike should help you cue your natural memory to the real name.

Step # six: Form a ridiculous association between the mental picture suggested by the name, or the sound-alike, and the outstanding facial feature. For this step, you must let your imagination stretch into the realm of the wacky.

As an example, consider Mr. Kakish, a gentleman whose outstanding facial feature is his pointy nose. A good sound-alike for Kakish is "cactus." Now imagine Mr. Kakish's pointed nose actually being a cactus. Or, how about Mr. Taylor, a man with a very scraggly mustache? Simply imagine a skillful tailor trying to mend together Mr. Taylor's mustache.

How long will you have to carry around these silly images? Only until that person's name becomes true knowledge. After that, you won't need the associations anymore.

## How to get the most value from your radio advertising

1. Set a realistic goal for your ad campaign. Share this goal with your station representative. Make sure you agree in advance on what results are to be expected.
2. Tailor your campaign to fit the goal. Don't expect an image or institutional approach to build immediate traffic.
3. Likewise, a short, heavy saturation campaign is probably inappropriate for services like insurance, plumbing, and moving companies. These need to build top-of-mind awareness over the long term.
4. Be sure your sales staff knows when and why you are on radio.
5. Request a copy of your radio script and post it for your staff and customers.
6. Ask for a cassette of your ad and play it for your staff.
7. Get a list of times your ad will run on the first day. Listen to it in the context of the station's programming.
8. Don't expect your radio ads to sell what hasn't been selling well to begin with. A dog is a dog.
9. Don't expect people to voluntarily mention your radio ads. It just isn't typical consumer behavior. Buyers don't care about your advertising: they want value, price, quality, convenience and service.
10. Buy package deals only if they fit your marketing needs.
  1. Take full advantage of vendor co-op. It moves more merchandise and saves you money. And, if handled properly, you should be fully reimbursed within 60 days.
12. Coordinate your radio ads with your other advertising. Make the media you use reinforce each other by promoting the same offers with similar wording everywhere you advertise.
13. Mention coupons in your radio ads. You'll increase the rate of redemption.
14. Refer to your print ads in your radio ads. You'll increase the overall effectiveness of your advertising.
15. If you use more than one radio station, use one script for all. Each station can alter the production to fit its format, if necessary.
16. If you use television or cable, use the audio for your radio ad.
17. If you decide to "test" radio against other media, spend what you would normally spend elsewhere for a similar promotion. Use radio only. Choose an item that is in season, is priced attractively and should sell well. Radio doesn't mind being tested if the test is fair.
18. Use only one or two scripts per radio campaign. Radio works well because it repeats your message over and over. Using too many scripts at once dilutes the repetition factor.
19. Avoid phone numbers, if you can. Most people will look up your number anyway. Airtime is valuable, so use it for "sell" points. Besides, do you want floor traffic or phone calls from your ads?
20. If you rely exclusively on the phone for business, give the number several times. Break the number into easy to remember groups like "327-22-81."
21. Make your business easy to find. Instead of giving your street address, refer to cross streets or local landmarks: "...on the corner of State and Grand...", "...across from City Hall...", "...next to the Mall".
22. Be careful with situation or dialogue ads. They require more than good voices: they require dramatic ability or they will sound amateurish, reflecting poorly on your business.
23. If you want a humorous ad, test it on several people for a reaction. Not everyone is amused by the same things.
24. It's easy to confuse your customers' tastes with your own. Select the right station for the promotion, even if you never listen to it yourself.
25. Most weekend audience levels are as high or higher than on weekdays. If you only advertise on weekdays, you are missing out on consumers when they have the most time to consider your offer and act on it.
26. Decide on the length of your radio ad *after* you decide on what you need to say. Otherwise, you may have to cram too much information into 30-seconds, or, you may end up with a boring minute ad when 30-seconds would do the job. In any case, don't let the price be the deciding factor.

Management - "Getting Your Station Close to the Customer"...

"There is no such thing as 'stick value.' The value of your radio station is the value of its relationship with its customers." That's what Dr. Charles Warner told a session at the recent N.A.B. "Radio '90." Warner is the author of "Broadcast and Cable Selling," a former manager of the New York N.B.C. "o and o," and currently a faculty member at the University of Missouri.

Warner claims there is a 5th part to the old-time marketing equation, Product, Price, Promotion, Place. The 5th part of the equation in this era where "the customer is king" is service. In a marketplace of proliferating radio signals and other media choices, service is more often than not, the tie-breaker.

Warner told his audience, "Customers are the sole judge of what is good service." He then quoted from recent research, particularly appropriate to an intangible product like radio advertising. The study showed that customers generally use the following 5 criteria in judging a business's ability to render good service:

1. The appearance of its people, its facilities, its communications (promotional materials, stationary, billing, etc.)
2. The business's ability to perform as promised.
3. The business's willingness to provide service.
4. The business's ability to convey competence.
5. The business's empathy - does it really care about providing service.

Warner's advice: "Find out what your customers consider good service from your station. Implement it!" He stresses that customer service is not only the responsibility of the salespeople. "The customers are the radio station's customers, so that means that everybody at the station has to be committed to giving them good service: the management, the air-people, the bookkeeper - everybody."

As an important example, Warner talked about the way the telephone is answered. Customer centered businesses answer their phone, "W W W W. This is ---. How may I help you?" He agrees with the long held theory of successful political administrators. "When a person asks to speak to ---, never ask, 'Who's calling please?' If the person can't conveniently take the call, ask, 'May I have him call you back? Your number? Your name?' Nobody likes to be told he's not important enough 'to get through.'"

About implementing a "good service atmosphere," Warner says, "Make your policy statement short covering the most important things (not a manual), then trust your people to do the right thing. Empower them. Go for reliability. Usually is not good enough." - 6 -

"Even Smaller" .....

"In a market like this, everybody in town has to be on virtually all the time," Allen McIntyre, told us of KNDC, Hettinger, North Dakota (home county population then 3,800) - by most accounts the smallest radio market in the U. S. 6 years after the K N D C story appeared in SMRNewsletter, the county has 400 fewer residents after taking a severe beating during the mid-'80s farm crisis. Consumer income, before inflation has dropped over \$5-million - or about 14%. But, K N D C is still on the air, in McIntyre's words, "serving our public and advertising the business in our area."

After growing steadily, if not dramatically, for years, by 1987 McIntyre saw his billings falling. McIntyre, who has spent his entire working life at the Hettinger station tells us, "I had to decide what the real purpose of the station was and get that done with less money."

Reluctantly, he decided that his staff had to be cut - not an easy chore when you've been operating a full-time station (5:45 A. M. to 10:00 P. M.) with 5 full-time (including himself) and 2 part-time people.

McIntyre put his station on satellite (Satellite Music Network's "Country Coast to Coast.") He made a capital investment of about \$20,000.00 to install a "Systemation" (Decatur, Illinois) automation system (a system utilizing cassettes.) 2 full-time positions were eliminated. A 3rd part-time position was created. "The cost of the satellite and 'Systemation' were more than offset by our payroll savings."

Allen, whose father was a banker, says "the most important thing was that it stabilized our costs: wages 'creep up,' but, fringe payroll costs have rose even faster lately."

K N D C had built its reputation and following on a strong local program effort. "We found, by careful planning, the satellite and the automation didn't have to sacrifice that. From the beginning, the local 'holes' in the automated programming have been filled with local news, weather, farm information, and community announcements - the same thing we had been doing for years with 'live' announcers. My concerns weren't really justified, as it turned out. Audience and advertiser reaction has been nearly 100% positive."

The 3 full-time people on the K N D C staff now include 1 salesperson who also does an every other week Saturday shift, a combination secretary, telephone salesperson, and operator-announcer and McIntyre, who covers the bookkeeping, engineering, "and whatever else needs to be done." That includes doing the 20+ year old 8:30 A. M. talk show and collecting most of the local news.

Allen has not allowed his increased duties at the station keep him from making a major personal commitment to his community. He was one of the organizers of the Adams County Development Corporation (currently its chairman). The non profit corporation was set up to create jobs. He and his associates in the non profit corporation were successful in getting the county committee to levy a 4-mil tax to seed the effort. "We're getting interest from small processors and even some retail and service businesses interested in filling up empty spaces on our Main Street," Allen says. He believes that things are starting to "turn up" in his farming and ranching area. (USA Today recently published reports from the nation's Federal Reserve Banks. The one in Minneapolis seemed to be the most upbeat of the 11 nationwide).

Allen's father became associated with K N D C shortly after its founding in 1954. Allen worked there in high school, became full-time in 1960, manager in 1962, and with his father purchased it in 1967. Of the economic downturn of the past several years, Allen says, "If this had to happen, I'm lucky it happend after the station was paid for."

Allen's father, Bill, did a talk show on the station, until shortly before his death in 1987. Some years before, he told a Minneapolis newspaper reporter, "The secret of success in the radio business is a good sense of humor and good credit at the bank." Bill never lost his sense of humor which made him popular at the local bank, where he was an officer for years, and on the radio. 2 weeks before his death from leukemia (at 77), Bill agreed to an experimental surgery. When the doctor advised him that it had not been successful, Bill, with his lifelong good humor told the doctor, "Oh, that's 'o.k.' I'm sure practicing on me will help do something for somebody else."

#### THE LAST WORD

As communicators, I think it's important that we understand what's going on around us. The current skirmish over deficit reduction, we believe, makes the following quite clear:

1. Our democracy has come to the point where others have failed. The people are demanding more services than they are willing to pay for.
2. A member of Congress's #1 priority is re-election.
3. Presidential power and party discipline are diminished.
4. The real power now is in the hands of thousands of relatively small special interest groups who can fill the air at re-election time with negative ads.

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SMALL MARKET RADIO NEWSLETTER (Inc.) IS PUBLISHED WEEKLY AND MAILED FIRST CLASS TO SUBSCRIBERS IN 50 STATES, POSSESSIONS, AND CANADA. SUBSCRIPTION: 52 WEEKS \$109.00; 26 WEEKS: \$57.00; 13 WEEKS: \$33.00. ADDRESS: 275 19th STREET, OTSEGO, MICHIGAN - 49078 - PHONE: (616) 694 9357 -FAX: 616 692 6789



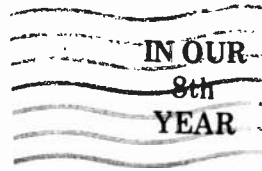
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**R**adio

**N**ewsletter  
Inc.



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VOLUME VIII - Issue #21 - October 18, 1990

**DRUGS AND F.C.C. LICENSEES** - N.A.B. has asked the F.C.C. to modify a proposed rulemaking designed to comply with the 1988 Anti Drug Abuse Act. N.A.B. wants the Commission to allow a corporation or partnership to remove a person with a minority interest found guilty of running afoul of drug laws. If that person were removed, the entity could continue to hold its license or pursue an application.

**A POLITICAL ADVERTISING BILL** has passed the house. If a companion passes the Senate and gets a presidential signature, it will effect TV more than most radio stations. The bill would give political candidates at election time non-preemptable rates at preemptable "lowest unit rates."

**AWARD OF MERIT** has been presented to the "69¢ Dollar" by the International Council of Shopping Centers Canadian Awards Program. The promotion was run 2 years in a row at the Orchard Park Shopping Center, Kelowna, B.C. Walt Kinsey, WTRC, Elkart, Indiana has ~~9011~~ the promotion to a mall there. Information: 1-800 451 3622(Radio Retailing Network)

**ZAP NEWS**, the FAX delivered discount priced news service, has started a state news operation in New York State. Information: 1-800 525 2175.

**N.A.B. ROUNDTABLE MODERATORS** have been announced for November 17 in St. Louis. They are Rod Orr, Orr and Earls Broadcasting, Branson, Missouri and Don Newberg, W G O W AM/FM, Chattanooga, Tennessee. Information: (202)429 5402.

**F.C.C. WILL REVOKE OHIO LICENSE** of W A S T (AM), Astabula, a daytimer on 1600 kHz. The station has been off the air since 1981 - since 1984 "without permission."

**WIN A RADIO STATION** - M.T.V., the rock music TV channel, reportedly is giving away W S T T, Thomasville, Georgia (a 5 kW D.27 w N on 730 kHz.) The Atlanta Constitution says the winner also gets \$10,000.00 cash.

**WE LOOK FORWARD** next week (Thursday October 25) to seeing many of our friends in Ohio (Columbus.) We'll be doing a a sales-promotion program for the O.A.B. convention.

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

At the F.C.C. ....

NEW STATIONS (Granted):

ARIZONA (Buckeye) Arthur Mobley 106.9 3 kW 328'  
ILLINOIS (Farmington) Robert M. Mason 95.7 3 kW 328'  
MARYLAND (Ocean Pines) Ocean Pines 97.1 3 kW 328'  
MINNESOTA (Lakeville) Southern Twin Cities Radio 105.1 1.1  
kW 482'  
                    (Paynesville) Patrick McCabe 93.1 3 kW 328'  
OHIO (Lima) Amer. Christian Radio 98.9 3 kW 328'  
OREGON (Brownsville) Eads Broadcasting Corp. 102.3 345w 961'  
                    (Seaside) Seaside Broadcasting 94.7 3 kW 328'

AMENDMENTS TO THE FM TABLE (Amended):

ALABAMA (Brantley) 100.3 A as 1st. W.: 11-27/12-27  
FLORIDA (Key Colony Beach) 105.5 C2 for A. M.: W K K B  
GEORGIA (Royston) 103.7 C3 for A. : W P U P  
                    (Tennille) 99.9 A as 1st. W.: 11-27/12-27  
ILLINOIS (Benton) 106.3 B1 for A. M.: W Q R L  
KENTUCKY (Glasgow) 105.3 C3 for 105.5 A. M.: W O V O  
MISSISSIPPI (Indianola) 96.9 C3 for A. M.: C. P.  
                    (Louisville) 107.1 C3 for A. M.: W L S M  
NEW MEXICO (Española) 102.3 C3 for A. M.: K M I O  
WASHINGTON (McCleary) 96.9 C3 as 1st. W.: 11-26/12-26.

(Proposed):

GEORGIA (Dock Junction) 105.9 C3 for A. M.: C. P.  
KENTUCKY (Cave City) 103.5 C3 for A. M.: W H H T

INVOLUNTARY TRANSFER:

OHIO (Canton) W B X T (AM-Daytimer) to Jack Nelson, Receiver

GONE SILENT (According to the M STREET JOURNAL):

TEXAS (San Angelo) K B I L (FM - Class C)

Money Saving Tips .....

If you sign a term contract, immediately send a letter of protective cancellation. That eliminates the end of the contract "slipping up" on you. Also, the seller is not likely to take you "for granted."

You might also ask for a guaranteed renewal option at no increase in price.

If your cash position can accommodate it, you might offer to pay a year in advance in return for a substantial discount. Discounts of this kind at 15% to 20% are not uncommon..

SMRNewsletter's "99 Money  
Saving Ideas"

MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

"THE BLACK BOX" - Get a big appliance crate from an appliance store. Cover it with a rain resistant wall covering, solid black. Have question marks painted all over the box (in white) along with your call letters and frequency (all sides and the top). Install it on a flat bed trailer.

The first 10 days of the promotion, move the "black box" around the community/communities you serve. On the air, run an announcement every hour saying, "What's in the box?"

For the promotion you line up several prizes. 1 clue is broadcast daily as to the 1 prize in the box. Remotes are scheduled where people register their guesses as to the item in the box. Also, a list of all the clues previously read on the air are posted. Promo announcements on the air tell people to see the black box, look at the clue list, and sign up during the KKKK "black box" remote at ---. The first person that guesses the contents of the box wins the item and a new item takes its place. Remotes from various locations are scheduled for 4 to 6 weeks. (A similar promotion is currently running on W N W N, Coldwater, Michigan).

"WHAT'S MY LINE?" - It's a takeoff on the old TV show. A local person appears with the mid-day disc jockey. Listeners call each asking 3 questions to guess the occupation of the mystery guest. The guest answers merely "yes" or "no". On the station we heard it being played, the "mystery guest" was a legal secretary. Contestants appeared about every 10 minutes. It took 5 contestants, asking 3 questions each, to get a winner. After the game was over, the "mystery guest" was briefly interviewed about her job and civic work in which she was involved.

ELVIS PRESLEY BIRTHDAY - It's Tuesday, January 8. We were in Memphis last year enroute to a seminar for the Arkansas Broadcasters Association. We found out that there are many special activities for Elvis fans to mark the late singer's birth. After talking to a couple of fans on our flight back, it occurred to me that a trip for 2 to Memphis for Elvis's birthday would be a great (but relatively inexpensive) prize for a late December/early January radio station promotion. We're sure that the chamber of commerce or tourist promotion agency there could furnish details and assist you in making arrangements. Elvis fans are now in their 40s and 50s.

\$ale\$ - Is There A Recession In Your Mind? .....

Tougher times demand tougher attitudes towards available opportunities. Therefore, it's important to remember two basic strategies for dealing with life's challengers - offensive and defensive. The purpose of the offensive strategy is to win. The purpose of the defensive strategy is to survive.

Sales people on the defense path look defensive, they sigh frequently, they tell lengthy stories about tough prospects, insurmountable objections and impossible situations.

Salespeople on the offensive look alert, confident and ready. Their stories have a slight hint of arrogance when they describe how they've cracked the impossible account, how they've found a group of fresh prospects or how they've made an extra \$1,000.00 by up-selling an existing customer.

In combat training, fighter pilots learn that the opponent who shows signs of a defensive strategy won't shoot at them, because he's intensely preoccupied with getting away from the danger zone. Salespeople who try to ride out a recession with a defensive strategy are so preoccupied with protecting existing accounts that they tend to overlook the opportunities for new business. As a result, they spend too much time with their customers out of fear of losing them, instead of attacking the challenges and opportunities that are being pursued by their competition. Their main concern is to hang on and not rock the boat.

The legendary Baron Manfred von Richthofen once said that success flourishes only in perseverance - ceaseless, restless, perseverance. Von Richthofen's first hit deeply ingrained in his mind the lifesaving quality of a swift, offensive strategy. Salespeople who respond to an economic slowdown with an offensive strategy win battles every single day. They invest extra time courting new prospects, their enthusiasm brings smiles to the face of the gloomiest buyer and their sharp techniques lead to new accounts and high market share.

The defensive strategy is fear motivated, the best you can do with it is to survive. The offensive strategy is driven by the craving for victory and there are no limits to your possibilities. No wonder fighter pilots pick the eagle for their symbol and no wonder some sales managers hand out turkeys to their defensive team mates and cash bonuses to their aces.

Gerhard Gschwandtner in  
"Personal Selling Power"  
800 752 7355  
(Virginia: 703 752 7000

## About Sales Meetings .....

In the most recent issue of the Broadcast Programming client letter, John Carlile, comes up with several good ideas to make the weekly radio station sales meeting more productive. John, now a regional manager at B.P.I., served several years as a small market general manager at stations in Indiana and Ohio.

In addition to several very good "dos", he includes, in our opinion, a very important "don't." At your weekly sales meeting, he advises, "Negative matters (collections, unsold special avails, poor individual or station sales) should be dealt with in separate meeting, preferably one-to-one conferences. The key to holding exciting and productive sales meetings is planning, variety and a positive, upbeat attitude." He continues, "We have all probably laughed about the 'cheerleader' approach of sales operations like Mary Kay Cosmetics, but the approach works to motivate salespeople."

Among the "dos", John suggests posting a "Visual Success Display." He says, "We have all seen the United Way 'thermometer'. If you are selling 27 avails in high school sports, for instance, set up a chart which is colored in as you reach toward your goal. Use a different color felt tipped marker for each person. At the goal line, show the sales incentive prize(s) you are offering for most sales, most new accounts, etc."

"If you subscribe to a copy idea service (such as R.A.B.), play a sample ad at your meeting, then ask for bids (which sales person can sell the biggest schedule, using the ad.) If the top bidding salesperson closes a contract for at least the amount bid within 2 weeks, that sales rep gets a bonus commission. If he closes at a figure less than bid, he/she pays a commission penalty into a fund for the next 'spot auction.' If no sale, give the 2nd highest bidder a chance."

John suggests a "weekly prize." He advises, "Offer regular, small incentive awards. Give a dinner for 2, a pair of tickets to a movie or other event, etc. Have a different contest every week so that prizes can be won by the most salespeople. Examples, one week you might honor the best copy, the next, the toughest 'close,' the next a record setting sales effort. Another week, you might award a prize for the most 'cold' calls."

"Your younger salespeople are part of the 'video generation' and may respond best to material presented to them on video. Very good sales training and motivation videos can be had for loan or rent from your local library or video rental store. Play the video, then lead a discussion with your salespeople."

Carlile says, "The weekly sales meeting is often looked upon as boring (at best) or a waste of everyone's time. It need not be. A little planning and imagination can bring the weekly sales meeting to life. - 5 -"

VETERAN'S DAY ANNOUNCEMENTS  
(Sunday, November 11)

To save the nation and make this a better place in which to live. The members of (ORGANIZATION) served in the nation's armed forces when the country's liberty was threatened. In peacetime, the members of (ORGANIZATION) work hard to make (COMMUNITY) a better place in which to live. Join the members of (ORGANIZATION) in observing Veterans' Day.

Join \_\_\_\_\_ in remembering why we observe Veterans' Day. Pause and reflect on the sacrifices made by men and women in the defense of our liberty. A Veterans' Day message from \_\_\_\_\_.

The members of (ORGANIZATION) are proud to have served their country in time of national need. Today, they and their families continue to serve fellow veterans in need and other members of the community through the organization's service projects. Join the members of (ORGANIZATION) in observing Veterans' Day.

Grenada, Panama, and now the Middle East. When our nation's liberty is threatened, American men and women sacrifice to make sure our freedom is preserved. On this Veterans' Day, \_\_\_\_\_ hopes you'll join them in paying tribute to those who serve that freedom might live. A message from \_\_\_\_\_.

It's easy to forget wars and emergencies which require sacrifices of men and women who serve their country. That is why each year November 11 is set aside as Veterans Day. \_\_\_\_\_ asks you to join them in paying tribute to those whose sacrifices have made our freedom possible. \_\_\_\_\_ asks you to join them in thinking about what Veterans' Day really means.

On Veterans' Day, the nation pays tribute to men and women who give their best when duty calls. \_\_\_\_\_ believes it's time to reflect on the sacrifices made during previous national emergencies - and now during the Middle East Crises. Join \_\_\_\_\_ in observing Veterans' Day and reaffirming your belief in the things our service men and women, past and present, believe in and for which they serve.

The (ORGANIZATION) is made up of men and women who served their country in time of war. Now, in time of peace, these men and women and their families serve their fellow veterans and work for the community. (ORGANIZATION) works hard to make (COMMUNITY) a better place in which to live. Join them in observing Veterans day.

American men and women have been called upon to defend freedom many times in the nation's history. Many paid the ultimate price. \_\_\_\_\_ believes it is fitting that we reflect on their sacrifices and the sacrifices being made during the Middle East Crises. \_\_\_\_\_ is proud to observe Veterans' Day.

"Find the Busiest Man In Town" .....

When Bill Evans decided to seek a seat on the Kentucky Broadcasters Association board 5 years ago, he says, "I wanted to get out and find out first hand how other people were running their stations and I felt as an owner-operator I might have something to offer." As his second term drew to a close he was asked to make himself available to serve a year as president. "The association was running well. It was in good shape financially and otherwise. I didn't see any big thing that had to be done. It was an honor, so I took it."

Bill, who had gotten into the radio business as an announcer/ engineer in 1961, built W Q X E (a Class A FM) at Elizabethtown, Kentucky (1980 census 15,350). His partner-investor was Indiana broadcaster Keith Reising. "We were at least 10 years early in building a stand-alone FM here. The other local operation, a Class IV AM-Class A FM had been doing it right for years." Bill says jokingly, "Between 1969 and 1983, we went broke a thousand times."

A combination of market growth and a consistent effort made W Q X E a solid success by the mid-'80s. "It might have come a little earlier, but we made a major move of our technical facilities and did a studio re-location/upgrade just in time for the recession/high interest years of 1979-1983," Bill recalls.

Bill's market is a combination of military (Fort Knox), small industry, and traditional Kentucky farming. There are 4 local/area operations - plus - most of the major Louisville stations put a primary signal into the market. Bill's station has evolved over the years from beautiful music to its now 10 year old "hot A.C. music" format. "We do it with live 'jocks' employing researched music controlled by computer software. That may sound like an 'overkill,' but the fact is, in our small market people can hear some of the best radio in the country from Louisville. And, most of those soldiers and their families at Fort Knox and a lot of the people who have moved in here with our industries have been exposed to good radio and won't just listen because it's a local station." Although his station is music/personality dominant, he employs 2 full-time newspeople,

3 months into his term as broadcaster association president, legislation was introduced in the state legislature to enact a 5% tax on services - including broadcast advertising. The tax hike was made necessary by a court order saying that state funding of education was inequitable - that a youngster in the poorest Appalachian county had a right to the same kind of education that a youngster in the richest district in the state was getting. Under the circumstances, Bill says, "radio and TV stations as good citizens couldn't simply be against the tax, but, had to come up with a creditable alternative."

The broadcasters association, with other media interests in the state, entered into a co-operative effort, utilizing expert lobbyists and a public relations firm. That effort was successful in raising the general sales tax from 5% to 6%, a more practical way of raising the funds. For 3 months, Evans devoted nearly 100% of his time to the effort. "We had a great association board and excellent work from the other interests co-operating in the effort." Evans, by nature, his friends say, "is not a 'showboater.'" They tell you, "He is a determined, meticulous worker - just what we needed this year." The K.B.A. expressed its appreciation of Bill's effort by awarding him the association's "Mike Award" at its May meeting. He is the first president ever to get the award during his term.

Bill's term as president took him away from his small station for 90 days and put him at the center of a controversy. What happened to his business? "Marilyn (Bill's wife) and the rest of the staff kept the business going. Maybe things would have been better if I'd been here, but, we've got a double digit sales increase going this year - so, I guess I can't complain."

Bill and Marilyn have owned 100% of W Q X E since 1985. "This business has been pretty good to us." About the ad tax coming during his presidency of K.B.A., he says, "If I had known something like that was going to happen, I might not have run. I wouldn't have guessed I could have handled something like that. But, with a lot of good help, I did."

#### THE LAST WORD

We have believed for a long time that the reason radio doesn't increase its market share, is that, particularly in the large markets, it is bought and sold wrong. Those small schedules don't deliver enough repetition to deliver measurable results.

New City Associates' Steve Marx and Pierre Bouvard of Coleman Research have written a book, "The Optimum Effective Scheduling System." It details the fallacy of the current widespread practice of buying by Gross Rating Points (GRP) and Cost Per Point (CPP). It replaces those measures with effective scheduling levels, schedules reaching half a station's audience 3 or more times within a week. The success rate of such schedules is detailed. The formula is a simple one: the station weekly turnover rate x 3.29. On a typical contemporary station it takes 49 ads evenly distributed over 7 days. On easy listening, M.O.R. or country stations the figure is about 43.

N.A.B.'s publication of the book is, in our opinion, potentially the biggest industry contribution it has made in many years. We think it is must reading for every station management and radio buyer. Price is \$25.00 for N.A.B. members (non members: \$50.00) (Item #3393) 800 368 5644  
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**S**mall  
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Inc.



IN OUR  
8th  
YEAR



Bill Taylor  
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Bob Doll - Publisher and Editor  
Barbara J. Doll - Circulation

VOLUME VIII - Issue #22 - October 25, 1990

**30% TO 40% OF RADIO TRANSACTIONS** completed between 1985 and 1989 (5 years) have hit severe financial difficulty, according to Dean Meiszer, president of Cincinnati based media lending firm Crisler Capital. His views were included in a 2-1/2 page article in "Broadcasting" 10-15-'90. The article headlined "Financial Workouts" disclosed that a new group of specialists has made its appearance, "Workout Specialists." Their ranks include many who called themselves "consultants" during the "go go" major market buying frenzy of the mid to late-'80s.

**ABOUT A COMPETITOR** - With ad sales running behind even the gloomy forecasts and prospects perhaps even worse in 1991, the Wall Street Journal this week said, "National and local daily newspapers alike are streamlining editorial staffs through attrition and many are considering the more severe step of outright layoffs in once-sacrosanct newsrooms. Publishers also are cutting the editorial product itself, considered by many a risky move at a time when newspapers are struggling to hold on to reluctant advertisers and a declining readership."

**WHAT ABOUT SMALL MARKET RADIO?** Small town America did not generally share in the "go go" '80s and the "recession", which has become a preoccupation with the national media doesn't seem to be being felt as acutely in the small markets. From our informal conversations with subscribers only stations in the Northeast seem to be having a hard time coming up with grosses equal to last year. Many subscribers in the Midwest are actually showing some gains. The South and the West report stable billing patterns. Big problem everywhere: entry of new stations in non growing markets. Most of the newcomers lack experience and capital.

**THERE ARE 190 MORE STATIONS** than there were a year ago, according to the "M Street Journal." The number of "silent" stations (off the air) has doubled in a year. By F.C.C. count 263. Fastest growing formats, according to "M Street" oldies now on 659 station, 114 more than a year ago. Most decline: C. H. R. on 824 stations, down 127 since last year and easy listening -88 stations (now 240). 25% more AMs are news/and/or talk (405 - 1 in 12). Kids radio 3 stations. Comedy 1. Most programmed: country (2,452) A. C. (2,135).

At the F.C.C. ...

NEW STATIONS (Granted):

ALASKA (Sitka) Sitka Broadcasting Co. 103.1 3.1 kW - 650'  
ILLINOIS (Herrin) Herrin Broadcasting 92.7 3 kW 328'  
(Carterville) Marilyn Pranno 106.3 3 kW 328'  
IOWA (Ankeny) V.O.B., Inc. 106.3 3 kW 328'  
KANSAS (Augusta) Gregory Steckline 96.3 3 kW 328'  
KENTUCKY (London) Ethel Huff 92.5 3 kW 328'  
MARYLAND (Pocomoke City) Transmedia, Inc. 106.5 3 kW 328'  
MISSISSIPPI (Meridian) Charisma Comm. Co. 102.1 3 kW 328'  
NEW YORK (Honeoye Falls) HFH Communications 107.3 3 kW 328'  
TENNESSEE (St. Joseph) Brenda Chandler 101.5 3 kW 328'  
TEXAS (Beaumont) Beaumont Skywave 102.5 50 kW 496'

AMENDMENTS TO THE FM TABLE (Amended):

ARIZONA (Yuma) 95.1 C for C2. M.: K T T I  
ARKANSAS (Hampton) 106.5 C3 for 107.1 A. M.: K K O L.  
(White Hall) 104.5 A. W.: 11-30/12-31.  
CALIFORNIA (Barstow) 94.3 B1 for A. M.: K D U C  
ILLINOIS (Arcola) 107.9 A. W.: 11-27/12-27.  
(Le Roy) 104.1 B for B1. M.: W R X Z.  
KANSAS (Hutchinson) 97.1 C3 for A. M.: C. P.  
MAINE (Dexter) 102.1 C2 for A. M.: C.P.  
MARYLAND (Oakland) 92.3 A for 92.1 A. M.: W X I E.  
MINNESOTA (Mora) 95.5 C3 for 95.3 A. M.: C. P.  
MICHIGAN (Ashley) 92.5 A. W.: 12-3/1-2-'91.  
MISSOURI (Sikeston) 97.9 C3 for 97.7 A. M.: K S T G.  
OREGON (Brooksville) 98.9 C3 for A. M.: K Y K K.  
SOUTH DAKOTA (Brookings) 93.7 C1 for C2. M.: K G K G.  
TEXAS (Clifton) 103.3 C3 for A. M.: K W O W.  
UTAH (St. George) 95.9 C as 3rd. W.: 12-3/1-2-'91.  
VERMONT (West Rutland) 107.5 C3 for A. M.: W V N H.

(Proposed):

CALIFORNIA (Central Valley) 99.3 C3 for A. M.: K N N N.  
MICHIGAN (Grand Rapids) 98.7 A for 98.9 A. M.: W X J I C.P.  
(Newberry) 97.9 C1 for C2. M.: W U P Q.

(Requests):

FLORIDA (Cypress Lake) 104.9 A. Req.: F.W. Communications  
(Steinhatchee) 103.1 A. Req.: William F. Dunkle, III.  
(Westby) 104.3 A. Req.: Tres Amigo Communications  
NEW MEXICO (Socorro) 104.7. Change city/license KMXQ to  
Bosque Farms (Near Albuquerque)  
OHIO (Chillicothe) 99.3 B. Change city of license W K K J  
to Reynoldsburg (near Columbus). The request also would  
create new Class As at Forest (pop.,: 1633) on 93.1A and  
Peebles (pop.,: 1790).

INVOLUNTARY TRANSFERS:

SOUTH CAROLINA (Georgetown) W S Y N (C-FM) to Barry Brown,  
Receiver, Box 14770, Surfside Beach, SC - 29587 (900917HL).  
VIRGINIA (Chatham) W K B Y (AM - 1080 - 1 kW D) to Henry G.  
Bennett, Jr., Chapter 7 Trustee, 231 Magnolia Dr.,  
Danville, VA - 24541 (900905EA).

## MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

Editor's Note: We have several times recently received letters from subscribers asking us to include some "doable" promotions for stations in very small markets with relatively low grosses. Phil O'Bryan, K M T B, Murfreesboro, Arkansas (see Page #7) told us about promotions he does during his "morning show:" Each day is a special day on his show:

"MOVIE MONDAY" - Every 45-minutes Phil awards a free video rental to the "3rd" caller.

"TASTEE TUESDAY" - On Tuesday the prizes are banana splits from the local Tastee Freeze.

"WET WEDNESDAY" - The prize is a pair of canoe trips on an area river or a pair of passes to a water-park in a metro about an hour's drive from the station.

"THIRSTY THURSDAY" - A 6-pack of a soft drink being advertised on the station.

Outside the soft drink season, Thursday becomes:

"TRIVIA THURSDAY" when questions about country music are asked and the prize is the special at a local restaurant.

"FAT FRIDAY" - One of the local convenience stores is called "Fat's." The prize is yogurt, one of the store's feature items.

Each of the advertisers involved, Phil says, is a good advertiser. The promotions offer the advertiser a value added schedule extender.

About Your Customers .....

"unless the population grows, the only way to increase business is through getting business from your competitors," Sheldon Sosna told the Midwest Grocers Show in Chicago. He is president of Supermarket Associates, a supermarket consulting firm.

He recommends stores have events weekly "to attract attention." "Shoppers believe when you are having an event you will offer them something more. It gives you a theme to use and plan around."

Some Sosna ideas, "Can Can Sale," built around the dance featuring specials on canned goods. Other ideas, "Dine Italian Week," "Slim Down Sale," "State Fare Week" featuring products grown/manufactured in the home state; "Dollar Days," "I Love My Mom Week," (Mother's Day week).

In picking items, he says, "People will come to the store specifically to buy chicken or seafood or steak, but they won't come for a great deal on tea bags. Focus on products that please or interest the shopper like ice cream, not turnips."

Supermarket News 9-17

\$ale\$ - Play to Win .....

By the time you and the prospect get to third base, you have probably invested considerable time and energy. All this is lost if you don't score (i.e. land the sale). There is something very fulfilling when you win. Winning may not be everything as some coaches say (in selling you want a satisfied customer), but it is the primary reward of any professional salesperson.

Many baseball teams could have made it to the World Series if they had not stranded so many base runners. Many failures in selling could have been avoided if the salesperson learned how to close a sale. Have confidence in the progress you made getting to third base, but, make sure you get home by following with these actions:

Summarize advantages. Frequently, at the end of the selling process, the prospects needs to see all the advantages in one, clear, concise package. This summary makes a "yes" decision much easier.

Introduce financial arrangements. You can close a sale by finalizing financial arrangements. When the customer agrees to a financial plan, the sale is usually made.

Use a powerful closing statement. Sometimes a single sentence will get you home safely. For example, you might say, "It appears you've found the best solution to your problem. Let's get started".

Ask for the order. Do it in your own way, but under no conditions should you hesitate to ask the prospect to buy. The fact that you covered the first three bases gives you the right to make a play for home plate. If you need additional confidence, consider that getting stranded on third base may hurt the prospect as much, or more, than it will you.

Elwood N. Chapman  
"Sales Training Basics"  
(Crisp Publications)

From the same publication - Six Unforgivable Mistakes ...

Failure to carefully plan each selling day ahead of time.

Waiting for someone else to motivate you.

Failure to develop a strategy which will cover the bases with qualified prospects.

Giving up too soon on a qualified prospect.

Refusing to take advantage of an opportunity to close the sale.

Failure to maintain good relations with key customers before you lose them.

A BUSINESS CAN'T AFFORD TO LOSE A SINGLE CUSTOMER!

## History - Radio Advertising Turns 70 .....

Radio ads have survived because they are good. The human voice remains the primary means of selling. This powerful truth shielded our product from all attacks by enemies, events and our own foolishness.

The lone speaking voice can better transmit the values of the marketplace to the shopper than any awkward scribbles or flash pictures. It can be humanly warm, sincere, excited, trusted, pleasant, appealing, informative, convincing, deep inside the mind of the consumer. Signs and pictures are poor imitations of human speech.

Sadly, we rarely bring this up when selling radio ads. Perhaps we assume. Surely the merchant knows this magical power of talking by humans to humans is best for presenting their ideas, goods, and services.

The second great power of radio ads is repetition. For the same total dollar investment the merchant can profit from the ability to repeat his / her valued message many times. Since most merchants are devoted and lifelong practitioners of selling, they know the value of "lots of calls." And, since every radio ad is a sales call, then radio repetition factor should have a powerful effect on the ad decision maker. Perhaps our assumption has caused us to not bring this up in every pitch.

The basics of the power of human speech and repetition long for rediscovery to improve the selling of radio ads in this 70th year.

Radio - the human medium. Radio - the "lots of calls" medium. Mmmmm! Sounds good! Maybe we ought to call them "calls" rather than "ads." Mr. Merchant, how many calls do you want made next month?

Jim Williams  
J. R. W. Services  
2437 Grand Avenue (#278)  
Ventura, CA - 93003-0191  
(805) 655 5645

(Editor's Note: Westinghouse Electric Corporation started operating the nation's first commercial radio station, K D K A, Pittsburg, Pennsylvania on November 2, 1920.

It did not initially sell radio advertising, but, according to most broadcasting historians, it was supplied musical recordings to play on the air in exchange for mentions by the record department of a Pittsburg department store. Therefore, radio's first commercial sale was a "trade."

The first sale for cash of a radio ad was by a real estate developer on W E A F, New York City in August, 1922. It was 10 minutes long.

#### About Programming - The Morning Show .....

A great way to make sure your morning show sounds in touch with your community is "name dropping." Here are some tips for more effective name-dropping:

When you eat out, find out the name of the cook or chef.

When you go to the Post Office, find out the name of the clerk who waits on you.

Ditto bank tellers and department store managers.

Make it your business to know - and drop - the names of your city official and municipal department heads.

As major market morning man Jonathan Brandmeir once said, "The best co-host you can have is your listener." By dropping names creatively and often, your morning show can involve its listeners and generate valuable word-of-mouth for your station.

Jeff Davis in 9-'90  
Jay Mitchell Associates  
(Fairfield, Iowa)  
Client Letter

#### About Sales and Collections

Successful collecting starts with the first call. That's when we set the tone for the relationship. That's when we find out what the client's needs and expectations are, as well as his ability to pay. That's when we begin to establish mutual trust, which is the foundation for any good relationship.

The magic of successful collections is keeping the lines of communication open throughout your relationship with the client, on every sales and service call. Be sure your client understands your policy. Be sure you understand his expectations - and don't promise something you can't deliver. Do whatever is necessary to fulfill your promises to the client. If there are problems on either side, respond immediately - don't wait.

Establish and maintain a relationship wherein the client will feel free to tell you if he's having a problem of any kind that can affect your doing business together. Along the way, you'll pick up information you can use to make rational, rather than emotional, decisions in the collection process. The end result: you'll have fewer collection problems, and you'll keep clients you might otherwise lose.

John Healy, President  
Hamill Novack, Ltd.  
(Nationwide Collection  
Agency) in B.P.I.

(K M T B, MURFREESBORO, ARKANSAS - Class A FM. Est.: 1983. Market: Pike County (Pop. 11,000; Retail Sales \$42,219,000.00; Effective Buying Income: 175,485,000.00; Murfreesboro pop.: 1883; Howard County (Pop.: 13,900; Retail Sales: \$54,294,000.00; Effective Buying Income: \$112,532,000.00; Nashville Pop.: 4,554). Local competition: K B H C-AM (1260 500w D C.W.'Religion, Est. 1959 and co owned Class A FM K N A S, A.C., Est. 1977).

"Radio 'Junkie' On the Loose" .....

Phil O'Bryan built a "very low power" radio station in his bedroom while in grade school. At 12 he was appearing on the air at W U S M, the University of Southern Mississippi radio station in his home town of Hattiesburg and auditing radio courses there. At 15, he was pulling a part-time shift and getting paid at W X X X. At 33, he is a year and a half into the ownership of his own station, K M T B. "Radio is the only thing I've ever done or wanted to do," Phil says.

Phil's career has included a variety of air work and programming jobs with stations in Birmingham, New Orleans, Memphis, and Little Rock. His employers have included EZ, Viacom, and the Sun Group. His move to Murfreesboro-Nashville came when his wife, an M. D., was offered a position on the staff of the Nashville hospital. "She was a small town girl from Arkansas and really missed that kind of life."

When the couple arrived, Phil found K M T B "to be charitable, hurting. The station had been put on the air by out of state owners who had turned it over to locals without radio experience. It had no real sales effort. It was doing \$1,500.00 per month and losing a lot of money," Phil says. He assumed an \$84,000.00 bank note and spent an additional \$50,000.00, purchasing a 'double wide' mobile home to house the station and 'upgrading most of the equipment. "I would have spent twice that, if I'd had it."

Among the equipment purchases he made was an M. W. Persons Programmer (Brainerd, Minnesota) (4 step sequential costing \$1,200.00) and a portable remote control unit at \$3,800.00 from Burke Technologies (Pepperell Massachusetts). Initially, he operated with 1 full-time employee, a friend with large market announcing and production/operations experience. "I spent my time mainly outside on sales. He handled things inside. The two of us took turns off hours monitoring the station."

O'Bryan did not put the stations on satellite. "That's o.k. for somebody who's not into radio - but, not for me," he says. Instead he developed a simple automated system: 3 tape decks carrying contemporary country music, supplied by Bill Robinson at the Musicworks in Nashville, Tennessee. The 4th tape deck carries non music elements including a heavy commercial schedule. "I had worked with carousels and cartridges at one station where I was operations manager.

That kind of system was too expensive and too undependable to use here."

Each afternoon, the operations manager makes up tape #4 for the following day - a job that takes 3 to 5 hours, depending on the commercial load.

Phil does the morning show (6:00 to 9:00 A. M.) live. The balance of the 24 hour schedule is done on tape by 3 of his major market friends. "we have about 800 cartridges on which the taped disc jockeys appear in a variety of stock "intros" and "outros." Local items that come in via phone, mail, and from 4 area newspapers which are "combed weekly" are FAXed to the "taped disc jockeys" and returned on reel-to-reel tape for dubbing via U.P.S. 3 to 4 such items are programmed each hour. Phil pays his 3 "taped" dee jays \$150.00 per month each. "Even a guy making good money is glad to get a check like that each month. In big market radio when your job is dependent on the 'ups' and 'downs' of the rating book, that \$150.00 can often come in handy between jobs," Phil says. "And, these guys are 'radio junkies' like me."

The contents of the 800 cartridges are stored in a Commodore 64 computer (cost less than \$200.00). "I've had that computer since I was in college. It's amazing what it can do." Phil says. That computer is also the "heart" of his stations co-op program. He buys an S.R.D.S. Co-op Directory (published every 6 months at Wilmette, IL - cost \$300.00 per year). "Initially I took all the appropriate co-op plans, divided them into business categories, and put them into the computer. I make a co-op file for each customer to keep track of his expenditures and opportunities. Working on getting businesses to use their co-op has been a major part of our sales success."

Phil claims his station was slightly profitable by the end of his first month of operation. By now, it has done well enough to allow him to hire a second operations person and a half-time employee to work with him in sales.

In Phil's view, "You have to run a small market station "trim." But, you have to sound professional. People can hear 'good radio' everywhere. Your listeners won't invest their time - your customers won't invest their money on a station that doesn't do a professional job."

#### THE LAST WORD

A good quote from my friend Ray David, KLTC/KRRB, Dickinson, North Dakota: "There are a lot of good ideas around, but, they won't work, unless you do."

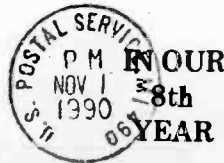
SMALL MARKET RADIC NEWSLETTER, (Inc.) IS PUBLISHED WEEKLY AND MAILED FIRST CLASS TO SUBSCRIBERS IN 50 STATES, POSSESSIONS, AND CANADA. SUBSCRIPTION: 52 WEEKS \$109.00' 26 WEEKS:

\$57.00; 13 WEEKS \$33.00. ADDRESS: 275 19th STREET, OTSEGO, MICHIGAN - 49078 - PHONE: (616) 694 9357 - FAX: 616 692 6789



275 19th Street - Otsego, Michigan 49078 - (616) 694-9357 - FAX: (616) 692-6789

**S**mall  
**M**arket  
**R**adio  
**N**ewsletter  
Inc.



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Barbara J. Doll - Circulation

VOLUME VIII - Issue #23 - November 1, 1990

**N.A.B. HAS COME OUT IN FULL SUPPORT** of the F.C.C. plan to return to pre-1982 rule limiting "pay offs" to withdrawing applicants for new stations to "actual and prudent" expenses. The association's legal department filed formal comments on October 25.

**R.A.B. WILL SPEND \$450,000.00** on a marketing plan designed to expand radio's share of total advertising. The effort will extol radio's efficiencies over newspaper and be aimed particularly at the auto industry. The Richards Group (Motel 6's agency) will design radio, print, and direct mail ads. There will also be radio industry awards including cash prizes (\$1,000.00 to \$5,000.00).

**JASON JENNINGS BACK WITH ADVENTURES INTERNATIONAL** - They sold the rights to a firm called MegaMedia in 1987. MegaMedia since "folded" leaving behind some un-fulfilled station contracts. Jason was out of the country early this week, but an Adventures International spokesperson told SMRNewsletter, "He'll be back soon. We'll be glad to answer any questions." Address: 70 Gold Street, San Francisco, CA - 94133 -- phone: (415) 864 2244).

**INDIANA ZAP NEWS** - After going into New York, California, Ohio, and Michigan, the service has gone into its 5th state in less than 6 months. Jim Hood, a former U.P.I. and A.P. executive heads the Zap service, delivered via FAX. In making the Indiana announcement, he also announced, a price decrease in ZAP's basic service. Info: 800 525 2175.

**COUNTRY RADIO SEMINAR REGISTRATION FORMS** will be mailed out late this month. Dates this year: March 6 through 9. Information: (616) 327 4487.

**RAY LOWY**, formerly of FM-100 (Bonneville) and Kalamusic, radio program syndicator is now National Sales Manager of R.P.M., headquarters in Orchard Lake, Michigan, according to a profile in "Chicago Advertising and Media." Lowy also operates a Chicago-area ad agency. One of his clients, a warehouse retailer, told the publication of the success he's had with Lowy created radio and TV ads which put the warehouses's customers on the air telling of the savings they've made there.

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

At the F. C. C. ....

NEW STATIONS (Granted):

ARIZONA (Holbrook) Navajo Broadcasting Co. 92.1 3 kW 328'  
FLORIDA (Marianna) Jackson Radio, Ltd. 93.3 3 kW 328'  
KENTUCKY (Paris) AM Somerset Edu. Br. Found. 1440 1kW D  
An appeal of the license revokation of the former WRPZ  
was denied to Mega Bdcst. The station had been silent  
without permission for several years.  
MINNESOTA (Granite Falls) John Linder 93.9 3 kW 328'  
NORTH CAROLINA (Rose Hill) Dublin Co. Broadcasters 104.7  
3kw 256'  
TENNESSEE (Jellico) Fate McAnally 102.7 3 kW 328'

AMENDMENTS TO THE FM TABLE (Amended):

ARIZONA (Lake Village) 103.1 A as 2nd. W.: 12-4/1-3-'91  
CALIFORNIA (Susanville) W.: 12-11/1-10-'91  
FLORIDA (Century) 105.1 C3 for A. M.: W K G T.  
GEORGIA (Americus) 94.7 C3 for 94.3 A. M.: W D E C.  
HAWAII (Kekaha) 103.3 C1 for A. M.: K A U I.  
VIRGINIA (Chase City) 99.9 C3 for A. M.: C. P.  
(Coeburn) 99.7 C3 for A. M.: W Z Q K C.P.

(Proposed):

ALASKA (Nome) 96.1 A as 2nd.  
ARKANSAS (Van Buren) 102.7 C2 for 102.3 A. M.: K L S Z.  
CALIFORNIA (Morro Bay) 94.1 A as 2nd.  
FLORIDA (Key Largo) 103.9 C2 for A. M.: W V B H.  
(Watertown) 102.1 C3 for A. M.: W Q L C C.P.  
GEORGIA (Warrenton) 103.9 C3 for A.  
IOWA (Winterset) 93.1 C3 for A. M.: C. P.  
KANSAS (Clearwater) 98.7 A as 1st.  
KENTUCKY (Bowling Green) 96.7 C3 for A. M.: W C B Z.  
MINNESOTA (Coleraine) 96.1 C1 as 1st.  
NEVADA (Gardnerville - Minden) 99.1 C3 for 99.3 A. M.: K G V M.  
NEW MEXICO (Clovis) 102.3 C3 as 5th.  
(Taos) 99.9 C for C2. M.: C. P.  
OREGON (Banks) 107.5 C3 for A. M.: C.P.  
WISCONSIN (Bloomer) 95.1 C3 for A. M. C.P.  
(Chippewa Falls) 99.9 C3 as 2nd.

INVOLUNTARY TRANSFERS:

CALIFORNIA (Arcata) K X G O (FM C) to Randolph George,  
Receiver, (901012 HW)  
CALIFORNIA (Livingston) K N T O (FM A) to All American  
Broadcasting, Inc., Debtor in Possession, 2859 Geer  
Road, Suite A, Turlock, CA - 95380 (901015HV)  
TEXAS (El Paso) K V I V (AM - Class IV) to Bruce Crow,  
Receiver, 6006 N. Mesa, El Paso, TX - 79912 (901012EE)

MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

How big is Christmas? Unistar's 10-22 affiliate letter quoted U.S. Department of Commerce figures which show that between November 15 and December 31:

1/3 of the year's jewelry store sales will be done in these 45 days.

The same 45 days will account for about 1 in 4 dollars of the year's sales for the following retail businesses:

Book Stores (24%)	Mens Wear Stores (26%)
Consumer Electronics(24%)	Music Stores (24%)
Department Stores (27%)	Womens Wear Stores (24%)

The 45 day period will account for 1 in 5 dollars of the year's business at the following:

Appliance Stores (21%)	Florists (20%)
Camera Stores (22%)	Life Insurance (20%)
Carpet Stores (18%)	Shoe Stores (20%)
Drug Stores (20%)	Sporting Goods Stores(20%)
Fabric/Sewing (20%)	Tire Dealers (20%)

40% of women and 31% of men will complete their Christmas shopping by mid-December (60% and 69% respectively won't), according to Roper Research in "American Demographics."

The same research says that "Half of all Americans begin their holiday shopping with a budget in mind, only 1/4 actually stay within their budget."

1 in 4 shoppers under 30 will be shopping on Christmas eve. Several of our SMRNewsletter subscribers had good luck selling "Santa's Trip to (TOWN)" last year. The custom made 36 30 second reports are designed to be run the 3 days before Christmas. Price this year: \$39.95. Information: VOICE BANK, (616) 323 3467.

Almost any retailer should be on the air between Christmas and New Years. There's a lot of money given for Christmas. Unbelievably, the Roper Research says, "1 in every 5 Americans bought their first present for Christmas 1990 before the 1989 Christmas decorations came down."

This year's mailing deadlines from the U.S. Post Office:

- 11-16 - air mail to Middle East, Far East, and Southeast Asia.
- 12-1 - Air mail to Europe.
- 12-8 - Air Mail to Alaska and Hawaii.
- 12-12 - Parcel Post within the continental U. S.
- 12-19 - First Class within the Continental U.S.

\$ale\$ - The Telephone/30 Seconds or Less .....

Business people are, by definition busy. Often they don't have time to take or return telephone calls, especially when they know the caller takes forever to get to the point. Getting your point across in 30 seconds can change all that. When your business contacts learn you're always concise, they'll speak to you or return your calls promptly.

Whether the purpose of the call is to sell something, ask for an appointment, or ask for information, know your objective, your listener, and your approach before you make the call. Then, capture his/her attention with a provocative hook, explain your subject concisely, and then ask for what you want. A telephone call is meant to save time and an effective 30-second message is the best way to ensure that you won't waste your listener's time or your own.

To find your "hook", answer the following questions:

What is the most unusual part of your subject?  
Can you reduce it to one sentence?

What's the most interesting and exciting part of  
your subject? Can you reduce it to one sentence?

What's the most dramatic part? Can you reduce it to  
one sentence?

The sentences you come up with are the candidates for your "hook." Now check them against the following:

Does the hook lead to your objective?

Does the hook relate to your listener?

Does the hook relate to your approach?

Will the hook excite or interest your listener?

Can the hook be the first sentence in your 30-  
second message?

Which ever candidate best fulfills the requirements of these questions is your hook- almost.

Your last step is to determine if your hook serves better as a statement or a question. Test it by using it both ways. Either is acceptable, but generally a question is best because it's double-barreled. A "hook" is intended to get attention, and listeners usually pay attention when someone asks them a question.

Milo O. Frank

"How to Get Your Point

Across In 30 Seconds -

- 4 - Or Less" (Simon and Schuster)

## THANKSGIVING GREETINGS

During this Thanksgiving season, it is a pleasure for \_\_\_\_\_ to pause and express their sincere appreciation for your friendship and goodwill. \_\_\_\_\_ thanks you for the pleasant association they truly value.

During this Thanksgiving season, \_\_\_\_\_ wants you to know they are grateful for your trust and friendship. Thank you! \_\_\_\_\_ hopes they will continue to merit your confidence in the future.

\_\_\_\_\_ wishes you a warm and happy Thanksgiving. It is the hope of \_\_\_\_\_ that you and those you love enjoy a bountiful harvest of all of the good things of life. Happy Thanksgiving!

At this Thanksgiving season, it is a pleasure for \_\_\_\_\_ to extend their sincerest thanks for your friendship and patronage. \_\_\_\_\_ hopes that your Thanksgiving will be bountiful and that the coming Christmas season will be full of many blessings.

At this time of Thanksgiving, \_\_\_\_\_ counts among their many blessings your friendship and goodwill. \_\_\_\_\_ sincerely appreciates your confidence and sincerely wishes you and yours a Happy Thanksgiving.

May you and those you love have a happy, bountiful Thanksgiving. That is the sincere wish of \_\_\_\_\_. It is a real pleasure to serve you at \_\_\_\_\_ and to extend their best wishes during this special season.

\_\_\_\_\_ sincerely hopes that you and your loved ones are blessed with a most happy Thanksgiving season. And, \_\_\_\_\_ is pleased to have this opportunity to thank you for your continued friendship and patronage.

\_\_\_\_\_ believes we all have much for which to be thankful. Each one of us has been richly blessed. \_\_\_\_\_ hopes that your Thanksgiving will be a happy one - and a real day of Thanksgiving.

\_\_\_\_\_ hopes you'll join them in giving thanks for friends, family and other blessings. Thanksgiving is a happy and festive holiday. Enjoy it. But, don't forget the real meaning of the day. Give thanks. Best wishes for the best Thanksgiving ever from \_\_\_\_\_.

At this Thanksgiving time, \_\_\_\_\_ hopes that you and your loved ones are enjoying a bountiful harvest and all the good things of life. \_\_\_\_\_ thanks you for your continued friendship and patronage.

## About Remotes on a Satellite Programmed Station .....

Don't be intimidated by the idea of doing remotes while your station is "on the bird" Here are some pointers to execute remotes with ease:

An essential piece of equipment for the person doing the remote is a stopwatch. The key to a successful remote interface is exact timing. As long as the live remote cut-in fills exactly within the allotted time, it simply and smoothly replaces recorded commercials in the stopset.

For added assurance, you may wish to produce a donut with the remote "open" and "close" and a window for the live cut-in. Music up and under to the close may help signal the person at the remote that his/her time is up.

Develop a Remote Information Form that the salesperson fills out when ordering a remote. Copies go to traffic, the person in charge of engineering, and the person who'll be doing the broadcast. Include the name and address of the client as it is to be given on the air, key copy points/sale items, other background information that will help the person doing the remote to be prepared. DOES HE/SHE KNOW WHAT THE REMOTE IS MEANT TO ACCOMPLISH?

The salesperson should be required to be at the remote location before air time to introduce the person doing the remote to the client and to go over last minute instruction and copy points. That's more than good PR, it's insurance that you'll have a good remote and happy customer.

(Unistar Client Letter)

## About Running the Business - 10 Success Secrets .....

1. Never underestimate the importance of money.
2. Never overestimate the value of money.
3. You can never have too many friends in business.
4. Don't be afraid to say, "I don't know."
5. Speak less.
6. Keep your promises, the big ones and the little ones.
7. Every transaction has a life of its own.
8. Commit yourself to quality from day one.
9. Be nice to people.
10. Don't hog the credit.

Mark McCormick's "Success  
Secrets" newsletter

## Finding Sales People .....

1. 1/3 of all existing sales people, no matter what the industry, are not true sales personalities. Some are technicians who sell by presenting the package and expecting it to sell itself. Some are public relations people who cannot "ask for the order." Some are non-performers for other behavioral reasons. Remember, a marginal performer for another sales organization will likely be a marginal performer for you.

2. Beware of sales records and earnings for sales personnel.

- A. They may have inherited a large book of business.
- B. They may have been fortunate to be in an order-taking role, which generated commissions far in excess of the effort expended.
- C. They may have sold prepackaged products for which there was little competition.
- D. They may have sold a technically superior product which monopolized the industry.
- E. They may have sold a new, innovative product which now requires a hard close because of the entry of a competitor in the market.
- F. They may have been a native of a rural area where everyone bought from them because of a bias against outsiders.
- G. They may have had a rich relative.

3. Avoid soft close/order taking sales such as retail, newspaper advertising, etc. Only consider the #1 salesperson in these areas. It is appropriate to ask a clerk at the local Sears or Penney's, "who is their best salesperson." Find them, observe the individual's selling style, then approach them if they appear to aggressively ask for the order. In a soft close environment the salary and commission are generally low. The true salesperson will be interested in listening to you.

4. Look toward products which require persuasive skills ability to create a need. Since the majority of successful radio sales people are aggressive, persuasive people, the radio manager should look for them. Examples: Door to door sales, cosmetics, home party products, advertising, autos/boats/RVs, fund raising, etc. If the product is a big ticket item (real estate, upper scale autos, boats, etc.), the true sales person likely makes too much to be interested in your opportunity, unless economic conditions have caused the market to dry up. However, remember good sales people do not have bad markets - they just work harder.

5. Look for the person who goes out of his way to sell you additional products or to meet his goals. Salespeople who attempt to sell you additional products without being trained to suggestive sell may be sales-oriented. When they suggest additional products, ask them if they are required to offer you additional products or services by management.

If the answer is "No, I'm just trying to beat my sales last week," you may be talking to a salesperson.

6. True sales people often gravitate to environments where winning is important. Coaching (high school football, little league baseball, etc.) is often a magnet for competitive people.

7. An athlete is not necessarily competitive. Many people assume that participants in athletics are competitive individuals. Many are not. Some participate for the opportunity to interact with others, some for the team and some are simply athletically gifted.

About potential radio sales hires, Omnai says, "Most top producing sales personalities have a very competitive nature strong social/people skills, a need for change/variety or fast-paced environment and an ability to work with minimal supervision. The top producers have a much greater need to win than be liked."

#### THE LAST WORD

Finding good sales people now, as always, is the most challenging task in managing a radio station. We hope this article will be helpful.

The article was provided by the Omnai Group, based in Tampa, Florida. They do psychological testing for a variety of industries. Their clients include over 100 radio stations. They started serving the radio industry a year and a half ago.

The Omnai Profile takes a candidate about 15 minutes. If the test results are FAXed, station management receives the results of the test by return-FAX within 24 hours. The cost per test is \$75.00. Information and a helpful packet of materials can be had by calling Dale P. Smrekar at (813) 286 4115.

Testing of this nature is relatively new to the broadcasting business, but, from our experience it is a very valuable tool in the screening process. We have come into contact with Omnai Profiles at several stations who have used our consulting service. The use of this type test has greatly improved management's hiring success at these stations.

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**S**mall  
**M**arket  
**R**adio  
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AZ 85539

Bob Doll - Publisher and Editor  
Barbara J. Doll - Circulation

VOLUME VIII - Issue #24 - November 8, 1990

**N.A.B. DUES STRUCTURE UNDER REVIEW** - Presently, the amount of dues is paid on the "Honor system" based on what stations say their gross is. Under consideration is a formula based on size of market, class of station, number of stations in market.

**N.A.B. MANAGER "ROUNDTABLES" MAY BE DISCONTINUED.** N.A.B. staff told recent small/medium market committee meeting that they are not a profit making venture and "it is a struggle to get a favorable turnout."

**N.A.B. LEGAL** will prepare a "bill stuffer," written in "layman's language" to advise merchants, who play the radio in their stores and offices, how to deal with what Small Market Committee member Paul Hedberg calls "ASCAP/BMI coercive methods."

**SMALL MARKET - WHAT IS IT?** N.A.B. Vice President Rick Ducey is "attempting to define 'small' and 'medium' markets," an association release says. The S.R.D.S. Small Market Station Rate Book for 25 years has classified stations licensed to cities of 25,000 and under as "small market stations."

**GOOD NEIGHBORING** - N.A.B. Small Market Committee Chairman Jerry Papenfuss co-chaired the small market idea exchange at the recent Canadian Association of Broadcasters annual convention in Edmonton, B.C. The Canadians devote an entire day to programs targeted to small market operators.

**FM DROP INS** often originate in the offices of consulting engineers looking to "build fees". Example: this month, E. Harold Munn's client letter advises readers that his firm has unearthed 7 FM opportunities in Kentucky. Typical "finds:" Monticello (5,671) already has an AM and 2 FMs, Stanton (2,614) has separately owned AM and FM stations.

**FOR SALE** - 13th edition "FM ATLAS" lists/maps 6,750 FM stations, translators, boosters U.S., Canada, Mexico (192 pages) \$12.00 to Bruce Elving, Box 24, Adolph, Minnesota - 55701. . . . . The complete set of Jason Jennings sales training videos, "The Retail Radio Sales System" at \$595.00. Complete information: Harvey B. Borlaug, AdVentures International - 1 800 541 0505.

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

275 19th Street - Otsego, Michigan 49078 - (616) 694-9357 - FAX: (616) 692-6789

At the F.C.C. ....

NEW STATIONS (Granted):

CALIFORNIA (Quincy) John La Rue 100.3 3 kW 328'  
ILLINOIS (Spring Valley) Illinois Valley Radio 103.3 3kW 328'  
MASSACHUSETTS (Northampton) Cutter B'c'g. 106.3 3 kW 300'  
MICHIGAN (Bridgman) MC Broadcasting 97.5 3 kW 328'

AMENDMENTS TO THE FM TABLE (Amended):

FLORIDA (Lafayette) 99.9 C2 for A. M.: W H K X.  
GEORGIA (Clarkesville) 102.9 C3 for A. M.: W M J E.  
KENTUCKY (Beattyville) 102.1 A from 102.3 A. M.: W L J C.  
LOUISIANA (Boyce) 102.3 C3 for A. M.: K B C E.  
(Breux Bridge) 96.5 C3 for A. M.: C. P.  
NORTH CAROLINA (Morehead City) 96.3 C1 for C2. M.: W R H T.  
(Wanchese) 95.3 C3 for A. M.: W O B R.  
NORTH DAKOTA (Valley City) 101.1 C1 for 100.9 A. M.: K O V C.  
OHIO (Geneva) 104.7 A for 104.9 A. M.: W D O N.  
(Piketon) 100.1 A as 1st. W.: 12-18/1-17-'91.  
OREGON (Newport) 92.7 C3 as 2nd. W.: 12-18/1-17-'91.  
PENNSYLVANIA (Edinboro) 97.9 B1 for A. M.: W X T A.  
SOUTH CAROLINA (Barnwell) 101.7 C3 for A. M.: W B A W-FM.  
(Marion) 100.5 C3 for A. M.: W Q T I C. P.  
(Pawley's Island) 98.5 A as 1st. W.: 12-7/1-7-'91  
VERMONT (Canaan) 94.1 C3 for A. M.: W K N W C.P.  
VIRGINIA (Lynchburg) 101.7 C3 for A. M.: W X Y U.

(Proposed):

ALABAMA (Cordova) 100.7 C3 for 95.3 A. M.: W F F N.  
(Holly Pond) 99.9 A for 95.5 A.  
(Warrior) 95.3 A for 100.7 A.  
ARKANSAS (Maumell) 94.9 C. Change city/license from Pine Bluff.  
GEORGIA (Dawson) 107.7 A for 92.1 A. M.: W A Z E.  
(Sasser) 107.7 C3 as 1st.  
MISSISSIPPI (Baldwyn) 92.5 A for 95.9 A. M.: W E S E.  
MISSOURI (Asbury) 103.5 A. as 1st.  
NEW HAMPSHIRE (Woodsville) 97.7 A as 1st.  
NEW YORK (Fort Ann) 98.5 A as 1st.  
NORTH CAROLINA (Edenton) 102.5 C2 for 102.3 A. M.: W Z B O.  
(Scotland Neck) 98.5 A for 102.7 A. M. WWRT C.P.  
OKLAHOMA (Altus) 107.9 C2 for A. M.: K E Y B C. P.  
(Tishomingo) 99.7 C3 for 106.3 A. M.: K T S H C.P.  
WISCONSIN (WISCONSIN DELLS) 106.9 A for 107.1 A. M.: W N N O

INVOLUNTARY TRANSFERS:

ARKANSAS (Dardanelle) K C A B (AM-5 kW D) K W K K (FM A) to  
Richard L. Smith Trustee, Box 3644, Little Rock, AR -  
72203 (901024EA/H0)  
COLORADO (Loveland) K L O V (AM 1 kW D) to Ross J. Wabeke,  
Chapter 11 Trustee, 325 E. 7th St., Loveland, CO - 80537  
(901003ED)  
MASSACHUSETTS (Chatham) W F C C (FM A) to First Class  
Communications, Debtor in Possession, 1457 Main St., W.  
Chatham, MA - 02669 (901024HC)  
NEVADA (Sun Valley) K H I T (AM - 5 kW D) to Media Venture  
Management, 1700 Montgomery St., Suite 322, San Francisco  
CA - 94111 (901018EA).

SILENT \_ K R G O (AM), Fowler (Fresno) California, according  
to the "M Street Journal". - 2 -

MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

"SHOP AT HOME" - For the Christmas season, W X K O, Pana, Illinois, has sold a Christmas program to town merchants aimed at stemming the flow of "out shopping." People register at participating stores. Drawings are being held periodically. Winners get \$200.00 cash, and additionally, they are encouraged to save their receipts from the participating stores. The station will redeem those receipts up to \$200.00 as a bonus - winners "double" their winnings by shopping locally. If you decide to run something like this, better check to see if it is legal in your state and locality.

"FAVORITE COACH" - Patrons at McDonald's in Bluffton, Indiana, can vote for their favorite area coach in a contest being sponsored by the local radio station, W N U Y. Ballots, listing the area coaches, are printed with a ballot box at the restaurant.

"SHOPPING CENTER CHRISTMAS PROMOTION", Bill Sanders at K I C D, decorated and "Marti" equipped a golf cart. The cart is used for early evening remotes direct from each of the stores in a local shopping complex. The broadcasts start the Friday after Thanksgiving and run through December 23.

About Selling - A Tip .....

Wandell Allegood, K S L O/K O G M, Opelousas, Louisiana, sent along this:

"Keep in mind that not one person you are going to call on today wants to buy any advertising - not from you, the newspaper or TV - not so much as a single handbill."

"What they really want to do is sell something."

"Solve that problem for them and you have solved your problem as well."

About Christmas - The Big Gift Givers .....

48.1% of adults 18+ give 10 or more gifts. 34.6% of heavy gift givers are men, 57.8% women. By age group:  
18 - 29 = 49.5% 30-39 = 57.1% 40-49 = 58.0%  
50 - 59 = 35.5% 60 + = 46.7%

93.7% of all adults (18+) will give 1 or more gifts.

(Harvard Business School  
Research)

\$ale\$ - "The 17 Minute Call" ...

Addressing the challenge of the in-person sales call, Tom Hopkins, a Scottsdale, Arizona-based sales trainer, says, "Seventeen minutes are all you've got. After 17 minutes people start to lose interest. Boredom sets in; they remember other things they could or should be doing; they start losing their attention, you start losing your chance to make a sale."

To prevent boredom from setting in, Hopkins, author of "How to Master the Art of Selling," (Berkeley), suggests using visual aids. These not only hold people's attention, but also let you present more information in less time. Visual aids tell prospects who you and your business are, what you've done and what you're going to do for them.

As your meeting progresses, Hopkins says, try to bypass the customer's objections until the end of your presentation, if possible. This serves two purposes. First, it prevents arguments; second, the customer often forgets his or her objections by the end of the presentation.

Prepare for the call by anticipating the customer's objections and planning how you will overcome them. "Write a brief outline spotlighting what you already know about your prospect," Hopkins says. Tailor your offer to the customer's situation and needs, and be ready to back up your story with features and benefits.

Start each presentation with your best and most persuasive point, Hopkins adds. Conclude with your next-best point. If the customer insists you answer his or her objections before the end of your presentation, use those objections as a stepping stone to the sale. After all, objections indicate the customer is involved with and interested in your presentation.

Ask simple, open-ended questions based on the customer's objections. These questions should eventually lead you to more complex, "high gain" questions that allow you to evaluate and analyze the customer's needs. High-gain questions give a salesperson the opportunity to promote the exclusive feature or angle that makes your offer stand out.

Hopkins cites "discipline" as the "fountain of greatness." Having the self-command to do unpleasant tasks such as cold calling - even when you don't feel like it - makes the difference between a stellar and an average salesperson.

"Entrepreneur" 10-'90

## For Your Customers .....

There's no secret to holiday sales that attract customers and move merchandise, says "Retail Results", a retailing newsletter. Just follow these simple rules:

Tell your employees what's on sale. Informed salespeople are better able to work a sale because they can emphasize to customers what a good value the item is by comparing the sale price to the regular price.

Point out complimentary items that can be added on to sale items for additional purchases by customers.

Tell employees why the particular items are on sale (use the reason in advertising too). Are you overstocked? Is the expiration date nearing? Did you get a good deal on volume purchases? Are you trying to win a contest? Or have the sale items simply been on the shelf too long?

When employees know why an item's price is reduced, they get a sense of your objectives and can help you meet them.

Today's customers are bargain hunters. Reduce merchandise at least 25% to cinch sales.

Strategically place sale items. Make sure they are where they can be seen and located, but, don't overpower new merchandise being promoted.

## About Your Customers - Some Surprises .....

"Progressive Grocer" reported recently that last year, for the 2nd year in a row, independent grocers posted better overall sales gains than chains - sharply reversing their performance of the early 1980s. Chains registered a 5.9% gain, independents a 7.9% gain.

Among drug stores, chains average \$2-million per store vs. \$740,000.00 for the average independent drug store, but, although independents account for 63% of the industry's sales, the independents fill more prescriptions (680-million vs. 646-million)----- independents do 51+% of the prescription business, according to an article in "Ad Week/Marketing Week."

An official of McKesson Drug Company (Valu Rite) told the magazine, "While buying and marketing power of our program is important, it is the image of service that best characterizes the successful independent drug store."

## Management - The 3 Rs of Goal Setting .....

Whatever goals you have in mind, remember that all must pass the "3 Rs" test. The goals must be realistic, relevant to the business's goals, and they must relate to the individual salesperson.

Realistic - Most people aren't turned on by goals that call for undue effort or risk. On the contrary, they can be demotivated by the prospect of working inordinately hard for goals they're unlikely to reach. Therefore, targets for improvements and increases must stretch your salespeople but not break their morale.

Ironically, when you negotiate goals with your salespeople, you'll sometimes find that they're excessively optimistic about what they can achieve. You may be pleased when an enthusiastic subordinate proclaims that he wants to increase his monthly sales volume by 50%, but the truth is, that's not likely. It's your job to suggest something more realistic, like, "Why don't we aim for 20% for now? When you reach that, we'll set something higher."

Relevant - The goals you set for your salespeople should make an obvious contribution to the overall operation. Remember that goals should not only be realistic, they should also show why the role your salespeople play is important to the business as a whole. To keep goals relevant, be prepared to explain why your staff is important to your goals, as well as why the goals are important to your staff.

Relate to the person. To know what turns on your salespeople personally, you need to know them well. Perhaps they all seek different rewards from their work. One person, for instance, may seek the esteem of others by being the top producer every month, while another may be driven by the need to become more skilled in his or her job and thus be able to handle more and more challenging tasks. Some strive for money, true, but many also work for sheer personal satisfaction, variety, fun, and personal advancement. One salesperson may relish a training task because it calls for and displays expertise. Another might become excited by the special assignment to plan and launch a campaign to land a hard to get, big account that no one has ever succeeded in getting. The more you correlate individual and organizational interests in goals, the more commitment you can expect.

Monitor closely. If the goals turn out to be too easy, goals may need to be raised a bit to provide a continuing challenge. Or, if the goals turn out to be unrealistic, they may have to be scaled back. But, at the end of the goal period, when goals haven't been met, don't be too forgiving. If you believed that the goal was realistic, missing isn't okay. Why wasn't it reached? Analyzing failures can be a vital learning experience for both you and your salespeople.

Thomas L. Quick in

"Remarkable" .....

"The Last Word" in SMRNewsletter, April 28, 1988, read "Mr. and Mrs. Mike Robinson signed their radio station at Pana, Illinois off the air last week. They were good people and good experienced broadcasters. They were the third ownership of the property in little over 10 years of its life. The future of the Class A FM in the town of 5,040 is in question at this time."

"The town is not a county seat. Much of its limited sales are being done by the local Wal Mart Store - a non radio user. The station had to look for its revenue from surrounding communities - each with its own radio station."

"To say of the Robinsons and the two other former ownerships, who have all lost money, 'They should have known better,' is really not fair. Broadcasters, as a lot, are optimists. That's what makes them successful - or as in the case of Pana, unsuccessful. We wonder how many of the huckstering lawyers and consultants are telling their prospects about Pana and the 3 other stations which went off the air last week."

Guess what? The Pana station was back on the air the following January 1 with a new set of call letters (W X K O) and a new owner - its 4th, a small market group operator, who headquarters in Swainsboro, Georgia - Lamar Studstill.

As Studstill tells it, "My son Lee, who runs our stations at Mendota in Northern Illinois (W G L C AM/FM) called to tell me there was a 'dark' Class A FM, complete with 2 story 'Main Street' building for sale at just \$150,000.00. If you're close enough to look after it, let's see if we can buy it."

At the closing, Studstill describes himself as, "concerned." "Like many small towns, Pana looked liked it had passed its best days. It's an old coal town."

Even though Lee had been at Mendota for only 6 months, he had, his father says, "Put together a good staff. That made it possible for him and his wife to give the Pana station some "tender, loving care."

Lee's wife set about re-decorating the station's second floor apartment and its store front studios. "She made it look like a going business." Lee, meanwhile set about putting together a small, but dedicated staff. They hired a recent college graduate who's experience was limited to about 6 months as local news/public affairs director for a small station in an adjoining county. The young man, Jeff Denton, brought his wife Dena with him. She was installed as bookkeeper/announcer. "Jeff and Dena were young, but, made up for their lack of experience in hard work and enthusiasm. They lived in the apartment over the station."

With Jeff and Dena handling things "inside," with "just a little part-time help," Lee hired two young local women to handle the station's sales. One was working with a station in another town. "She'd been with the 'failed' ownerships and felt that the community really wanted a station. They had missed it." She gave up her job to come back to Pana. The other young woman was a checker at a local supermarket. "Lee felt with a minimal amount of training and coaching, she'd be able to do a good job. She has," Lamar says.

W X K O is on Satellite Music Network's "Country Coast to Coast," but its morning and afternoon shows are done locally. Network "windows" are filled with local information. The station carries a heavy schedule of local sports done by a long-time city official. In Lamar's words, "A local person not only knows the game and the players, he knows their relatives and the fans. He can fill the broadcasts with local names. That's great local programming."

Although Lamar doesn't want the salespeople in his station's to "pull board shifts," he encourages them to do "bits" on the morning show. "Their being on the air gives them an extra entree into businesses when they're making their rounds. They're in the best position to 'name drop,' - to make the customers part of the station."

At the end of its first year, the station collected what Studstill had paid for it, paid its bills and serviced its debt, "with a little left over." It has done even better in 1990.

The Dentons left this fall so that Jeff could do graduate work. Studstill sold a video store business to allow a younger son, Cole and his wife to take over at Pana. "They're doing a great job and Loving every minute of it," Lamar says.

Lamar Studstill served in a variety of small market jobs from 1955 to 1971. He left radio to go into education: teaching, coaching, and finally a principalship. He bought his first station in 1982, because "My son Lee was interested in radio." He since has bought 4 operations, selling 1 of them recently to a longtime employee (a non family member). Studstill says, "We're not smooth or slick. We work hard and like the movie title, try to do 'The Right Thing.'"

#### THE LAST WORD

Spreading bad news is one of the unpleasant, but I think necessary, tasks of writing this newsletter each week. But, sharing a story like this one, makes up for it. Yes, there is some good news out there.

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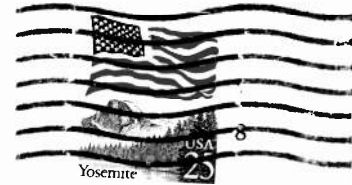
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VOLUME VIII - Issue #25 - November 15, 1990

**THOSE FM "MOVE INS"** to small communities near Atlanta, Columbus, Houston, Richmond, and Sacramento will face "rough going" in light of the Commission's policy announced on Thursday, November 8. In cases where a licensee seeks to change his "city of license" one of the criteria to be met is spelled out in a 30+ year old "Huntington Rule:" is the proposed community a real community or merely an environ of the larger city. Is it really a first service to a new community or merely another service to the larger community?

**TRANSLATORS WILL BE AUTHORIZED** heretofore to serve the purpose for which they were created in 1970: 1.) to "fill in blank spots" within a station's congruent contours and where no full-time aural service is available ("white" areas). The Commission turned aside proposals that would have allowed translators to originate programming, that would have allowed AM stations to establish FM translators, and would have allowed translators to operate with powers over 250 watts E.R.P. Existing translators, operating outside the Commission's new rules, will be "grandfathered" for 3 years. Waiver requests will be entertained at that time. Stations carried on translators may not own the translator if it's outside the station's protected contour nor may it lend any financial support beyond technical assistance.

**U. P. I.???** The real possibility is that it won't be operating when you read this. The wire service has asked union employees to take a 35% pay cut and has asked its subscribers to volunteer a 9% rate increase for 90 days. Neither look promising at SMRNewsletter press-time. Estimates are that U.P.I. has less than 700 radio-TV clients.

**SYNDICATED FORMATS** on compact disc (C.D.) Bonneville put their formats on C.D. 2 years ago. Broadcast Programming, Inc. went with C.Ds. on a station in Little Rock, Arkansas and v.p. John Sherman says, "All of our major formats will be available on compact disc by the first of the year. R.P.M. expects to be on C.D. around the same time.

**R.A.B. APPOINTMENTS** - Mike Mahone from WQXK/WSOM, Salem, Ohio and Glenn Schiller, KALO, Beaumont, TX to marketing v.ps. Midwest and Southwest respectively.

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

At the F. C. C. ....

NEW STATIONS (Granted):

MISSOURI (Poplar Bluff) Twin Eagle Communications 103.5 50kW  
492'  
RHODE ISLAND (Block Island) Tim English 95.9 3 kW 147'

AMENDMENTS TO THE FM TABLE (Amended):

ARKANSAS (Pine Bluff) 101.3 C3 for A. M.: K P B Q.  
CALIFORNIA (Merced) 94.1 A as 5th. W.: 12-17/1-16-'91  
GEORGIA (Millen) 94.9 C3 for A. M.: W M K O C.P.  
MISSOURI (Bowling Green) 94.1 C3 for A. M.: K P C R.  
SOUTH DAKOTA (Pierre) 95.3 C2 for 92.7 A. M.: K L X S.  
WISCONSIN (LaCrosse) 106.3 C3 for 104.9A. W.: 12-21/1-21-'91

(Proposed):

ARKANSAS (Clinton) 92.1 C3 for A. M.: K H P Q.  
CALIFORNIA (Lemoore) 104.9 B1 for A Change city of license  
to Tipton. M.: K Q Y Z.  
FLORIDA (Sebring) 102.1 A.  
GEORGIA (Crawford) 102.1 C3 for A. M.: W G M G C.P.  
(Douglas) 101.5 C for C1. M.: W D M B and  
(LaCrosse) FL 101.5 A.  
IOWA (Burlington) 103.1 C3 as 3rd.  
ILLINOIS (Lincoln) 93.9 A for 100.1 A. M.: W E S Z.  
(Mattoon) 101.3 B1 for A. Change city of license to  
Neoga. M.: W M C I.  
(Taylorsville) 92.7 B1 for A. M.: W T J Y.  
(Virginia) 92.5 A. as 1st.  
MAINE (Bar Harbor) 107.7 B1 for B.  
(Searsport) 100.9 A as 1st.  
(Skowhegan) 107.9 C3 for A. M.: W H Q O C.P.  
MISSOURI (Bolivar) 105.9 C2. Change city of license to  
Nixa.  
(Campbell) 107.5 C3 for A. M.: Jack Hunt C.P.  
MONTANA (Kalispell) 106.3 A.  
NEW YORK (Saugerties) 92.9 A as 1st.  
(Port Henry) 92.1 C3 for A. M.: W M N M.  
OREGON (Cottage Grove) 102.5 A as 1st.  
(Creswell) 95.3 C3 for A.  
VERMONT (Middlebury) 89.9 (non comm.) for 91.7 (non comm.).  
M.: W R M C.

MONEY SAVING IDEAS:

Printing costs drop dramatically as quantities ordered rise.

When ordering printing, you'll save money by designing your printing so that there's no wasted paper stock. Printer's stock is generally 8-1/2 by 11, 8-1/2 by 14, and 17 by 11. Size of printed piece should be divisible into one of the stock sizes.

MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

"ROMANTIC BEGINNINGS" - W T C H/W O W N, Shawano, Wisconsin (population 7,000) will stage its 6th annual bridal show the last Sunday in January. Bruce Grassman bills the show as "Romantic Beginnings."

The show is held from 1:00 to 4:00 P. M. There are booths featuring 15 co-sponsors, 2 x 45 minute bridal fashion shows, registrations for door prizes, etc. Admission is by tickets available at sponsors places of business.

The advertiser list at \$300.00 each:

-Rental Hall	-Mens store (tux rental)	-florist
-Photographer		-bakery
-Cosmetics	-Motel (for out of town guests)	-d.j. music serv.
-Video Recording		-appliance dealer
-insurance agent	-bank	-printer
-jeweler	-travel agent	-bridal shop

Bruce says attendance last year was about 700. 70% to 80% of advertisers renew at W T C H/W O W N.

Some Facts About Weddings .....

This year there will be 26 weddings per 1,000 households. In Bruce's county of 36,500, there'll be 350+ weddings this year. "Modern Bride" magazine calls the following typical expenditures:

-invitations/announcements	\$250.	-Flowers	\$410
-Gifts-attendants	\$240	-Music(ceremony/recep	\$850
-Bride's attire	\$730	-Rings	\$2575
-Groom formal		-Attendants attire	\$500
wear rental	\$70	-Other mens formal rent	\$280
		-Reception/dinner(200)	\$6000.

"Advertising Marketing Week" (6-25-'90 said that although brides and grooms account for less than 3% of all households, they account for 21% of sales of jewelry and watches, 29% of tableware and accessories and 10% of linens and bathroom accessories. They are 2 times more likely to buy carpet or a microwave or refrigerator, 3 times as likely to buy a clothes dryer or bedroom furniture.

SPECIAL OPPORTUNITY - A 10 hour year end spectacular featuring the 100 top country songs, hosted from Nashville by Crook and Chase is available on Galaxy 1 (analog) or Satcom 1R (DATS). Program: Saturday, December 29 from 2: PM to Midnight (EST). Call: (212)916 1037 or '916 1041 for information. (Barter)

"GIFTS FROM HOME" - W M M W, Meriden, Connecticut is collecting small, non-perishable gifts for shipment to troops in the Middle East. Pickup points are florist shops in the area. Packages collected will be shipped through the Red Cross on November 26.

\$ale\$ - About Training .....

"No more sales training" is too often the reaction of some veteran salespeople. They might not realize that what they are saying is, "There is nothing more I can learn about selling," or, "I'm satisfied with my selling skill level and I don't need to improve," or "I've heard it before - it sounds good - but it won't work with my customers."

There are many reasons why some salespeople respond this way. They might have had a poor training experience or their expectations of what would happen as a result of training were unrealistic.

I believe that most of these reasons are excuses and rationalizations. Many sales people prefer the activity of calling on customers to thinking, planning, and preparation. Most of us have a natural resistance to change. Training is often perceived as, "They are going to make me change the way I sell."

Change is not comfortable. Trying a new sales idea or activity that we have not experienced before is not comfortable. Personal growth is not comfortable, but it is exciting and rewarding. Successful salespeople don't have to be told that the customer is changing. We have to be willing to change as fast, if not faster.

Highly successful salespeople enjoy what they do and they make their job fun and challenging. Successful people take action, take risks, and they are willing to change. Successful people have a positive attitude. They realize their attitude has an impact on themselves as well as other people.

Trying to get better at what they do regardless of their skill level is another common trait of successful people. At one seminar, an 81-year old 56 year veteran salesman took the most notes and made the most timely comments. "If only I could have had this seminar 10 years ago!" he said.

Steve Duea  
Personnel Power  
Mankato, MN in "Farm Store"

\$ale\$ - The 10 Best Salespeople .....

Robert Shook selected 10 salespeople from different areas of selling, from automobiles to Avon to real estate. He profiled them in his book, "Ten Greatest Salespersons." All 10 had these commonalities:

1. They love selling.
2. Each believe that servicing the customer is highly important in selling.
3. Each believes he/she is offering the finest values to the customer.
4. All place an extremely high value on listening to the customer.
5. Each places a high value on time management.
6. Each looks after small details.
7. Each works at building a special relationship with the customer.

\$1.00 OF CONSUMER SPENDABLE INCOME  
"Where It Goes"

Retail Purchases from:	%	Ave. Ad % of Sales
Auto Dealers (new & used)	8.30	.8
Auto Dealers (used only)	.35	.8
Auto & Home Supply Stores	.90	.9
Boat Dealers	.02	.8
Building Materials/Supplies	2.08	.9
Camera Shops	.15	.8
Drug Stores	1.50	1.7
Eating Places - Full Service	2.63	.8
- Fast Food	2.30	3.2
- Bars/Taverns	.37	N/A
Family Clothing Stores	.70	2.4
Florists	.37	2.1
Food Stores	9.33	1.1
- Convenience Stores	1.27	1.1
Furniture Stores	1.0	5.0
Gasoline Service Stations	3.5	.8
General Merchandise Stores	6.2	2.6
Gift / Souvenir Stores	.49	1.4
Hardware Stores	.36	1.6
Home Appliance Stores	1.7	2.3
Home Heating Oil/Coal	.94	N/A
Jewelry Stores	.65	4.4
Lawn/Garden Dealers	.19	1.6
Liquor Stores	1.23	.9
Mens Clothing Stores	.30	2.8
Mobile Home Dealers	.17	2.0
Motorcycle Dealers	.01	.8
Optical Goods Shops	.01	N/A
R.V. Dealers	.02	.8
Sewing/Piece Good Stores	.19	1.9
Shoe Stores	.50	1.9
Sporting Good Stores	.70	3.5
Toys/hobby shops	.46	1.4
Used Merchandise Stores	.28	N/A
Womens Wear Stores	1.0	2.6
Other Stores	.62	
Non Store Retailers	2.20	

TOTAL RETAIL SALES = 53.0 %

Housing	20.11
Health Care	10.70
Recreation	5.99
Religion/Welfare Contributions	2.38
Other Transportation Costs	2.23
Cleaning and Repair - Clothing	.23
Barber/Beauty Shop - Health Club	.63
Funeral Services	.23
Recreation	5.99
Personal Savings/Investment	4.40

100.00%

1.7

(Sources: U.S.  
Statistical  
Abstract and  
Sales/Marketing  
- both 1990)

## CHRISTMAS GREETINGS (I)

During this season of peace and goodwill, it is a pleasure for \_\_\_\_\_ to express their appreciation for good friends like you. In the spirit of the season, \_\_\_\_\_ wishes you every happiness during the holidays and the New Year.

During this very special holiday, \_\_\_\_\_ wants you to know that they sincerely appreciate your friendship and loyalty. \_\_\_\_\_ hopes that all of the good things will be yours during the holiday season and the new year.

During this happy, festive time of the year, it is a pleasure for \_\_\_\_\_ to pause and extend best wishes to their many friends and customers. \_\_\_\_\_ wishes you a wonderful holiday season and a happy, prosperous new year.

\_\_\_\_\_ hopes that your holidays will be filled with good times and good cheer and that the new year will bring you every joy. The seasons greetings from your friends at \_\_\_\_\_.

\_\_\_\_\_ hopes that the wonder of Christmas will fill your heart with peace, love and joy. Merry Christmas and every good wish for a Happy New Year from \_\_\_\_\_.

At this time of the year, more than ever, at \_\_\_\_\_ their thoughts turn gratefully to those who make their business possible. From \_\_\_\_\_, thank you and best wishes for a happy holiday season and a happy new year.

\_\_\_\_\_ is grateful for the special opportunity offered by the holiday season to extend gracious thanks to their many friends and customers. Seasons greetings and every good wish for happiness in the new year from \_\_\_\_\_.

At \_\_\_\_\_ it is your goodwill and loyalty that makes their progress possible. \_\_\_\_\_ says thank you and extends their seasons greetings along with every good wish for a happy new year.

Happiness and good cheer during the holiday season from \_\_\_\_\_. May that happiness and good cheer be yours throughout the new year. Best wishes from your friends at \_\_\_\_\_.

\_\_\_\_\_ hopes that your home is filled with happiness and good cheer during the holiday season. \_\_\_\_\_ sincerely hopes that this happiness and good cheer will fill the new year.

\_\_\_\_\_ sends best wishes for a joyous holiday season and and for a new year of health and happiness every day. Thanks for your friendship and patronage. Best holiday wishes from \_\_\_\_\_.

## Small Market Radio in a Recession .....

Whether or not the country is about to go into recession - or is already in one, is a matter of debate among economists - except in New England. That area's recession is a well publicized fact. By most accounts, the New England recession has been in progress for over a year. Last week, SMRNewsletter talked to a half dozen New England small market broadcasters.

The most fortunate of the 6 reported his business had been "flat" for a year, "then for some reason, we began showing monthly increase - small, but nevertheless, increases."

"When the recession talk began, I took a hard look at our operation (a standalone AM an hour's drive from Boston). I decided it was not a good time to 'shake things up.' The answer, I thought was to pursue the things we were doing well more intensely. We contemporized our music. I wanted the station to be more 'upbeat.' We stepped up our community involvement and local news and event coverage. The sales people and I increased not only the quantity of the calls - but the quality. As things got tighter people were looking a lot harder at those big 'print' bills. I think we were in the right place at the right time. We have seen an appreciable movement from print to our station by a good number of local merchants - enough to offset business closings." His is a monopoly radio market without much "outside" radio selling activity.

At the other extreme is a stand alone Class A. "Until recently there were 2 AMs and 4 FM's competing in the market of 5 small cities. "Within the last 2 years, 2 '80/90s came on and the cable systems started 'selling spots' aggressively. With 3 more 'players' in a recession hit market, our grosses have dropped about 30%, beginning in September, 1989. It is really tough."

"I remember exactly when this thing started. August, 1989 a record breaker. September, 1989, we had a horrible month. Our country music station had 12 new car dealers on regularly. By October, 1989, we had 2 on. 2 went out of business. To top things off, one of the area stations that had sold for 4 times its gross during the 'glory days', changed its format to country and came after us with a barrage of expensive programming and promotion. I changed formats the first of the year to 'classic rock.' The Birch says our audience has grown 2-½ times - but there are still two stations with more audience. In a market this size, the 'big money' gravitates to the #1 station. Everybody else scrambles, particularly in an economy like this."

Even though his billings are down by 30%, he's staying afloat thanks to "an understanding, helpful banker" and an aggressive rollback of expenses. His staff has been cut from 16 to 9. His personal sales have risen from 20%

of the gross to more than half.

Still another small market operator tells of going to a state broadcaster's convention recently where the #1 topic was "How bad business is." Just how bad, he said, "nobody was giving specific figures." He calls his own station a real challenge. "Fewer dollars out there. More people chasing them, but for our station it's not a crises. We've got the information reputation and my owners have owned the station for over 15 years. We've decreased our staff by one. When the copywriter left, we put the salespeople to work writing their own copy. Lot's of stations do that and it's working out well."

Three operators with whom we talked operate in small, fairly isolated markets. Those towns, they say, "didn't share in the miracle. We didn't experience anything like a 'boom' in the 1980s." One said, "I don't think things are really a lot different - except for the banking situation. The truth is, business activity is fueled by borrowed money. Since the banks have tightened up, inventories are leaner. There aren't many grand openings or expansions - the kind of activity on which you build increased billings. We're working what there is harder." Those 3 operators reported decreases from 6-1/2% to 9%. "If you're careful, you can live with those kinds of figures," one told us.

None of the operators we talked to had their stations for sale, so the fact that New England radio station prices, like real estate, have dropped sharply is, as one said, "an abstraction." One comment seemed to sum up the thoughts of all six, "The worst part of this is not knowing when, or even if, things are going to turn up."

#### THE LAST WORD

In a statement applauding the F.C.C.'s "Clarification Rules for New Community of License, President Ed Fritts said that "localism, not economics, should be the keystone of the allocation process." We would remind him that it's economics that make possible the localism he endorses.

The diversity and "new voices" that "80/90" activity is supposed to foster have a lot better chance of flourishing in the big markets than in small markets with their limited population and economic bases. The hard economic fact is that almost every facility that "moves in" to a major market improves the lot of the small market stations that "stay put."

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VOLUME VIII - Issue #26 - November 22, 1990

**CONSUMER CHRISTMAS SPENDING PLANS** were surveyed for "U.S.A. Today" early in November. Results were published in the 11-12 issue. They showed the following:

Households over \$50,000 income plan to spend \$1,180 (vs. \$1,390 last year); \$30,000/\$50,000 \$650 vs. \$680.00 last year; under \$30,000.00, \$463 (vs. \$459 last year).

77% of men and 72% of women say their holiday gift buying will be the same or more than last year. 25% of adults plan to spend less.

(An article in another publication, "Advertising/Marketing Week" says consumers have traditionally exceeded their "Christmas budget plans.")

Consumers are watching their dollars, hunting for bargains, and frequenting stores with reputations for low prices.

**MORE INDECENCY FINES** - The F.C.C. has fined K L O L, Houston, Texas \$6,000.00 and reportedly will fine Infiny Broadcasting \$2,000.00 to \$6,000.00 for remarks made by Howard Stern on stations in New York, Philadelphia and Washington. W F B Q, Indianapolis, and K S D has decided to pay their fines, rather than spend more money on legal defense, \$10,000 and \$2,000 respectively. Considering the size of the revenues at these stations, one trade publication equates them to "parking tickets." In truth the heavy debt these stations' owners are burdened with, makes costly legal battles unlikely "for the sake of free speech."

**CANADIAN CONCERNS** - After meeting with 80 small market Canadian broadcasters, N.A.B. Small Market Committee Chairman, Jerry Papenfuss, told SMRNewsletter, "Their concerns are much like ours in the U. S.: the need to attract, train and hold good salespeople and a larger concern about the future economic vitality of many of their small towns. He says that Canada is far ahead of the U.S. in planning for digital radio. The C.R.T.C. (F.C.C. equivalent) has already assured their broadcasters a "ground floor digital opportunity." "We have no such assurance in the U.S. Congress and the President could throw it open to other interests. A lot of radio people don't realize how quickly decisions will need to be made - and policy set."

At the F. C. C.

NEW STATIONS (Granted):

CALIFORNIA (Big Bear City) Parallel Communications 93.3 (A)  
(Essex) K R X V, Inc. 98.9 B  
CONNECTICUT (Ledyard) Ledyard Community Broadcasting 106.5 A  
INDIANA (Ligonier) Richard, Howard, and Lois Heckner 102.7 A  
KANSAS (Herington) Marie and Donald Willis 96.3 A  
NEW HAMPSHIRE (Lisbon) Profile Broadcasting 96.7 A  
NEW YORK (Bay Shore) Shore Media 103.1 A  
PENNSYLVANIA (Erie) Peninsula Broadcasting 94.7 A  
VIRGINIA (Bedford) Tri City Media 106.9 A  
WEST VIRGINIA (Barrackville) Rosemary Fantasia 93.1 A

AMENDMENTS TO THE FM TABLE (Amended):

IOWA (Mount Pleasant) 105.5 C3 for A. M.: K I L J.  
MISSOURI (Branson) 106.3 C3 for A. M.: K R Z K.  
OKLAHOMA (Woodward) 100.1 C1 for 93.5 A. M.: K W F X.

(Proposed):

CALIFORNIA (Baker) 100.1 B as 1st.  
IOWA (Sheldon) 105.3 C2 for 105.5 A. M.: K I W A  
IDAHO (Eagle) 107.9 C2 as 1st.  
MISSISSIPPI (McLain) 96.9 A as 1st.  
MINNESOTA (Jackson) 105.7 A for 105.3 A. M.: K R A Q.  
(Springfield) 94.7 A for 105.7 A. M.: K L P R.  
MISSOURI (Huntsville) 97.3 C2 for 92.5 A. M.: C. P./or/  
(Marshall) 97.5 C2.  
OREGON (Florence) 106.9 A as 1st.  
WISCONSIN (Waupun) 99.5 C2 - Change city of license to Omro.  
M.: W P K R.

INVOLUNTARY TRANSFERS:

GEORGIA (Cleveland) W G G A (FM-A) to Communications  
Marketing Service, Debtor in Possession, P.O. Box 1318,  
Gainesville, Georgia 30503 (901019HY)  
NEVADA (Reno) K I I Q (FM C) to Venture Management,  
Receiver, 1700 Montgomery St., San Francisco, CA -  
94111 (901018HZ)

MONEY SAVING IDEAS:

If you sign a term contract, immediately send a letter of "protective cancellation." That eliminates the end of the contract "slipping up" on you. And, the seller is not likely to take you for granted.

You might also ask for a guaranteed renewal at no increase in cost.

If your cash position can handle it, you might offer to pay a year in advance in return for a substantial discount.

Discounts of this kind at 15 to 20% are not uncommon.

MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

"TAX FAX" - There are a host of new rules, new deductions, new rates for 1991 income tax filers. Ken Flory expects his "Tax Fax" series to have its best year ever. The series of 50 1-minute programs sells for \$120.00 in towns of 10,00 and under (\$155.00 in town 10,001 to 25,000). Unlimited play January 1 through April 14. Information and market availability: (501) 524 4626.

"REGULAR BUSINESS" - 2 regular business ideas that bear repeating: K F W J, Lake Havasu City, Arizona, has for many years had its sign on sold to a local doughnut shop and its sign off to a local waterbed retailer.

"CAKE AUCTION" - K R F O, Owatonna, Minnesota, has for many years broadcast a cake auction one time a year on a Saturday afternoon. The cakes are donated by housewives in the county. The entire proceeds of the auction go to a county-wide youth group. It's their major annual fund raiser. The auction is broadcast from the lobby of a downtown bank. Bids are taken both in person and by phone.

About Your Customers - The Pharmacy .....

People 60 and over are about 20% of the population - but are 41% of prescription dollar volume. For people 60 to 69, the average prescriptions per person is 10-1/2 per year. Average for all of the population is 6-1/2. Over 70, the number increases to 13. And, when a senior citizen enters a pharmacy to get a prescription filled, 76% will also buy over the counter medications, 60% cosmetics and toiletries and 57% gifts and cards. (Jack Robbins, Schering Laboratories in "Supermarket News" 11-5-'90).

Award Winner .....

Clark Ratliffe, W A D E, Wadesboro, North Carolina, sold \$7,500.00 worth of advertising and came away with first prize in the North Carolina Broadcasters' small market promotion contest: Advertisers bought a schedule of 125 x 30 second radio ads to be run at Christmastime. They got free - to hold a prize drawing in their store for a giant 6 foot Christmas stocking full of toys (purchased from: Promotional Ventures, Arlington, Texas (800) 367 4110 - cost \$45.00 each). The station also provided drawing box, entry blanks, display banners and promotional announcements. Promotion was repeated again this year. 15 advertisers signed in a town of 4,119.

Sales Tip .....

Fairfield, Iowa program consultant claims, "Myriad studies show that salespeople who wear blue outsell those who wear brown."

## \$ale\$ - Three Ways to Improve Listening Skills .....

First, listen to the entire message. It requires concentration. In order to do this well, you need to listen interactively for hidden means and pay special attention at any time the customer expresses a need. For example, if your customer says your price is too high, ask why he/she feels that way. Ask him/her, what they mean by too high. If customers ask you a question about quality, find out how important this is to them. If it is one of their hot issues, you now have something to sell to your customers that will interest them.

The second part of being a good listener is to eliminate the distractions. Sales calls where you can't concentrate enough on what your customer is saying to get the hidden messages may be a waste of time. You may need to change the emotional environment in order to listen to your customer. For example, emotional outbursts from customers give you a lot of information about how they feel. As we all know, feelings are very important buying motivators. If you just listen and concentrate on what the customer is saying during their emotional time, you can learn a great deal about his needs, wants, and motivation. Here again, you need to listen for the specifics of the problem. Don't defend, and above all, don't argue with the customer. Once customer know you care enough about them and their problem, the emotional environment will probably change.

The third aspect to good listening is to keep an open mind before, during, and after your sales call. Don't put up the roadblocks to hearing the full message from the customer by assuming. Just because that customer's operation looks like it is on its last leg doesn't mean that they can't buy, use, and pay for what you have to sell. Your customer's office may look disorganized, but they may have a very organized plan for where they want their business to be in 5 years. Don't assume that you know anything about your customer until you have asked the right questions.

Listening is hard work. It means you have to be willing to prepare the sales call and maybe even rehearse that call. You can then concentrate on your customer and his or her needs. Listen interactively by asking clarifying questions. Eliminate listening distractions. Keep an open mind about what you hear.

Richard N. Plaugher in  
"Personal Selling Power"  
1-800 752 7355  
Virginia: (703) 752 7000

## CHRISTMAS GREETINGS (II)

Peace on earth - good will toward men. \_\_\_\_\_ believes this centuries old phrase says best what the Christmas season is all about. Best wishes from \_\_\_\_\_.

Good friends! Good times! The folks at \_\_\_\_\_ hope your holidays will be filled with both. They hope this will be your best holiday season ever. The season's best from \_\_\_\_\_.

The holidays are here! It's truly the best time of the year. Your friends at \_\_\_\_\_ are happy to be sharing this very special time. To you and your family, best wishes from \_\_\_\_\_.

The sound of church bells and carolers. The happy, expectant voices waiting for a visit from "Saint Nick." The warm greeting of "Merry Christmas." These are the sounds of the holiday season. \_\_\_\_\_ hopes your holiday season is filled with happy sounds and happy times. Best wishes from \_\_\_\_\_.

May peace and joy of the Christmas season be with you and remain with you throughout the new year. That's the wish of your friends at \_\_\_\_\_. Seasons greetings and thanks for your friendship and patronage from \_\_\_\_\_.

The Christmas season is a very special time. \_\_\_\_\_ believes it's the very best time to remember good friends and let them know how important that friendship is. \_\_\_\_\_ says thanks for being a good friend and customer and Merry Christmas - Happy New Year.

In the hustle and bustle of the holiday season, it's easy to forget the season's true meaning. \_\_\_\_\_ hopes you'll join them in attending church services during the holidays. \_\_\_\_\_ hopes this will be your best holiday season ever.

For \_\_\_\_\_, one of the real joys of the holiday is the special opportunity to say "thank you." Best wishes for the holidays and the new year from \_\_\_\_\_ and thank you for your continued friendship and support.

At Christmastime, the thoughts at \_\_\_\_\_ turn gratefully to those whose goodwill and loyalty make the business possible. To you, they say thank you, Merry Christmas, and Happy New Year. Seasons greetings from \_\_\_\_\_.

Hundreds of songs and poems have been written about the Christmas season. But, after all is said and done, \_\_\_\_\_ believes one phrase says it best and says it all: "Merry Christmas" from \_\_\_\_\_.

About This 'n' That .....

ABOUT THE '90s --- Sure, we're going to re-budget and re-prioritize, but we're going to make it in the '90s by first going back to the basics: re-establishing our goals and by using a little showmanship to promote what we do better than anyone - entertain and inform.

Broadcasters preach advertising, but do we advertise? Do we let people know what we do and how well we do it. Bells and whistles still work:

- Take your air people on sales calls.
- Involve the people in the office in home shows, parades, etc.
- Make sure your engineer speaks at the local science fair.
- Have your salespeople participate in Junior Achievement.
- Conduct programs for service clubs.
- Get your radio people active in local community activities. Involve kids, your listeners. It's fun and socially rewarding.
- Enhance your facility. See what new, state of the art equipment can do to make your station more efficient and effective.

Bob Ardrey  
Unistar, Northeast Manager

HELP! HELP! HELP! "I've written copy for 40 years, but have really never been good at writing funeral home copy. I need some. The funeral home has been in this area forever. It's everything a funeral home should be."

"Would appreciate your readers sending me one or more of their funeral home commercials."

Bill Futterer  
W A Y N-Radio  
P.O. Box 519  
Rockingham, NC - 28379

ABOUT RADIO TALK - The spring '90 Arbitrons show the talk format garnered 11.4% of the total radio advertising - most of it on AM. The top-talkers on network radio:

	EST-Time	Ave. Aud.	Stas.
1. Rush Limbaugh (EFM Media, N.Y.)	Noon/3 PM	1.3 million	259
2. Bruce Williams (WWI-Talknet)	7PM/10PM	706,300	325
3. Larry King (WWI-Mutual)	11PM/2AM	697,100	356
4. Neil Myers (WWI-Talknet)	10PM/1 AM	508,500	325
5. Sally Jessy Raphael (ABC)	7PM/10PM	362,000	175
6. The Dolans (WWI-Talknet)	SA/SU eve.	339,700	325
7. Tom Snyder (ABC)	10PM/1 AM	307,000	193

(Average estimates are listeners per 1/4 hour)

Advertising Age - 11-5-'90

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W M O A, Marietta, Ohio (Class IV AM) In town competition:  
5 kW at 910 AM daytimer and co-owned 25 kw FM. 10 other  
stations within 15 miles.

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#### AM Success Story .....

When the 5 kW daytimer bought its competitor's FM station, AM W M O A was "spun off" to a local technical college. A year into the operation, school officials decided commercial radio wasn't for them. The station was sold to John Wharff, Jr., the W M O A sales manager in the mid-'60s to mid-'70s. His son, John III, the station manager says, "We've done pretty well by 'filling a niche' and you might say, 'by turning the clock back.'"

When Wharff bought the station it was "on satellite" carrying a country music format - the same music on 4 other FM and AM stations in the market. There was little localism.

The long established area easy listening station had several years before left that format to go country. The population of the Marietta area is 45% 35+. In John III's words, "the 12 other stations in the area were either rock or country. There was a 'hole' for something else." The station went to a 75% vocal/25% instrumental mix supplied by R. P. M., Orchard Lake, Michigan.

Secondly, the Wharff's decided to make a heavy sports commitment, "That's adult programming to go along with our adult music." Wharff Jr. does the play-by-play of the local liberal arts college (Marietta College) basketball and its longstanding nationally ranked baseball team. Wharff III does high school football and basketball broadcasts. Additionally, the station contracted for Ohio State Football, Cincinnati Bengals Pro Football and Cincinnati Reds Baseball.

The third aspect of the Wharff W M O A resurrection was to bring back the station's longtime morning man. Dick Guyer's air presence on W M O A dates back almost 35 years. His father, a big-time "golden age" announcer built W M O A in 1946. Dick started on the station during his high school years. He was gone when the Wharffs bought the station, holding a post with the local school system. In addition to his morning show hosting, he does an 8:30 A. M. local interview show, "Talk of the Town" - another revival.

In addition to the music, the sports, and the morning man, the Wharffs decided that "the local station" needed a high profile news image. They hired the opinionated, oftentimes controversial Marietta stringer/columnists for the Parkersburg station. Wharff III says about Charlie Fogel, "he's a real news junky. Not much happens around here that he doesn't know about. A lot of people don't like him, but, they're afraid to miss any of his five daily broadcasts, spread over morning and afternoon drive-time."

Wharff III was finishing his senior year in college when his father bought W M O A. He had a double major in marketing and management. "I thought I wanted to go with one of those big companies. I had a couple of pretty good things in the works. My dad said, you can get a lot more of life and do a lot better in the long run in a small business in a small town. Come into W M O A with me." He did and he says now, "It's worked out like Dad said it would."

For 15 years Wharff Jr. has had a business which sells sports schedules, restaurant guides, and phone books. It also produces radio play-by-play for college sports and acts as an overall agency for several businesses. Those activities take up most of his time. The day-to-day running of W M O A is pretty much in John III's hands.

The "running", he says, is centered around the station's sales effort, shared mainly with his wife Carol. "When I first went out onto the street, some businesses said, "I don't buy AM." John's answer, in Cincinnati 200 miles west and in Pittsburgh, about the same distance east, "the #1 radio station is an AM station. The same kind of station we run here in Marietta. Over the past 5 years, most of that kind of thinking has disappeared after businesses have given us a real try."

Marietta is a historic Ohio river town (population: 16,200). Its retail sales are 110% of its effective buying income. In addition to the 12 other area radio stations, there is a local Gannett owned afternoon daily and the Parkersburg, West Virginia daily publishes a morning "Marietta edition." The cable system also sells. John III says, "We have to stay on top of things. We can't take anybody for granted. But, we've made our station important enough that we've earned a part of most of the budgets."

Interestingly, even with all of the competition, changes of ownership, and "ups and downs" at W M O A, two customers on the station its first day on the air, September 8, 1946, are still on: Broughton Dairy and McCarthy Real Estate. "That tells you something about this radio station and radio generally," Wharff III says.

#### THE LAST WORD

This is our Thanksgiving issue. I think it offers a special kind of opportunity to say thank you for your continued support of SMRNewsletter and our other businesses. We must have the best group of customers any business could have. Again, thank you!

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VOLUME VIII - Issue #27 - November 29, 1990

**IS YOUR TOWER WITHIN COMPLIANCE?** The F.C.C. field offices are conducting a nationwide enforcement effort to assess and improve compliance. All towers were due to be inspected during November. In a release dated November 17, the Commission said that those found not to be in compliance would be subject to fines. (See Part #17 of F.C.C. Rules)

**REPORTS ON POST THANKSGIVING SALES** nationwide were almost a "carbon copy" of 1989 - hordes of shoppers, most saying, they were watching their spending closely, shying away from big ticket items and looking for "practical" gifts. The Wall Street Journal reported on Monday (11-26), "Although hard-pressed retailers are closely watching their costs this year, it appears many have increased their holiday advertising - either to gain market share or hold on to the customers they already have."

**N.A.B. HAS SIGNED TWO D.A.B. CONTRACTS** - Spectrum Allocation Study with Washington firms Jules Cohen and Associates and DATEL. The work, looking forward to a industry-wide terrestrial digital audio broadcast service. The work is to be finished in time for the N.A.B. January board meeting.

**WESTWOOD I** joined General Motors in advocating a combination of direct satellite and terrestrial digital audio broadcasting. Both the network/syndicated programmer and the giant automaker filed comments with the F.C.C.

**N.A.B. AM COMMENTS** to the F.C.C. are firmly against bringing back non-simulcasting rules and making AM stereo mandatory. On the FM side, N.A.B. has told the F.C.C. again that it needs to look again at standards, now in effect, on directional FM antennas.

**NEW ADDRESSES:** American Music Formats, producers of formats and the 4 hour weekly special "American Country Classics" is now located at 15525 W. Graylog Lane, New Berlin, WI - 53151 - phone (414) 784 5310. .... Steve Warren has changed the name of his business from The Programming Co-Op to Warren Media. He's moved from Fayetteville, Arkansas to HC 73, Box 35 F2, San Marcos, TX - 78666 - phone (512) 392 2415.

**R.A.B. GOT 500 INQUIRIES** during recent National Realtors meet.

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

At the F.C.C.'s...

NEW STATIONS (Granted):

FLORIDA (Cedar Key) Karen Voyles 102.7 3 kW 328'  
(Key West) CSJ Investments 107.9 100 kW 462'  
GEORGIA (Jeffersonville) A.L.P., Ltd. Part. 97.5 3 kW 328'  
INDIANA (Bremen) WMRI, Inc. 96.9 3 kW 328'  
(Fort Wayne) Edgewater Radio 92.3 3 kW 328'  
MISSISSIPPI (Kosciusko) Jesse Fleming 103.3 25 kW 328'  
NEW YORK (Center Moriches) DAKK, Inc. 96.1 3 kW 328'  
OKLAHOMA (Claremore) Educ. B'c'g. Corp. 94.5 3 kW 328'  
PENNSYLVANIA (Mountaintop) Fairview Comm. 97.1 250w 1102'  
TEXAS (Waco) Kennelwood B'c'g. Co. 94.5 3 kW 327'  
VIRGINIA (Vinton) Michael Copeland 106.1 3 kW 154'  
WYOMING (Fort Bridger) James Dunker 99.3 3 kW 155'

AMENDMENTS TO THE FM TABLE (Amended):

ARKANSAS (DeWitt) 97.3 C2 for 96.7 A. M.: K D E W  
(England) 95.5 C3 for A. M.: K L R A  
CALIFORNIA (Barstow) 95.9 B1 for A. M.: K X X Z C.P.  
(Pacific Grove) 105.1 B1 for 104.9 A. M.: KOCN  
(Soledad) 106.3 A for 105.3 A.  
FLORIDA (Riviera Beach) 94.3 C3 for A. M.: W M X Q  
HAWAII (Hilo) 95.9 C2 W.: 1-8/2-7.  
(Kealahou) 96.1 C for 92.1 A. M.: K O A S  
IOWA (Harlan) 105.3 C3 for 105.5 A. M.: K N O D  
LOUISIANA (Lake Arthur) 107.3 C3 for A. M.: C.P.  
MAINE (Fairfield) 93.5 C3 for 93.3 A. M.: C. P.  
NEW YORK (Morristown) 102.9 as 1st. W.: 1-7/2-6  
NORTH CAROLINA (Nags Head) 92.5 C3 for 92.3 A. M.: W N H W  
NORTH DAKOTA (Dickinson) 99.1 C1 as 2nd. W.: 1-2/2-1  
OHIO (Zanesville) 92.7 B1 for A. M.: WCVZ. Change city of  
license to South Zanesville.  
OKLAHOMA (Eldorado) 97.1 A for 94.3 A.  
(Ketchum) 107.5 C1 for C2. M.: K G N D.  
SOUTH DAKOTA (Pierre) 92.7 C1 for A. M.: K G F X  
TEXAS (Amarillo) add 96.1 A.  
(Denison/Sherman) 101.7 C3 for A. M.: KDSQ  
WISCONSIN (Black River Falls) 99.7 C3 for A. M.: W W I S  
(Tomah) 94.5 C3 for A. M.: W Z F R

FIRST COME/FIRST SERVED WINDOWS:

COLORADO (Grand Junction)(C) NEW HAMPSHIRE (Gorham) (A)  
SOUTH CAROLINA (Clemson) (A)

AMENDMENTS TO THE FM TABLE (Proposed):

CALIFORNIA (Joshua Tree) 92.1 A as 1st.  
FLORIDA (Live Oak) 98.1 C1 for C2. M.: W Q H L  
KENTUCKY (Barbourville) 96.1 C3 for A. M.: W WYWY  
(Bowling Green) 98.3 C3 for A. M.: W D N S  
OHIO (Ripley) 99.5 C3 for A. M. C. P.  
TEXAS (Claude) 95.7 C3 for A. M.: C. P.  
(Littlefield) 95.5 C3 for A. M.: C.P.  
(Mineral Wells) 95.9 C1 for A. M.: K Y X S  
(Winters) 96.1 A for 95.9 A.

INVOLUNTARY TRANSFERS:

CALIFORNIA (Arcata) K X G O (FM - C) to Randolph E. George,  
Receiver (901012HW)  
OHIO (Marysville) W U C O (AM 1 kW U) to Sara J. Daneman,  
Trustee, 17 S. High St., Suite, 900, Columbus, OH - 43215  
(901105EE)

MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

"TAILGATER" - Many radio stations have had excellent results in building their visible image and generated significant revenues through the use of a mascot. The mascot appears at ball games, fairs, and other events. Some stations build their own promotions around the mascot.

A California based promotion company has designed and copyrighted a station mascot that it is offering on a market exclusive basis. The company, Marketing Dimensions, Inc. offers the costume (personalized with station call letters-frequency) and 3 guidebooks. The books outline formats for special events, built around the "Tailgator."

Total cost (on terms) is \$1,250.00 with a 2nd year renewal option. Information: Tom Mayfield 1-800 735 4287

"SENIOR CITIZENS DAY" - One of the 101 promotion ideas in Don Sabatke's "Radio 101" is a once a week day set aside as "Senior Citizens Day." Each week a group of merchants offer 20% storewide discounts to persons 60 and over. Likely prospects: clothing and specialty stores, restaurants, beauty shops, golf courses and exercise salons, drug stores.

If Tuesday or Wednesday is a slow business day in your marketplace, this, he believes could be "a shot in the arm." Radio ads are run the two days before.

(Sabatke's book, in addition to the 101 ideas, all of which, he says, he's run on stations he's managed, also includes a list of monthly special dates and weeks and 37 sources for promotional items frequently used by radio stations.)

Cost: \$99.00 from Sabatke and Company, 1033 S.E. 19th Place Cape Coral, Florida - 33990 - telephone: (813) 772 3994. Sabatke does radio/tv station sales training.

About Wal Mart .....

The November 19 issue of "Ad Week's Marketing Week" devoted a page to Wal Mart's impact on America's small towns.

The article says that the merchants in Belle Fourche, South Dakota are trying to make their business section a "brand name." They've asked the state highway department to "move" the geographic center of the U.S. from a cornfield 28 miles north of town to a community center on Main Street. Wal Mart is in nearby Spearfish.

A Decorah, Iowa hardware store (Coast to Coast) has added a bridal registry to promote sale of dinnerware. The store also features bicycle, tool and window screen repairs. The owner claims his business is up since Wal Mart came to town four years ago. Other stores in Decorah reportedly keep mailing lists and send birthday cards to their customers.

\$ale\$ - Good Business Letter Writing .....

Dr. Roger Flax, a communications trainer, gives the following rules for writing good business letters:

1. Write as you would speak. Have a "conversation" with the reader. Write to express - not impress.
2. Determine the exact purpose of your communication. Let it guide you and don't digress from it.
3. Be concise. Pretend you're being charged a dollar a word. Make every word count by eliminating unnecessary words and phrases. But be aware that excessive brevity can result in incomplete or incoherent communications.
4. Avoid worn-out expressions such as: "needless to say, as per our conversation, please be advised that, thanking you in advance,"
5. Grab the reader's attention by getting right to the point with a stimulating opening sentence.
6. Long sentences and paragraphs are tedious to read. Try to use short sentences (under 15 words) and short paragraphs (4 sentences or less). Limit each paragraph to one main idea. Occasionally use a 1 sentence paragraph or bullets to make important points stand out.
7. Proofread your writing aloud, not silently. You'll spot wordiness, inconsistencies, and embarrassing mistakes.

Dr. Roger Flax, President  
Motivational Systems  
West Orange, NJ - 07052

About Your Customers This Christmas .....

"Consumers are worried about a recession and the Middle East situation, and they're looking for promotional events and deals to get the most out of their money," says Carol I. Palmer, retail analyst with the firm of Duff and Phelps. "The smart retailers are ready with those special offers and promotions."

Certain types of stores will be less adversely affected by what's going on in the market, says retail forecaster and publisher of "Retail Marketing Report," He says that formats such as factory outlets and off-price retailers ought to fare better.

Analysts agree that any retailer with aggressive marketing programs is likely to survive the tough season better."

"Advertising Age"

11-19-'90

"Running the Store" - MANAGEMENT ...

THE TELEPHONE - Incoming Calls - If someone needs to be put on hold, the person answering the call should ask, "May I put you on hold? rather than saying, "Please hold."

If you have calls screened, the person answering the phone should ask, "May I tell Mr. Smith who's calling?" rather than, "Who's calling please?"

Terms such as "One moment please" and "he's in a meeting" should be used rather than unprofessional phrases like, "Hang on a minute: and "She's tied up right now."

If you aren't available to accept calls, encourage the person answering the phone to immediately offer to take a message, rather than waiting for the caller to ask if he or she may leave a message.

- Outgoing Calls - Question "There are a few people who are so long winded that I dread speaking with them. Do you have any suggestions on how to control my time when conversing with these people?"

Answer: When you return calls to these individuals, try saying: "I wanted to return your call before going into a 3 o'clock meeting. Do you have a minute?" When receiving calls from these people, you might set the tone by using such phrases as, "Thanks for returning my call. I wanted to speak with you before leaving for my afternoon appointment." Or, "Before we hang up, I wanted to ---." By using these types of phrases you'll show you have respect for their time. Hopefully, it will encourage them to respect yours as well.

Ann Marie Sabath in  
Sales and Marketing Management  
10-'90

GIVING REFERENCES - If you're asked to provide reference information:

Obtain written consent from the employee prior to giving references.

Do not blacklist former employees, no matter how tempting it may be to unload some of your negative feelings on the person.

Keep a written record of all released information - who, when, what, which company.

Make no subjective/personal statements, such as, "He's got a bad attitude." Be specific, such as, "He was formally disciplined 3 times last year for fighting at work." No more is necessary.

Be sure you know to whom you are talking. If in doubt, use a call-back procedure to verify the caller's name, title, and company.

Be sure the information you give is authorized in the written consent of the employee to release the information.

## HOLIDAY SAFETY TIPS

If you're planning a party this holiday season, \_\_\_\_\_ suggest you plan that party around a fun event. You might want to select a theme and plan games and activities around it. Games and activities give people a reason to put down their glasses. A reminder from \_\_\_\_\_ who wish you, your family, and friends a safe, happy holiday season.

If you're planning a party this holiday season, \_\_\_\_\_ believes it's a good idea not to start that party too early. And, when you extend your invitations, say when the party will be over. Plan to serve something to eat at least 1 and 1/2 hours before the end of the party. \_\_\_\_\_ wishes you, your family, and friends a happy, safe holiday season.

\_\_\_\_\_ believes it's a good idea for holiday party hosts to serve plenty of food. Snacks will help slow the rate at which the body absorbs alcohol. It's a good idea to avoid salty food which stimulates thirst. Good holiday party foods include open face sandwiches, low-salt crackers, vegetables to dip, candy, cookies and assorted breads. \_\_\_\_\_ wishes you, your family, and friends a safe, happy holiday season.

If you're planning a holiday party, \_\_\_\_\_ suggests you include a variety of non-alcoholic drinks. Many people cannot drink alcoholic beverages and prefer not to. If you're serving punch, use a non-carbonated base. Alcohol is absorbed much faster when it's combined with a carbonated mixer. \_\_\_\_\_ has brought you this message with their best wishes for a safe, happy holiday season.

If you're planning a holiday party, \_\_\_\_\_ reminds you that coffee will not sober a person up. Coffee is only a wide-awake drink. Plan a large breakfast of fix-your-own eggs, some type of meat and fruit to "wind up" your party. Assigning each person a job in preparing the "wind up" breakfast forces them to put down those drinks. A tip from \_\_\_\_\_ who wish you, your family, and friends a safe, happy holiday.

During the holidays, \_\_\_\_\_ reminds you that abstinence from drinking is always acceptable. But, if you plan to drink, set limits and stick to them. Stop drinking long before you start home. Ask for help in getting home if you think you need it. A reminder from \_\_\_\_\_ who wish you, your family, and friends a safe, happy holiday season.

\_\_\_\_\_ reminds you that half of all fatal holiday auto accidents involve drinking. Alcohol dulls your judgement and your reflexes. It impairs your vision. \_\_\_\_\_ believes the old advice is still the best advice, "If you drink - don't drive. If you drive - don't drink."

1 in 4 adults will make an out of town trip during the holidays. If you're one of them, \_\_\_\_\_ says, it's easy to get tired and bored while driving. Falling asleep at the wheel can be fatal. Let someone else take a turn behind the wheel. A holiday reminder from \_\_\_\_\_.

Looking Forward to 1991 .....

On the following page you will find our annual planning sheet for 1991. In making your projections for 1991, 2 things are quite clear: 1.) Your station will have to earn every dollar you put in the bank. There won't be a lot of "over the transom business." 2.) You can expect an inflation rate of 4% to 5%.

We subscribe to a dozen or more "trade papers" targeted to lines of business that are key to a small market radio station's income. Their pages are full of advice to their retailer subscribers. The following is typical:

"Streamline your advertising by very careful analysis of effectiveness vs. cost."

With the widely known hard times that have fallen on newspapers and conventional TV, the following advice of Seattle based retail consultant Richard Outcalt, in the November issue of "Furniture World" is not uncommon:

"How can you curb advertising expenses? If you had a more effective radio campaign, could you cut down on the TV advertising?"

It has often been said that advertising is the first thing to be cut when "things tighten up." However, business experts don't advise stopping or even cutting advertising. They say, eliminate non efficient advertising.

As you plan your 1991 promotions and special efforts, each should pass this critical test: "Will more of something be sold than if the promotion and accompanying ads had not run?"

The people who program the TV network news are mainly guided by researchers. They carry what the research tells them people want to hear. Currently, from what we see, they must be relying onto the long held belief that "misery loves company." Most of the reports aren't that "things are bad," but, "that things look bad." There is, it seems to us, on the part of the TV newspeople-an over pre-occupation with the thoughts of "bean counters" preparing for "bad times." Those people never sold anything or created a job for anyone except themselves.

We have received several phone calls this past week from subscribers asking, "What kind of year do you think 1991 will be?" I could expound a lot of theories, but, from experience I've learned to say, "What do you have to have?" Good luck!

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
1988												
1989												
1990												
Ave												
1991 Proj												
1991 Act												
P R O M O T I O N	JANUARY		FEBRUARY		MARCH							
O R												
S P E C I A L	APRIL		MAY		JUNE							
L												
E F F E C T I V E	JULY		AUGUST		SEPTEMBER							
O R												
T R I	OCTOBER		NOVEMBER		DECEMBER							

MISC:

SMALL MARKET RADIO NEWSLETTER (Inc.) IS PUBLISHED WEEKLY AND MAILED FIRST CLASS TO SUBSCRIBERS IN 50 STATES, POSSESSIONS, AND CANADA. SUBSCRIPTION: 52 WEEKS \$109.00; 26 WEEKS \$57.00 13 WEEKS \$33.00. ADDRESS: 275 19th STREET, OTSEGO, MICHIGAN 49078 ---- TELEPHONE: (616) 694 9357 ---- FAX: 616 692 6789



**S**mall**M**arket**R**adio**N**ewsletter  
Inc.

Bill Taylor  
KQSS  
P.O. Box 292  
Miami

AZ 85539

Bob Doll - Publisher and Editor  
Barbara J. Doll - Circulation

VOLUME VIII - Issue #28 - December 6, 1990

**DIGITAL AUDIO BROADCASTING (D.A.B.) HOW SOON?** Readers of "N.A.B. News" were told this week that D.A.B. could be introduced in 1994-1995, "depending on legal/regulatory factors." Preparations are being made now for the 1992 international WARC conference where major decisions will be made regarding frequency allocation(s) for D.A.B. services. Whether D.A.B. goes to broadcasters or others is a matter yet to be decided. The Sikes' F.C.C. seems to favor localism - but this is not entirely at this time within the F.C.C. preserve.

**EVEN THOUGH U.P.I. STAFFERS** agreed to a 90-day 33-1/3% pay cut, the survival of the news service is still uncertain. Wheeler News Service of Madison, Wisconsin, which holds a contract to cover that state for U.P.I. has also signed with ZapNews to provide the state coverage to them. Wisconsin is 6th state where ZapNews has established state news service. They debuted in July. Info: 1-800 525 2175.

**WHAT'S HOT! WHAT'S NOT!** "Advertising Age" came out with its annual predictions this week. For 1991, HOT: Radio station "listen while you work" promotions, network and local call in shows. NOT HOT: Obscenity-spewing disc jockeys "have used up their 15 minutes of fame," easy listening music (lost more audience than any of 15 formats measured), big cash give-aways to lure listeners have been replaced by shopping sprees, mortgage or rent payments, breakfast at the office; etc.

**POSITIVE ON AGRICULTURE** - Nationally renowned economist Robert O. Welk told a DesMoines audience recently that he expects the general economy to be in a state of "repression" (definition "hold down" or "keep back.") Reason: too much government, business, and personal debt. But, he said, "I'm positive on agriculture. Farm balance sheets are improving, crops are good, land prices are up" and he forecasts "increased farm exports because of the U.S. dollar value decline." (Des Moines Register)

**R.A.B. REPORTS "BRISK" SIGN UP** for its first Nashville (Opryland) Managing Sales Conference - January 24/27. Call Gayle Steffens at 1-800 232 3131 for information. R.A.B.'s \$450,000.00 radio marketing plan will be unveiled..

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

275 19th Street - Otsego, Michigan 49078 - (616) 694-9357 - FAX: (616) 692-6789

At the F.C.C.

NEW STATIONS (Granted):

ARKANSAS (Clarendon) B and H B'c'g. Co. 107.3 3 kW 321'  
COLORADO (Brush) Douglas Turnbull 106.3 3 kW 75'  
FLORIDA (Silver Springs) Silver Springs Comm. 95.5 3 kW 328'  
GEORGIA (Pearson) Atkinson B'c'g., Inc. 101.9 3 kW 328'  
HAWAII (Lanai City) Ivan Dixon III 104.7 48w 2,447'

AMENDMENTS TO THE FM TABLE (Amended):

ALABAMA (Ozark) 103.9 C3 for A. M.: W N E R.  
ARIZONA (Show Low) 93.5 C3 for A. M.: K V W M.  
CALIFORNIA (Healdsburg) 95.9 A as 2nd. W.: 1-11/2-10.  
(Thousand Palms) 94.7 A as 1st. W.: 1-11/2-10.  
DELAWARE (Bethany Beach) 103.5 A as 2nd. W.: 1-14/2-13  
GEORGIA (Gibson) 94.7 A as 1st. W.: 1-11/2-10.  
INDIANA (Plymouth) 94.3 B1 for A. M.: W N Z E.  
MICHIGAN (Big Rapids) 102.3 C3 for A. M.: W A A Q.  
(Whitehall) 97.5 A for 102.5 A. M.: Pyramid C.P.  
OREGON (Lebanon) 103.7 C for C1. M.: K I Q Y.  
SOUTH CAROLINA (Greenwood) 103.5 C3 for A. M.: WMTY-FM.

(Proposed):

ALABAMA (Thomasville) 95.5 C3 for 94.3 A. M.: W J D B.  
CALIFORNIA (Dorrington) 106.1 A as 1st.  
GEORGIA (Claxton) 107.3 C3 for 107.1 A. M.: W C L A.  
ILLINOIS (Mount Olive) 105.3 A as 1st.  
(Mount Vernon) 96.7 A as 3rd.  
KANSAS (St. Marys) 102.9 C2 as 1st.  
KENTUCKY (Georgetown) 103.3 A for 103.1 A. M.: W T K T.  
MINNESOTA (Deer River) 105.5 C1 for A. M.: K X G P C.P.  
(Walker) 101.1 C1 for C2. M.: K L L R.  
MISSISSIPPI (Collins) 107.1 A for 101.7 A. M.: W K N Z.  
(Gluckstadt) 101.7 C3 for A. M.: W L I N.  
(Newton) 97.9 A for 106.3 A. M.: W M Y Q.  
(Petal) 106.3 C3 for A. M. W M F M.  
NEW MEXICO (Los Lunas) 106.3-C1 for A. M.: C. P.  
SOUTH CAROLINA (Pamplico) 102.1 C2 for A. M.: W M X T.  
TENNESSEE (Monterey) 104.7 A as 2nd.  
(Tusculum) 103.1 A.  
(Waynesboro) 104.7 C3 for A. M.: W T N R.  
UTAH (Centerville) 105.7 C for C1. M.: K B C K C.P.  
VIRGINIA (Lynchburg) 97.9 C3 for 98.3 A. M.: W G O L.  
WASHINGTON (South Bend) 106.7 C3 as 1st.  
WEST VIRGINIA (Clarksburg) 92.3 A for 92.7 A. M.: W V H F.

(Requests):

CALIFORNIA (Yuba City) 103.9 B1 for A. Req.: Ridge Harlan.  
(Santa Ynez) 105.9 A. Req.: Robert Kitamura.

INVOLUNTARY TRANSFER:

COLORADO (Lamar) FM - C to Fm 105, Inc., Debtor in Possession, 224 South Main Street, Lamar, CO - 81052 (901024HD).

MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

January special days and opportunities include:

Tuesday January 1  
New Year's Day  
January 13/19 - Pizza Week  
January 20/26 Jay Cee Week

Tuesday January 8  
Elvis Presley  
Birthday  
Sunday January 27  
Super Bowl

As we have pointed out each year, January is not as bad a month as many stations and their customers believe. Fact: Retail sales volume is 84% of an average month and 70% of December retail sales volume.

"SALES, SALES, SALES" - Just about everyone will have one in January. For the customer with the most ambition (and the most inventory), you can make him "stand out" by starting his sale at 6:00 A. M. Open the store with him by doing your morning show on location. Experience of several SMRNewsletter subscribers is that early morning traffic will be good. It will be fabulous later in the day.

"ELVIS BIRTHDAY" - Why not sell one of your eating/drinking places an "Elvis Birthday Party." Provide "all Elvis music" and an Elvis Presley look-alike to pantomime the songs. Award door prizes (Elvis albums/C.D.'s or cassettes). Elvis's "core" fan group is 35-54.

"BARK FOR BUCKS" - Mike Edwards who runs David Keister's W K B V, Richmond, Indiana, does what we believe is a 1 of a kind promotion for a local pet store.

On the Tuesday morning show, listeners are invited to be the "--- caller" with their dog. During a 15 second period, the listener gets \$1.00 for each time his/her dog barks over the phone on the air. The pet shop matches the cash prize won with a gift certificate for merchandise.

About Your Selling Presentations and Copy .....

"In tough selling times, it is easy and natural for prospects to realize that it is a buyer's market. You know it is. They know it is. Most important, though, they know that you know it is! The result? Lengthy negotiation and lots of 'window shopping.' Removing any sense of urgency in selling anything significantly reduces the chance of a successful sale. Lessening or reducing it in tougher times virtually assures that no sale will be made. It is critical, therefore, that some degree of urgency be established in order to expedite the sale and move on to the next one."

Bill Brooks, sales, team  
building, time  
management expert in  
"Furniture World" 11-'90

\$ale\$ - What's Wrong With Cutting Rates? .....

1. Successful advertising sales generally, and radio advertising sales particularly, is dependent on a trust relationship with the customer. You are asking the prospect to buy an intangible with an unknown result. What you have to sell is only worth the price for which you're willing to sell it.
2. As Charles Warner ("Broadcast and Cable Selling") says, "The salesperson's real responsibilities are managing relationships and building value and demand for the station's inventory." If your competitor is selling cheaper and you decide to meet his price or sell even cheaper, you are not building value or demand. Your competitor is setting the value of your inventory. As Deep South group owner Houston Pearce says, "Don't let your competitor run your business and above all don't let him set your prices."
3. The two key elements in building and maintaining trust are your integrity and competence.
4. On the matter of integrity and fairness, should the customer who gets most favored treatment (best rates) be based on the size of the investment he/she makes in you and your station - or - should it be based on his or her ability to "beat you down?"
5. The rate is not the central issue. The customer buys advertising to solve problems or realize opportunities. Obviously, he'll buy as cheap as you let him/her.
6. When activity in the marketplace is "soft" and you want to make a sale, there's always the temptation to cut rates. It won't work. Really, the most valuable asset a station has is its real rate card. The fact is, most good radio stations sell about 50,000 units a year. The higher the average real rate is, the higher the billing. Selling more "cheap spots" won't get the gross up. That's one of the facts of life we wish we'd learned much earlier in our career.
7. The general level of rate integrity in the newspaper business is the only thing that's averted a disaster for them. Their readership has declined and their demographics have steadily become less desirable. However, even with their serious external problems in the marketplace, grosses on average will be off this year only in low single digits.
8. If you and your station decide to take the easy, but very seldom successful, way out of going below your rate card, ask yourself, "Will we make this offer to every comparable customer?" If you won't or can't, please think about a quotation sent to us by Mel Goldberg (W H J B/ W S S Z, Greensburg, Pennsylvania) "When wealth is lost, something is lost. When reputation is lost, all is lost."

About This 'n' That .....

GOOD IDEA from Tom Anderson, K O A L, Price, Utah. He writes: "I purchased one of the North Supply Company R/SVP phones. That's the phone with in-and-out jacks on the side for attaching a cassette machine. I ran the output to a Radio Shack model 32-1100A stereo mixer. It sounded great as a remote broadcast console. The phone at full retail is \$130.00, the mixer at full retail is about \$69.00. Total cost was \$199.00. The outfit does everything professional outfits do that cost \$500.00+. By the way, the Radio Shack mixer operates for long periods of time on a couple of 'AA' batteries. There's never a need to locate AC for a remote.

CHRISTMAS IN THE AIR - W X C Y, Harve de Grace, Maryland, is conducting its 2nd "Coats for Kids" campaign. The station personalities are asking listeners to donate no longer used coats to underprivileged youngsters in its area. The coats will be distributed by the Salvation Army before Christmas. Drop off points are set up in a group of convenience stores in the W X C Y area.

AND - W M M W, Meriden, Connecticut, sent hour long cassettes of Christmas music as its part of Christmas "care packages" to troops in the Middle East. It was part of a community effort called "Operation North Pole."

THE NOVEMBER 1st STATEMENTS from W B C H AM/FM, Hastings, Michigan carried the following "stuffer" from owner-manager Ken Radant, "We hear talk there's going to be a recession. We have decided NOT to participate. Won't you join us?"

IF YOU HAVE A ZANY AS A COMPETITOR, take heart. You're not alone. Trade paper advertising has been "soft" for more than a year. Some publications have folded or merged. Still more are losing money. In November, the National Association of Broadcasters' "Radio Week" got so desperate to "make some sales" that they targeted customers of SMRNewsletter's Ad Page "with an offer you can't refuse" (They apparently never heard bank robber Willie Sutton's sage advice, "Go Where the Money Is.") "The offer you can't refuse:" buy one ad at 1/2 price, get 2 FREE - 83.33% off the N.A.B. "Radio Week" Rate Card. The results: SMRNewsletter may have lost \$35.00 worth of business. But, from our observation, total ad revenue at N.A.B. "Radio Week" in November didn't cover the payroll cost of its ad salesperson. If the current "soft" trade paper environment persists, will N.A.B. "Radio Week" management come up with an even "stronger" promotion - maybe adding a couple of free meals "at the restaurant around the corner?" SMRNewsletter, a long-time dues payer and supporter, admits we are miffed. We were not pitched the "offer you can't refuse." We probably would have bought. Space in N.A.B. "Radio Week" has to be worth 16.66¢ on the \$1.00.

## NEW YEAR'S GREETINGS

Miles of smiles for the coming new year. That's the wish of your friends at \_\_\_\_\_. It has been a real pleasure for \_\_\_\_\_ to serve you this year. They promise to continue to merit your friendship and patronage in the new year.

As another year draws to a close, \_\_\_\_\_ takes this opportunity to say thank you. Every good wish for a happy and prosperous new year from \_\_\_\_\_.

Every good wish for happiness in the new year comes from your friends at \_\_\_\_\_. Thanks for your patronage. Good health, prosperity, and happiness in the new year from \_\_\_\_\_.

The folks at \_\_\_\_\_ appreciate their many happy associations with friends and customers throughout this area. To each of you, \_\_\_\_\_ extends best wishes for a happy and prosperous new year.

As another year draws to a close, \_\_\_\_\_ takes this opportunity to say thank you and wish you a happy and prosperous new year. Happy new year from \_\_\_\_\_.

\_\_\_\_\_ has enjoyed serving you again this year. Sincere thanks and best wishes for good health, happiness, and prosperity in the new year from \_\_\_\_\_.

\_\_\_\_\_ thanks you for your friendship, goodwill, and loyalty. \_\_\_\_\_ hopes that the happiness and good cheer of the holiday season will be yours throughout the new year.

At the close of one year and the beginning of another, \_\_\_\_\_ thoughts turn to those who make success possible. To their many friends and customers throughout this area, \_\_\_\_\_ says thank you and best wishes for a happy new year.

\_\_\_\_\_ sincerely appreciates the friendship you have shown them. The trust and friendship you have extended over the years is sincerely appreciated. \_\_\_\_\_ pledges to continue to earn your confidence and goodwill in the new year and the years to come. Best wishes and thank you from \_\_\_\_\_.

Your friendship and loyalty are sincerely treasured by \_\_\_\_\_. Here's wishing you every happiness in the new year. This wish and a heartfelt thank you comes from \_\_\_\_\_.

In the new year, as in the old, only the best is good enough for the friends and customers of \_\_\_\_\_. Here's hoping the new year will be the best ever. Happy new year from \_\_\_\_\_.

---

K A T Y, Idyllwild, California - approx. 100 airline miles from Los Angeles and San Diego (in Riverside County) between Riverside and Palm Springs.

---

Idyllwild, California is so small it appears on few road maps and only the most comprehensive population lists. A Class A FM there appeared in "window 22" of the "80/90" proceedings. There were two applicants. The winner was Katy Gill, wife of longtime Southern California broadcaster and for many years a broadcast broker-consultant, Cliff Gill.

Katy, who had helped her husband in his brokerage-consulting business for the 10 years they'd been married, says after a year as manager of her station, "I'd been around this business, but, had no idea just how much work running a small radio station is."

Cliff told SMRNewsletter, "When Katy got the license, we thought we'd spend 3 or 4 days a week here at the station and enjoy long weekends at our place at Carlsbad, on the Southern California coast." The couple has since bought a house near the station and put the property on the coast up for sale. Cliff, who is running the sales operation at KATY says, "I hadn't been actively engaged in day to day station operation for years. I had forgotten just how time consuming this is, if you're going to be successful."

Idyllwild is close-by Hemet, California, a city whose population is expected to reach 40,000 when this year's official population figures are completed. The Class A operates with 780 watts at 1,574 H.A.A.T. The signal covers an area of about 300,000 population in the San Jacinto Valley and the Temecula Valley. Katy says, "We're the fastest growing area in the fastest growing state." Because of the mountainous terrain, there is little outside radio competition. K A T Y was the first new broadcast property in the area in 27 years. When it came on the air December 1, 1989, the only local radio competitor was an AM/Class A FM combination at Hemet. Since then, another Class A FM has come on the air - and 2 more Class As are in early stages of the application process. Katy and Cliff estimate both are 3 to 4 years away from being on the air.

The Hemet stations, owned by long-time broadcaster Ray Kandel's family, are, Katy Gill says, typical small town radio stations, the AM playing M.O.R. music and doing "a lot of local things," the FM, country-western. She and Cliff decided that with the greater portion of the residents newly arrived, their best chance was to offer the kind of "music intensive/big city sound" much of the population had "left behind" when they exchanged their big city lifestyles for "clean air and good living" of the San Jacinto Valley and Temecula Valley. But, she says, "it had to be supported by small town revenue. The decision was made to go on satellite with Satellite Music Network's "Star Station" adult contemporary programming.

The station's community involvement is centered around its news operation and short (no longer than 3 minute) service features. Katy has put special emphasis on the area schools. "The school system is generally the first community effort people involve themselves with," she says.

The station's sales effort was initially carried on by 3 salespeople. None had previous radio sales experience. They were hired 90 days before the station went on the air. The first 60 days was devoted to training, conducted by Cliff. "The training," he says, "started from 'ground zero.' I wanted them to have a sense of history and 'how a radio station worked.' From there, we went to selling skills generally and most important customer knowledge and how the radio could work for them." During the 30 days of the pre-sell, Gill's novice sales staff brought in 20 good customers. Only 1 of the original salespeople has left. (Her husband was transferred). The station was solidly "in the black" in its 7th month on the air.

During the first year, the sales staff has been expanded to 6 (all newcomers to radio sales). The training period has been reduced to 1 month. Salespeople are paid a guarantee plus commission.

The station is getting very little business from chains and out of the market owned franchises. "We don't spend a lot of time on them." Unlike most markets today, Cliff believes, "his market is 'under radioed.' We were glad to see the new Class A (programming easy listening) come into the market. They'll bring some new people into radio advertising. By the time, the other two FMs come on the air, there'll be plenty of room for them." About the "80/90" List, Gill says, "There are a lot of assignments that aren't going to make it, but, there are some good opportunities, like this one."

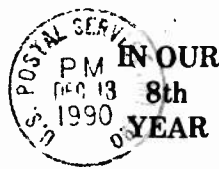
#### THE LAST WORD

During our conversation, Cliff Gill told us about a "New Business Special" he runs on his station. From experience (starting at the end of World-War II), he says, "Many new businesses buy a 'Grand Opening Week" or 10 days, then you seldom, or never, get them again." Cliff's "Grand Opening Special" is 500 ads, 200 run within the first 2 months, the balance at 1 per day for 10 months. Upon fulfillment of the agreement, the client has earned a 25% rebate. The advertiser is billed in 12 equal monthly installments. Cliff reports, "First, when it's time to go from 100 to 30 ads per month, the client often asks, 'Can we amend this to keep me on with 100 a month. That works." And, he says, "When the end of the year arrives, that rebate is a great start on a renewal."

SMALL MARKET RADIO NEWSLETTER (Inc.) IS PUBLISHED WEEKLY AND MAILED FIRST CLASS TO SUBSCRIBERS IN 50 STATES, POSSESSIONS, AND CANADA. SUBSCRIPTION: 52 WEEKS \$109.00; 26 WEEKS; \$57.00; 13 WEEKS: \$33.00. ADDRESS: 275 19th STREET, OTSEGO, MICHIGAN - 49078 - PHONE: (616) 694 9357 - FAX: 616 692 6789



**S**mall  
**M**arket  
**R**adio  
**N**ewsletter  
Inc.



Bill Taylor  
KQSS  
P.O. Box 292  
Miami

AZ 85539

Bob Doll - Publisher and Editor  
Barbara J. Doll - Circulation

VOLUME VIII - Issue #29 - December 13, 1990

**TO FOSTER BROADCAST LOCALISM**, the N.A.B. for the second time in 6 months has asked the F.C.C. to reject proposals by Satellite CD Radio, Inc. for a Satellite-to-home digital broadcast CD-quality radio service. And, the Association for Maximum Service Television has asked the F.C.C. to turn down a request to test D.A.B. in U.H.F. spectrum space. The TV interests say High Definition TV will need all the space currently allocated to TV. Present thinking is to let TV stations continue to operate their present facilities and duplicate them in H.D.T.V. technology on unused U.H.F. band-space.

**IT WON'T GO AWAY** - Kentucky broadcasters and other media interests beat back an effort to tax services in the state. The legislature chose instead to up the sales tax there from 5% to 6%. Several legislators who supported the increase in the sales tax were defeated in re-election bids - and - candidates in the governor's race (next year) are already promising to roll back the 1% sales tax hike and re-visit the "tax on services" proposition. Public service spots run by Kentucky stations complimenting the legislature on their political courage in raising the sales tax drew a law suit and a complaint at the F.C.C. from the state's Republican party. Court or Commission action is not complete at this time.

**THE F.C.C. HAS FINED INFINITY** Broadcasting stations in New York, Philadelphia, and Washington, D.C. \$2,000.00 each for what the F.C.C. calls indecency on the Howard Stern broadcasts on those stations. Infinity says they'll appeal and go to court if necessary to "protect the First Amendment rights of broadcasters."

**TIMING IS EVERYTHING** - The Radio Advertising Bureau (R.A.B.) wants more advertisers and agency media buyers to understand the idea of "consumer cycle marketing." The theory holds marketers need to reach potential customers at the time buying decisions are made, and that radio is closer to buying decisions than a lot of other media. R.A.B. has convinced several categories, including fast-food and coffee, to use more radio and expects the theory to be one of the hot media topics of the 1990s. (Advertising Age - 11-26-'90 - Page S-11). Also see SMRNewsletter 9-27-'90.

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

275 19th Street - Otsego, Michigan 49078 - (616) 694-9357 - FAX: (616) 692-6789

At the F.C.C. ....

NEW STATIONS (Granted):

ALABAMA (Gould) B and H Broadcasting 102.5 3 kW 190'  
ARIZONA (Window Rock) Navajo Nation 96.1 100kw 984'  
CALIFORNIA (Morro Bay) Morro Bay Inv. Corp. 99.7 450w 850'  
INDIANA (Salem) Rebecca Coomer 97.9 3 kW 328'  
MICHIGAN (Saginaw) Thomas Eells 104.5 3 kW 328'  
MISSOURI (Ozark) Dorothy S. Lemmon 92.9 3 kW 328'  
(Potosi) Prime Time Radio 97.7 6 kW 328'  
NORTH CAROLINA (Paw Creek) Paw Creek B'c'g. AM 820 2.5 kW D  
250w N (DA-2)  
SOUTH DAKOTA (Canton) Dallas Tarkenton 102.5 3 kW 243'  
TEXAS (Hamby) Michael Venditti and Don Werlinger AM 880 2.5  
kW D 1 kW N (DA - 2)  
VIRGINIA (Charlottesville) Spectrum B'c'g. 107.5 3 kW 328'

AMENDMENTS TO THE FM TABLE (Amended):

ARKANSAS (Berryville) 107.1 C3 for A. M.: K S C C  
KANSAS (Emporia) 101.7 c2 for A. M.: K E G S  
(Fort Scott) 104.7 A for 101.7 A. M.: K V C Y  
(Independence) 102.9 A for 101.7 A. M.: K I N D  
NEW YORK (Monticello) 99.7 A. W.: 1-15/2-14.  
OREGON (Sweet Home) 107.1 C1 for C2 M.: K S K D  
WISCONSIN (Portage) 95.9 A as 2nd. W.: 1-7/2-6.  
(Tomahawk) 92.5 C3 for 92.7 A. M.: W J J Q.

(Proposed):

ARKANSAS (Mountain Home) 93.5 C2 for 105.5 A. M.: K P F M.  
NEVADA (Jackpot) 98.5 A as 1st.  
TEXAS (Ingram) 107.1 A as 1st.  
WASHINGTON (Dayton) 92.5 C1 for A. M.: K Z H R C.P.

INVOLUNTARY TRANSFERS:

ALABAMA (Madison) W D K T AM 1kW D - Est. 1983 to Dr. Merlin  
Kelsick, 4913 S. Kimbark Ave., Chicago, IL 60615 (900824EC)

ARIZONA (Prescott Valley) K L K Y - 1 kW D - Est. 1986 to  
Lucky Comm., Inc., Debtor in Possession, P.O. Box 27030,  
Prescott Valley, AZ - 86312 (901121EA)

GEORGIA (Soperton) W J H H (AM 1 kW D - Est. 1975 to H.  
Gibbs Flanders, Jr., Trustee, P.O. Box 2056, Dublin, GA  
31040 (901119EA)

AND -

KAT Broadcasting (Ellek Seymour) to Banking Services Corp.  
and Roger A. Akin, Co-Receiver, 1201 Market St. Wilmington,  
DE - 19801 (901121EB etc.). The stations: W W T R, Bethany  
Beach, Delaware (A), W E T T, Ocean City, Maryland (AM-1kW  
D/500N); W F L B, Fayetteville, North Carolina (AM-Class  
IV), W H C C (AM IV) W Q N S (A), Waynesville, North  
Carolina; W S V S (AM 5 kW D-275w N) W S V S (C), Crewe,  
Virginia and W D S C (AM 1 kW D - 382w N) W Z N S (C),  
Dillon, South Carolina.

MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

"MONDAY NIGHT MADNESS" - You might put this idea from W M J B, Janesville/Beloit, Wisconsin, aside until next fall - or - you may want to adapt it to the holiday bowl games - or - the "Super Bowl."

W M J B has sent its afternoon personality Steve Kelley to a local bar/restaurant called "Cheers" every Monday night. The game is featured on Cheers' big screen TV. At the quarters and at half time, Steve gives away station t-shirts and hats and Cheers' merchandise. Tickets for Green Bay Packers games are also given away. Winners are selected by drawing. They pick up tickets when they arrive. Steve makes short "call in" reports ON W M J B several times during the events - which are promoted before hand by a "flight" of ads on the station.

"FEBRUARY PROMOTION" Lake City, Florida will hold its 7th annual "Olustee Festival" - a several day town event highlighted by a re-enactment of the Civil War battle. (That battle actually took place 15 miles from downtown Lake City).

Dean Blackwell, W D S R/W N F B, gets his station's billing off to a good start with a January/February "Olustee Festival" radio promotion. 25 to 30 retailers sign up for ad schedules to be run mid-January through mid-February costing an average of \$250.00. As a value added, they give their customers a chance to sign up for \$1,000.00 cash which is awarded at the end of the festival (3rd week of February). The participating advertisers pay \$75.00 sign up fee followed by 2 equal installments for the balance (January 31 and February 28).

SALES! SALES! SALES! - A couple of ideas for short events or events to kick off a longer sale effort: "12th Night Sale" the night of Monday, January 7 (exactly 12 nights after Christmas) and "Use the Back Door Sale" - the advertiser holds it after regular store hours. Entry is by the back door (probably through the stock room). Copy might include, "Use the back door. You don't want your friends to know you're buying so cheap."

About Your Customers .....

13 years after the Supreme Court ruled that lawyers could legally advertise, about 33-1/3% do nationwide, according to a poll conducted by the American Bar Association. The only prohibition nationally is that lawyer ads can not be fraudulent or misleading.

Although many states and their bar association prohibit it, in states where it can be done, the Wall Street Journal reports, the newest thing in lawyer ads is client testimonials. Testimonial type lawyer ads will probably be a growing trend, because as in other advertising, testimonials work.

Lawyer advertising is expected to increase. In the words of one lawyer, "The pressure I think is on to increase business."

\$ale\$ - The 10 Commandments of Good Business .....

- I - A customer is the most important person in any business.
- II - A customer is not dependent on us - we are dependent on him/her.
- III - A customer is not an interruption to our work - a customer is the purpose of that work.
- IV - A customer does us a favor when he/she buys' we are not doing him/her a favor by serving him/her.
- V - A customer is part of our business - not an outsider.
- VI - A customer is not someone to argue with or to match wits with.
- VII - A customer is a person who brings us his/her needs - it's our business to fill those needs.
- VIII - A customer is deserving of the most courteous treatment.
- IX - A customer makes it possible for us to make a living. Treat them well.
- X - A customer is the lifeblood of our business and every other business.

from the Darrell Solberg  
Customer Service/  
Relations Seminar  
Info: (605) 361 9923

\$ale\$ - About Your Customers .....

Facts about grocery store advertising in print:

1. Readership of newspaper ads has declined from a high of about 75% to about 21%.
2. The use of shopping lists has declined from about 31% to about 21% of consumers.
3. Two-thirds of buying decisions are now made in the store.

Paul Mulcahy  
Vice President, Advertising  
Campbell Soup Company

More Facts:

4. The most intense readers of food store print ads are people who already shop the store.
5. In most places, the supermarket's potential customer base is not growing. Growth will have to come from "talking" to competitor's customers on an intrusive media like radio.

Bob:

I don't know how other radio stations react to Wal Mart free time requests. After getting another request today (11-30-'90), I felt I had to respond. I would like to get a little feedback from your readers on this.

Jim



NOVEMBER 30, 1990

MR. SAM WALTON  
WAL MART, INC.  
P.O. BOX 116  
BENTONVILLE, ARKANSAS 72716

DEAR MR. WALTON:

RECENTLY I RECEIVED A REQUEST FROM MRS. BARBARA RODGERS OF GSD&M TO PROVIDE TIME FOR AN ENVIRONMENTAL PSA "RECYCLE AMERICA". THIS REQUEST NOW COMES DURING A TIME WE ARE CURRENTLY PROVIDING A THREE-MONTH FREE SCHEDULE ON "BUY AMERICA" REQUESTED BY SKIP REIN OF YOUR ADVERTISING AGENCY.

BOTH CONCEPTS ARE A CREDIT TO YOUR COMPANY BUT I AM ALSO CONCERNED ABOUT THE REPEATED REQUEST FOR MY AIR TIME FOR FREE WHEN WEEKLY THERE IS PAID ADVERTISING IN OUR LOCAL PRINT MEDIA.

TROY AND PIKE COUNTY CAN BE CLASSIFIED AS A SMALL MARKET. THE 28,000 PEOPLE IN OUR COUNTY RELY ON WTBF MORE THAN PRINT FOR THEIR DAILY INFORMATION. THIS CLOSE RELATIONSHIP IS STRONG AMONG OUR MERCHANTS AS WELL. WE ALL MUST DEPEND ON EACH OTHER TO MAKE EACH OF OUR BUSINESSES SUCCESSFUL. OUR 43 YEARS OF CONTINUED SERVICE IS A CREDIT TO THIS INTER-ACTION BETWEEN WTBF, OUR LISTENERS AND OUR ADVERTISERS.

I FIND IT DIFFICULT TO OBJECT TO REQUESTS TO AIR SUCH TOPICAL ANNOUNCEMENTS BUT IN FAIRNESS TO THIS STATION AND OUR LONGTIME CLIENTS, I CANNOT PROVIDE FREE TIME WHEN YOUR COMPANY REPEATEDLY REFUSES TO DO BUSINESS WITH US.

THE PROBLEM FURTHER COMPOUNDS ITSELF IN THE FACT THAT WE WORK SO WELL WITH YOUR LOCAL ASSOCIATES IN A VARIETY OF COMMUNITY EFFORTS YET GET A "DEAF ADVERTISING EAR" FROM YOUR AGENCY.

I AM SURE FELLOW BROADCASTERS ACROSS THE COUNTRY HAVE WRITTEN YOU ON THIS MATTER. WE ASK ONLY THAT WAL MART RESPECT OUR MEDIA ENOUGH TO BUY TIME AS WELL AS ASK FOR IT FOR FREE.

SINCERELY,

A handwritten signature in black ink that reads "Jim Roling". The signature is written in a cursive, flowing style.

JIM ROLING  
SALES MANAGER



TROY BROADCASTING CORPORATION

TELEPHONE (205) 566-0300

5000 WATTS

970 KHZ

P. O. BOX 747

TROY, ALABAMA 36081

## Management - About Hiring Salespeople .....

How would you describe the ideal salesperson? Extroverted, aggressive, customer-oriented? Quick to develop a rapport? A good sense of humor, a competitive spirit, charisma? Thomas Rollins, Ph. D. says, "these factors aren't always the most important ones to consider when selecting and training top salespeople - although most companies don't realize this until after they're already in trouble."

In the September issue of "Sales/Marketing Management," Dr. Rollins, after studying extensive research by the Hay Group believes the following are necessary for even an average salesperson:

Information collection: the ability to collect a wide range of facts that can be brought to bear in making a sale.

Communication: The ability to make crisp, effective presentations.

Personal sensitivity: An awareness of others' feelings and how these feelings are communicated (this is critical in building strong business relationships.)

Relationship building: The ability to establish and maintain strong, positive relationships with a wide range of people.

Technical knowledge: A basic knowledge (about the service being offered and how it relates to the customer's business).

Outstanding salespeople will also have these abilities:

Focused achievement: The ability to keep one's attention focused on the sale.

Personal time planning: Making the most productive use of one's time.

Initiative: The ability to create business by seizing opportunities and finding new ways to win business away from competitors.

Strategic influence: The ability to build a network of relationships in order to influence key people.

Targeted persuasion: The capacity to select and screen information for maximum impact.

Concern for personal impact: The ability to cultivate one's role as a respected leader in both the business and the community.

Organizational awareness: The ability to understand one's role in the business.

"Journey Into L.P.T.V. Land" .....

"You're not going to be negative about L.P.T.V.?" Lee Shoblom asked us our first day at the mid-November L.P.T.V. Convention. Lee owns and operates AM K F W J, FM K B B C, and since 1984, L.P.T.V. K45AJ at Lake Havasu City, Arizona (a marketplace of about 25,000). Lee has served on the N.A.B. Board and was the L.P.T.V. Association's first president. What we told Lee, we'll tell our readers, "I have no firm opinion."

There could be, according to "Cable Business" magazine, 4,000 L.P.T.V. stations on the air by the turn of the century - 9 short years away. Chances are that some of our subscribers will venture into that business - or have it as a competitor. We therefore thought the investment in a trip to the L.P.T.V. was a good one. Three days at a convention does not an expert make, but, we'll share our thoughts with you.

Many of the L.P.T.V. stations on the air (about 750) are not traditional TV stations, but carriage facilities offering satellite fed religious, home shopping, music videos, etc. One operator has several stations in Florida which program tourist information (an hour+ program that repeats itself 24 hours a day). The experience of 1 L.P.T.V. operator, "I lost a lot of money trying to run a traditional TV station on L.P.T.V. Now, I'm doing home shopping and religion and the stations (5) are paying for themselves."

One thing that must be understood upfront is the fact that the F.C.C. looks upon L.P.T.V. as a secondary service. L.P.T.V. stations can lose their frequency to primary services: land mobile radio and H.D.T.V. That problem, at this time, is not widespread, but could become one in the next several years.

From the beginning, the real challenge in television has been the high cost of "filling the screen" - programming. The satellite and barter have erased much of that problem. A station can get 24 hours a day of old movies, old network re-runs, and first run original talk, interview, quiz, and special programming e. g. out door sports, cooking, do it yourself, etc. from "Channel America," - the 24 hour a day L.P.T.V. network, now on some 90 stations nationwide. Foote, Cone, and Belding, the mega ad agency, recently became the network's "deep pockets" investor. A station pays an affiliation fee of \$500.00 per month - plus barter "spots" within the network programs. An affiliation with "Channel America" is not a franchise like A.B.C., C.B.S., or N.B.C., but it is a program source to fill between local programs. Other fare is available for barter and low cash payments via satellite and video tape.

Unlike conventional full power network affiliated TV stations, they don't find eager buyers for network adjacencies and "spots" within syndicated programs. Most advertising is

garnered on playbacks of local high school and small college sports, local news, and special events. Lee Shoblom told us, "Unless you're going to be prepared to be a specialty carriage station, you'd better be prepared to do those kinds of programming."

3 days at a convention "does not an expert make," but, from our observation:

1. Your start up cost will be between \$200,000.00 and \$700,000.00 - hard cash or loans backed up by a strong balance sheet and personal guarantees.
2. If you can't be assured of cable carriage, don't build. You'll be operating at a disadvantage greater than the U.H.F. stations that went on the air in V.H.F. markets in the mid-1950s.
3. Adding sight to sound doesn't double your production and engineering challenges - they grow geometrically.
4. Even if you "combo" your TV with your radio operation and you're careful, expect your L.P.T.V. "hard" operating cost to be \$16,000.00 to \$20,000.00.
5. The central issue is sales. Selling L.P.T.V. isn't easy. It will require a "head up, disciplined" sales effort in competition with your radio station. It can't be a sideline for your radio salespeople.

If you're toying with the idea of venturing into L.P.T.V., SMRNewsletter suggests you call: D.J. Everett at Channel 43, Hopkinsville, Kentucky; Robert Raff, Channel 6, Junction City, Kansas, Jim Shaheen, Channel 54 (WDLR), Delaware, Ohio, Walt Stampfli, L.P.T.V. (WNCO), Ashland, Ohio. Keith Michaels, TV 39, Morgan City, Louisiana.

#### THE LAST WORD

We are not, as Lee Shoblom had feared "negative" on L.P.T.V. Discussions with dozens of operators who had the time and financial wherewithal to attend the convention did not indicate that an L.P.T.V. is anything like "a license to print money." But, in the right marketplace, an L.P.T.V. station might be a valuable adjunct to a radio operation. As we have reported in SMRNewsletter several times over the years, some of these stations have impacted adversely the revenues of radio stations. That has to be a consideration. The "bottom line", in our view, to have any success in L.P.T.V. an operator has to have a passion for broadcasting and hard work.

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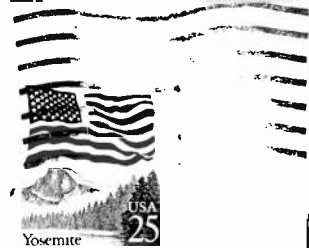
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**S**mall**M**arket**R**adio**N**ewsletter  
Inc.

Bill Taylor  
KQSS  
P.O. Box 292  
Miami AZ 85539

Bob Doll - Publisher and Editor  
Barbara J. Doll - Circulation



VOLUME VIII - Issue #30 - December 20, 1990

**CLEANING UP THE MESS** - The F.C.C. has limited the payments that may be received by applicants to legitimate and prudent out-of-pocket expenses up to the point that the trial phase of a hearing commences. After that point, payments are prohibited. F.C.C. Chairman is quoted as saying, "This should have a depressing effect on the cottage industry which has grown up around the F.C.C. licensing process."

**PASSING THE TIN CUP** - In the current "glut" of broadcast pro sports, C.B.S. Radio has found it necessary to solicit its radio affiliates for fees (in addition to running the network commercials) for its major league baseball schedule and pro football games. Typically, they want \$4,500.00 a year in small markets (as much as \$25,000.00 in markets like Columbus and Canton, Ohio). The request seems to meeting with unanimous, "No thanks." Best guess now: C.B.S. will either back off on the cash station payment - or - have it on few, if any, affiliates.

**1991 AD BUSINESS FORECAST** by Robert Coen, v.p. McCann Erickson, is for 4.3% growth in 1991. His predictions, traditionally "on the mark" proved to be off 20% this year: 4.9% vs. the 6.2% he forecast a year ago.

Radio did better than other media this year, up about 6% and it increased its share of the total ad pie from 6.7% to 6.8%. It was 6.6% in 1988. Using Coen's 1991 estimates coupled with R.A.B.'s new radio marketing plans, R.A.B. president Warren Potash says, "Radio will increase its market share to 7% next year" to 9.5-billion - an industry wide increase of \$700-million. The erosion of newspaper readership and conventional TV viewing coupled with radio's flexibility and cost efficiency prompt the R.A.B. forecast.

**HARD DISC AUTOMATION FOR SATELLITE STATIONS** for \$8,900.00 is being marketed by Broadcast Supply West. Info: 800 426 8434.

**THE LARGEST DIP** in daily newspaper penetration came in small market radio areas - dailies with circulation of 10,000 or under. According to Audit Bureau of Circulation, 70% of those newspapers had less penetration than in 1989. (N.A.B. "Radio Week" - 12-10-'90.)

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

275 19th Street - Otsego, Michigan 49078 - (616) 694-9357 - FAX: (616) 692-6789

At the F.C.C. ....

GRANTS (New Stations):

TEXAS (Bloomington) Tschirhart B'c'g., Inc. 106.9 3 kW 298'

AMENDMENTS TO THE FM TABLE (Amended):

CALIFORNIA (California City) 106.9 A as 1st. W.: 1-24/2-25  
(Rosamond) 93.5 A as 2nd. W.: 1-24/2-25

LOUISIANA (Leesville) 105.7 C3 for 105.5 A. M.: K V V P

MISSOURI (Caruthersville) 105.1 A for 103.1 A. M.: K L O W  
(St. Robert) 96.5 C2 for A. M.: K L T Q.  
(Sparta) 98.9 A for vacant 96.5 A.

NEW MEXICO (Alamogorda) 94.3 C3 for A. M.: K Y E E.

OREGON (Nyssa) 98.7 C1 for A. M.: K G Z H C.P.

TENNESSEE (Jackson) 103.1 C2 for A. M.: W M X X

VIRGINIA (Exmore) 106.1 B1 for A. M.: W P H G C.P.

(Proposed):

CALIFORNIA (Fort Bragg) 96.7 B for A. M. : K Z P B C.P.

LOUISIANA (Bastrop) 97.5 A for 97.3 A

(Oakdale) 98.7 C1 for C2. M.: K I C R.

(Oak Grove) 96.7 C2 for C3. M.: K W C L.

(Tioga) 103.5 C2 for C3. M.: K L A A.

MICHIGAN (Boyer City) 93.5 C2 for A. M.: W C L X.

NEW YORK (Olean) 101.5 A for 100.9 A. M.: W M X O.

PENNSYLVANIA (North East) 100.9 B1 for A. M.: W R K T.

FINE:

People Wireless, Inc., owner of K D K O-AM, Littleton, Colorado has been fined \$10,000.00. The charges: Failure to change from their daytime power to night power and night directional pattern; failed to cease operations within 3 hours after a malfunction in the station remote control system and using an unlicensed studio to transmitter link (S.T.L.).

Money Saving Operating Tips .....

If you have 1 station vehicle that is used by several staffers, it's best to allow purchase of gas and oil at one place. Instruct the service station operator to make sure that oil is changed regularly, etc.

That radio station vehicle should carry a log book in it. All users should be required to make log entries as to the purpose, length, etc. of each use.

If you own a vehicle, leasing may be more practical under the current tax laws governing depreciation allowances on auto and vans. Talk to your accountant.

MONEY PAGE - `SALE\$ AND PROMOTION IDEA\$

"WATERBED SALES IDEA" - The waterbed trade association tells its dealers that a good selling point in January/February is "Buy a waterbed for warm, healthful sleep and savings on your household heating bill." They point out that the most electricity the waterbed heating unit will use is \$6.00 per month.

"HEATING UP BUSINESS ON VERY COLD DAYS" - If "below zero weather" hits your area, a store might offer a 1-day extra cold weather discount equal to the number of degrees the temperature has dropped under zero e. g. 1 below zero equals an extra 10%. In warmer climates, a store might want to make the bonus savings equal to the number of degrees under freezing (32-degrees).

"HOSPITAL/GROUP DR. PRACTICE IDEA" - We are getting an increasing number of requests for ideas to sell for profit and non profit hospitals and group doctor practices. Best idea is to tie such advertisers into special programs that reach the best target for the service being featured e.g.:

Medicare - programs with large followings of older listeners.

Sports Medicine - Obviously your play-by-play sports, coach roundtables, etc.

Weight loss / chemical dependence, programming at times when you reach the most working women, businessmen, etc.

To anchor the effort, you might want to sell them a continuing program like:

"Health Beat Update," a 5 times per week 3 minute program conducted by an active small town family practitioner, Dr. Barbara Yawn, formerly of Worthington, Minnesota, now in Rochester, Minnesota.

Dr. Yawn can be reached by writing:  
Dr. Barbara Yawn, M.D.  
826 19th Street, N.E.  
Rochester, MN - 55906

A 100 Year Old Case for Regular Advertising .....

In 1885, Thomas Ebbinghaus did research that documented just how quickly and completely things are forgotten. His study showed that of the information learned in 1 week, 75% was forgotten by week #2, 90% by week #3, and 95% by week #4. With the average person receiving 10,000-plus ad messages per week, do you think Ebbinghaus would find less forgetfulness now?

From: "The Optimum

Effective Scheduling  
System" available from

-3- N.A.B. 800 368 8544

\$ale\$ - Dealing With A New Customer" .....

Rightly or wrongly, fairly or unfairly, people are wary of salespeople. Over the years, they, or people they've known, have been misinformed, misled, or high-pressured into buying things they later wished they hadn't. As a result, the obvious first step whenever you deal with new prospects is winning their confidence.

The best way to win any prospect's confidence - and keep it - is to deserve it. That why experienced salespeople are careful -

not to make exaggerated claims

to use honest facts and figures to back up their points whenever possible

to use solid, legitimate testimonials the prospect can check out

not to promise what they can't deliver

to back up in writing and in performance what they do promise

to show sincere interest in every customer's problems

to consistently and conscientiously put the customer's interests ahead of their own.

What's the first thing you think about when you are considering dealing with someone you haven't done business with before? The first thing is' Can we trust this person?

How much can we trust his or her knowledge? How much can we trust his integrity? Can we be sure this person really knows what he is talking about? Can we trust him to be sincerely concerned about our interests? Or is he/she merely concerned about making a sale?

"Sales Upbeat"  
The Economics Press  
12 Daniel Road  
Fairfield, New Jersey  
- 07004 9987

Editor's Note. The following is a reprint of a 10-13-'88 SMRNewsletter article. We carry it here in answer to a volume of recent calls from subscribers across the country.

### Minding the Store - Retailers Playing the Radio .....

Over the years, SMRNewsletter has received numerous phone inquiries from stations wanting to know if merchants playing their station in their stores were obliged to pay music license fees to ASCAP, BMI, or SESAC. A couple of weeks ago, the N. A. B. Legal Department sent members a 3 page article on the subject.

When we called the music licensers, they were usually vague in responding to our questions. After reading the N. A. B. piece, we understand why. The rules are very unclear and open to wide interpretation. The Copyright Law of 1975 says that public performances of copyrighted material must be licensed. Though radio stations obtain licenses to broadcast music licensed by ASCAP, BMI, and SESAC, those licenses do not cover further performances by persons receiving the broadcasts. A business which uses radio broadcasts as background music must acquire a license to do so unless it qualifies for an exemption.

The exemption is granted if there is no charge for the performance, no further transmission takes place, the receiving apparatus covers a small size area, the apparatus is of a kind commonly used in a home, the business is a small business.

A court has held that a restaurant with 1,050 square feet was too small to be required to buy a license. Another court found that a 2,640 square foot establishment was found to be large enough to require one. A 7,500 square foot miniature golf course did not require a license because it was open only half of the year and took in less than \$1,000.00 a month.

In the N. A. B. legal department's view, Congress intended that, "the 110(5) exemption should be very limited in scope, and unavailable to any establishment large enough to be a potential customer of a background music subscription service like MUSAK."

The N. A. B. Legal Department release included the current rates for retail stores by the music licensing organizations:

B. M. I. bases its fees on the number of square feet and total floors: Up to 1,500 square feet \$60.00 per year; to 12,500 square feet \$120.00 per year; to 15,000 square feet - \$250.00 per year, Added floors \$60.00 per year. With 10 or more locations, the business pays regular rate for 1st store, \$60.00 for each additional store.

A. S. C. A. P. bases its fees on the number of speakers: Up to 3 \$114.00 per year' Each additional speaker is \$23.00 per year. For companies having 10 or more locations, the rate is \$114.00 per location with no extra speaker charge.

S. E. S. A. C. charges on a per speaker basis: Up to 3, \$15.00 per speaker per year. Each additional speaker is \$4.00 per year.

When an irate business owner calls to tell you, "I'm being shaken down by a music company, explain that you deal with a different department of the organization - and that he'd better talk to his attorney or pay them. Legal battles with music licensers are expensive and retailers lose most of the time.

Management - A Letter .....

"Here in Utah, it appears that most of the non-metro (small market) broadcasters are operating very marginal stations with some even losing money. In the metro market (Salt Lake City), the stability of the past has been upset by the out-of-state absentee ownership moving and and trying to buy numbers. Absentee owners seem not to be interested in the types of activities traditionally carried on by our state association. They seem to be in broadcasting for the short term. The traditional locally owned metro operations are made unstable by the general confusion of the market. In Utah, it seems to be every man for himself. A broadcast association doesn't seem to fit that picture."

"The other board members and I are struggling with two conclusions: 1.) Perhaps broadcasters don't need an association to perform the function like conventions with seminars and programs. Perhaps all we need is a lobbying agency - or - 2 perhaps the current state of broadcasting doesn't allow the "luxury" of a state association having an elaborate convention and programs."

"I would like to hear the thoughts of broadcasters in other states concerning state associations."

Tom Anderson, Owner  
K O A L  
Box 875  
Price, Utah - 84501  
Phone: (801) 637 1167

Management - 10 Flaws of Bad Managers .....

Good managers often have a diverse background of experience, rather than a narrow one. They have composure under stress and handle mistakes better, according to Dr. Morgan McCall, Jr., a business school professor. Good managers are better at focusing on the problems at hand, turning them into solvable chunks, rather than look at them as overwhelming, he says. He points out these flaws in bad managers:

Insensitivity  
Aloofness  
Betrayal of trusts  
Over management  
Over ambitiousness  
Inability to think long term  
Inadaptability to new bosses  
Overdependence on mentor  
Poor hiring skills  
Inability to handle performance problems  
with the business

"Farm Store" 6 - '90

## 50 Years - Same Owner/Operator .....

This year, W H U B, Cookeville, Tennessee, celebrated its 50th year on the air. Its founder, now in his early -80s, still serves as the station C.E.O. The days are few when he's not at the station.

In the 1930s, Luke Medley, was a clerk in his father's general store-rural post office at a crossroads a few miles from Cookeville. One of the rural mail carriers, Jesse Beasley, had become fascinated with radio and suggested to Luke that he should build a radio station. There were then about 800 radio stations in the U.S., then regulated by the old Federal Radio Commission. They told him, in answer to a letter of inquiry about getting a radio license, that there were no frequencies available - hard to believe 55 years later when there are almost 5,000 AM radio stations on the air.

Medley did not put the matter out of his mind. In 1937, he approached the then new F.C.C. about a license. 3 years of paperwork and hearings produced a license. When W H U B went on the air in July, 1940, it was the 16th radio station in the state: there were 2 in Chattanooga, 1 in Jackson, 2 in Knoxville, 4 in Memphis, 3 in Nashville, and 3 in the Tri Cities. A longtime Tennessee friend told us several years ago that when Medley told Jack DeWitt, an engineer at W S M that he was planning to build a station in Cookeville, DeWitt told him it was a venture sure to fail, but, DeWitt nevertheless pitched in to help him build the station.

When W H U B went on the air, Cookeville was a town of less than 5,000. It was struggling to come out of the Depression and World War II with its shortages was already underway in Europe. Medley started his station in the town's Masonic Temple - moving it to space over a local hardware store after a couple of months. The station was not an overnight success. Medley has often said, "More than a few times I thought about turning it off."

The first few years, the station filled its 16 hour a day schedule with local news, recorded music, and programs by what local talent was available. "There were very few commercials," according to station manager (since 1955) Stacey Mott, a part-time announcer during his high school senior year in 1942.

In 1944, Medley talked the C.B.S. Radio Network into making his station affiliate. Medley calls that a turning point in those pre-television days. He says, "It brought the world into this area."

The station started making Medley a good living and turning a profit after World War II. In 1964, Medley built a building to house the station and put W H U B-FM on the air. He is waiting for permission to raise his class A FM station to 50,000 watts.

"From the beginning," Stacey Mott says, "Luke was not just interested in the success of W H U B, but, the whole radio industry. He was one of the founders of the Tennessee Association of Broadcasters and served on the C.B.S. Radio Affiliates Board. He kept up with the 'state of the art' industry issues by religiously attending the state and national meetings."

Mott's coming back to W H U B in 1949 from the service and college made it possible for Medley to busy himself in a host of community activities and politics. A Republican, in a heavily Democratic area, he confounded the political experts by being elected mayor twice (6 years) and serving 16 years as County Judge (he's not a lawyer.)

In addition to its unique ownership history, the station may hold another record: half of its 14 full-time employees have been with the station over 20 years: Eldon Burgess, sales/sports 35 years; Gen Davidson - news and sports director 30 years; Louise Medley (a cousin) office manager 30 years; air personalities, Mike Dyer and Ken Mabrey have been on W H U B over 20 years each. Two of Luke Medley's 3 sons are longtime salespeople, Martin, 30+ years, Mike, 25+ years. About the station success in keeping people, Stacey says, "We're reasonable people." A Medley grandson, a college student, Richard, is a part-time announcer.

Jesse Beasley, the rural mailman who got Medley interested in building the station passed up the opportunity to join him full-time in the venture, preferring to keep his Post Office job. He did however, for the first 10 years of the station's being, serve as a popular part-time announcer. His son, who became known as Jack Lee, was a major market radio personality, then group executive. He is now the executive director of the Milwaukee Areas Radio Stations association.

#### THE LAST WORD

December marks important days in our Christian-Judeo tradition. It is a time when we say things we should say far more often - like "thank you" and "best wishes." Some years ago we heard some say, you really only need 3 things in life:

"Something worthwhile to do;  
Someone to love;  
Something to hope for."

We sincerely hope you have those things in your life and will have them more abundantly in the New Year.

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SMALL MARKET RADIO NEWSLETTER (Inc.) IS PUBLISHED WEEKLY AND MAILED FIRST CLASS TO SUBSCRIBERS IN 50 STATES, POSSESSIONS, AND CANADA. SUBSCRIPTION: 52 WEEKS \$109.00; 26 WEEKS \$57.00 13 WEEKS \$33.00. ADDRESS: 275 19th STREET, OTSEGO, MICHIGAN - 49078. PHONE: (616) 694 9357 - FAX: 616 692 6789

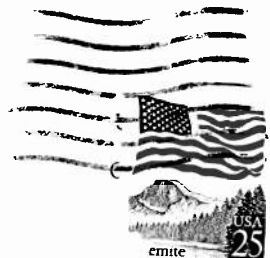


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**S**mall  
**M**arket  
**R**adio  
**N**ewsletter  
Inc.



IN OUR  
8th  
YEAR



Bill Taylor  
KQSS  
P.O. Box 292  
Miami

AZ 85539

Bob Doll - Publisher and Editor  
Barbara J. Doll - Circulation

VOLUME VIII - Issue #31 - December 27, 1990

**THE NEXT ISSUE CONGRESS WILL BE LOOKING AT**, according to N.A.B. President Eddie Fritts, is how well broadcasters are meeting their obligation to serve the public. N.A.B. is hoping to head off another spectrum fee fight and other onerous regulations by making a strong public service showing. In a December 10 letter, Fritts asked stations to make copies of 5 to 10 letters they've received from organizations in their coverage area which show the diversity of public services the individual stations have performed. He asked that the copies of the letters be forwarded to: N.A.B., 1771 N Street, N.W., Washington, D.C.-20036-2891. Jerry Papenfuss, Chairman of the Small Market Committee believes the most important aspect of a strong station public service showing will be its effect on how broadcasters will be treated when D.A.B. (Digital Audio Broadcast) decisions are made.

**ABOUT THE MARKETPLACE** - The Conference Board's November Consumer Confidence Index shows that the confidence level varies a lot geographically. A year ago nationally it stood at 114.3. This year on the West Coast it stands at 93.9, in the Mountain Region it's 81, In the Central States and South it ranges from 75 down to 64. In the Middle Atlantic states (including New York City) it registers 60.7. In New England it's 29.9. The Commerce Department retail sales report for November shows retail trade 3.4% higher than a year earlier - autos up an anemic 0.1%, general merchandise 0.4%, apparel accessory stores up 0.6%. Food stores were up 5.4%, drug and proprietary stores 8.4%. (Ad Week/Marketing Week - 12-17-'90)

**NEW YORK STATE/PENNSYLVANIA:** "We'll see you in January." The New York State Broadcasters Association will hold "Small Market Radio Seminars" in Batavia, 1-15; Utica 1-16, and Kingston 1-17. The Pennsylvania will be doing the same at Indiana 1-29, Harrisburg 1-30, Strausburg 1-31. Our promise: "No frills or fluff - a lot of stuff you can use."

**RETAIL SELLING SPACE GREW 52%** during the 1980s, according to the Wall Street Journal (12-19-'90). There is now 18-square feet of retail floor space for each man, woman, and child in the U.S. Sales per square foot, adjusted to inflation, are 12% less than in 1980.

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

At the F.C.C. ....

NEW STATIONS (Granted):

ALABAMA (Fort Rucker) Sky Way B'c'g. 100.5 3 kW 328'  
(Montgomery) Montgomery B'c't. Prop.Ltd.96.1 3kW 328'  
ARIZONA (Oro Valley) Pueblo Radio B'c'g. Serv. 97.5 3kW 328'  
LOUISIANA (Reserve) Virgie Hare duTriel 94.9 3 kW 328'  
MASSACHUSETTS (Orange) Dean Brothers B'c'g. 97.3 3 kW 328'  
(Webster) Okun B'c'g. Corp.(WGFP)92.9 3kW 328'  
MINNESOTA (Paynesville) Patrick McCabe 98.9 50 kW 492'  
MISSOURI (Ashland) Sobocomo Radio, Inc. 106.1 50 kW 492'  
NEW YORK (Malone) North Country B'c'g. 96.5 3 kW 328'  
VIRGINIA (Charlottesville) Spectrum B'c'g. 107.5 3 kW 328'  
WISCONSIN (Mosinee) Peggy Post Mallery 94.7 50 kW 492'

AMENDMENTS TO THE FM TABLE (Amended):

COLORADO (Durango) 99.7 C2. W.: 1-28/2-27  
NEW MEXICO (Kirtland) 102.9 C. W.: 1-28/2-27  
COLORADO (Telluride) 104.9 C1. W.: 1-28/2-27.  
FLORIDA (DuFuniak Springs) 103.1 C2 for A. M.: W Q U H.  
IOWA (Waukon) 103.5 C2 for 103.9 A. M.: K N E I.  
KANSAS (Larned) 106.9 C1 for A. M.: K Y S G C.P.  
MICHIGAN (Traverse City) 104.5 A as 4th. W. 1-29/2-27  
MINNESOTA (North Mankato) 96.7 C3 for A. M.: K D O G.  
MISSOURI (Birch Tree) 107.1 C3 for A. M.: K B M V.  
(La Monte) 97.1 C3 for A. M.: C. P.  
NEW MEXICO (Ruidoso) 93.5 C3 for A. M.: K B U Y.  
OREGON (LaGrande) 99.9 C1 for 100.1 A. M.: K W R L.  
SOUTH CAROLINA (Batesburg) 93.1 A for 95.3 A. M.: W K W Q.  
(Bowman) 94.5 A as 1st. W.: 1-28/2-28  
(Summerton) 99.5 A. W.: 1-28/2-28.  
(Summerville) 93.3 C2 for 93.5 A. M.: WWWZ.  
(South Congaree) 95.3 A. W.: 1-29/2-28.  
WEST VIRGINIA (Rainelle) 95.3 A for 95.7 A. M.: W R R L.  
WISCONSIN (Park Falls) 98.7 C2 for 98.3 A. M.: W N B I.

(Proposed):

CALIFORNIA (Lenwood) 96.9 A as 1st.  
IOWA (Britt) 99.5 A as 1st.  
OREGON (Brownsville) 102.3 C1 for A. M. C.P. Eads B'c'g.  
SOUTH DAKOTA (Vermillion) 106.3 C3 or C2 for A. M.: K V R F.  
TEXAS (Big Spring) 96.5 C3 as 2nd.  
UTAH (Nephi) 103.9 C for 92.7 A. M.: K C D H.  
WYOMING (Fox Farm) 103.9 C1 as 1st.

(Requests):

KANSAS (Horton) 93.7 C3 as 1st. Req.: KARE Radio, Inc.  
(Wathena) 93.7 C3 as 1st. Req.: Lee Brandt.  
LOUISIANA (Jonesboro) 104.9 C3 for A.Req.:Jackson Parish Radio  
(Mansfield) 104.7 C3 for A. Req.: DeSoto B'c'g.  
NEBRASKA (Nebraska City) 97.7 C1 for A. M.: K N C Y.  
TENNESSEE (Hilham) 102.7 A as 1st. Req.: Border Comm.

INVOLUNTARY TRANSFER:

MARYLAND (Federalburg) W D L E (FM-A) and (LaPlata) W S M D  
(AM - 1560 kHz - 1 kW D) to Stephen F. Fruin and Joseph N.  
Schaller, Receivers, 7 St. Paul St., Suite 1400, Baltimore,  
MD - 21202. (901206HW/901206HX) - 2 -

## MONEY PAGE - \$ALE\$ AND PROMOTION IDEA\$

"FUND RAISER TIE-IN" - John Hoscheidt, owner-operator of W R M J (a Class A FM) in Aledo, Illinois (population 3,800) is one of the "movers and shakers" in the fund raising efforts of the local Y M C A. The organization's major annual fund raising effort is a dinner at which prizes are drawn. The prizes include a major travel prize for 2 (a cruise or air trip to a world class resort.) John serves as emcee for the event.

John's station buys 2 tickets (\$75.00 each). He offers 5 advertisers a value added to a \$175.00 January schedule. A sponsor wheel is recorded. Listeners "call to win" a chance to guess which advertiser will "come up next" on the "wheel." Those who guess correctly, get a small prize and a chance to win the 2 tickets the station has purchased for the Y.M.C.A. fund raiser.

"LITTLE STATION - BIG EVENTS" - John, who runs his station with a full-time staff of only 6, has found it is possible to stage a major "Ag Fair" by enlisting the help of an outside group - the F.F.A. chapter at the local high school.

Members of the group help with the set up and tear down, act as guide-hosts during the event, set up pony rides for youngsters attending with their parents, and operate the lunch stand. Last year the chapter earned \$900.00 during the 1-day (Saturday) event in the high school gym.

"The Ag Fair" staged for 7 years has averaged 28 farm related participants. Rate in 1990 and 1991 = \$600.00 each (space free with an ad schedule mid-January through mid-April).

Obviously, the F.F.A. members talk up the event and the advertisers and the attendees like the fact that they're getting a chance to raise money, John says. "And, to be very honest, we couldn't do this kind of thing with our small staff if it weren't for them."

SMRNewsletter believes bringing in a good, active service club is an ideal way to do a "½ price sale," "Bride Show," "Home Show", "Homemaker's School" first class - even with a small staff.

"LET'S TALK BUSINESS" - Making your customers and potential customers part of the station is sound. Why not schedule a 3-minute telephone interview daily on your "morning show," interviewing a different business owner/manager each day (advertisers and non advertisers). Encourage him/her to talk about himself/herself, personnel, and the business. There is a long held truth in the radio business, "If he listens, he thinks everybody does. If he doesn't, he doesn't think anyone does."

## \$ales - When the Economy Slides .....

Selling through tough economic times demands survival marketing. Among the steps recommended by John R. Graham:

Be daring! Take a scenic trip inside the customer's head. No one cares what you want to sell. It's what the customer wants to buy that's important. It is so easy for us to get wrapped up in our own problems in periods of economic difficulty that we forget that our customers are facing many of the same obstacles. If you are not addressing those problems and finding solutions, then you don't deserve to make sales. Your job is to make your customers successful. When that happens, people buy. It sounds so simple but many (salespeople and) managers miss the point.

Stand firm. Refuse to cut prices. The easiest way to get more business is to cut prices. In fact, if you make deep enough cuts, you have more business than you can handle. You will also be bankrupt. Pricing problems are almost always the direct result of not having taken time and effort in establishing value in the customer's mind. The "best price" and the "lowest price" are not synonymous terms, even though sales managers and salespeople often confuse them. Your job is to educate every customer - particularly the tough ones - on why you offer "the best price." Most likely, it will be some combination of reliability, quality, and service. That's what you're really selling.

Stick to your knitting! Success in difficult times comes about by staying on track. Whenever problems arise, we all look for scapegoats: The sales force is bad. The manager is tired. Production can't deliver on time. Quality is lousy. About that time, other scapegoats creep in: We have the wrong products. We're not offering the right service. We've got to make changes. Before long, we're doing anything and everything but what we do best. Stick to your knitting. You know what your business does best. Do it!

The primary goal is not only to make sales, but to create and keep customers. That's how to maintain sales success in good times and bad.

"Personal Selling Power"  
(800) 752 7355  
(In VA: (703) 752 7000

Nobody wants to buy more advertising, but every business needs to make more sales calls. Fairfax Cone, Foote Cone and Belding advertising agency says, "Advertising is what you do when you can't go to see somebody - that's all it is." Dollar for dollar, day for day, impression for impression, radio is the most efficient way for a business to make sales calls.

Chris Lytle  
Sales Trainer  
(800) 255 9853

## WINTER SAFETY ANNOUNCEMENTS

If you're using an open fireplace or space heater in your home, \_\_\_\_\_ reminds you to keep paper, fabrics, and combustibles at least 3 feet away from the unit. \_\_\_\_\_ reminds you to instruct children to play away from the heating unit.

\_\_\_\_\_ says, if you have a kerosene heater in your home, read the manufacturer's instructions carefully. Refer to them regularly. Always leave a window cracked a half an inch to an inch to allow fresh air to replace toxic gases expelled by the heater. Use a good grade of kerosene for cleaner, safer burning. Store the kerosene outside the house in a clearly marked fuel container. \_\_\_\_\_ reminds you to use that kerosene heater carefully.

During winter, reduce your driving speed to accommodate the reduced visibility caused by fog, sleet, snow and other adverse conditions. \_\_\_\_\_ reminds you to keep your headlights on low beam to avoid glare that may hinder your ability to see. Lights on high beam can blind oncoming motorists. \_\_\_\_\_ says, you owe it to yourself and those with whom you share the roads to be extra careful and courteous.

During winter, before you start up that car, be sure you've thoroughly scraped and cleaned all of your car's windows. Clear the snow from the roof and hood. Also, be sure snow has been removed from headlights, taillights, and turn signals. \_\_\_\_\_ reminds you that there are extra hazards in winter driving. \_\_\_\_\_ reminds you to be sure to see and be seen.

Winter drivers need more time to stop on snow and ice. \_\_\_\_\_ reminds you to depress brakes with a slow, steady pressure. Ease off the brakes before they lock, then depress them again until the car is able to roll to a stop. \_\_\_\_\_ says, winter driving requires being extra alert and careful.

\_\_\_\_\_ asks, are you ready for a winter driving emergency? Do you have an emergency kit in your car? You should have! The kit should include: a flashlight, warning flares, a windshield scraper and a bag of rock salt or "kittie litter." \_\_\_\_\_ reminds you that winter emergencies are easier to cope with when you are prepared.

Hold onto your steering wheel firmly during the winter driving season. \_\_\_\_\_ says, don't attempt large turns. A light touch should be used to correct swerves. React as soon as the car begins to slide. Minor adjustments usually halt most slides. \_\_\_\_\_ reminds you that safe winter driving requires extra attention and extra care.

Motorist! Be prepared for auto slides on the snow and ice. \_\_\_\_\_ says, BE ALERT. Be ready to adapt your driving to generate traction. If you find your car sliding, ease off the accelerator. Avoid using your brakes. \_\_\_\_\_ says, safe winter driving requires being extra alert and careful.

#### Management - Six Red Flags .....

A. J. Magrath, author of several marketing texts and director of marketing services for a "Fortune 500" manufacturer in Canada, warns business to be careful about creating a "lean and mean" Business. Six "red flags" may pop up when cutbacks and productivity pressures have gone too far:

1. Loyal customers complain they see your sales representatives too infrequently and therefore have begun trying your competitor's products (or services).
2. Communication and follow through on marketing programs to end users or resellers are slipshod.
3. It becomes harder to motivate employees.
4. The morale among your sales people is poor.
5. There is less urge to experiment and try new ideas for sales growth.
6. There are few one-on-one coaching sessions to help the salespeople improve their efforts.

A passive attitude and waiting for the economy to turn around could be detrimental to your survival. Avoid the natural instinct of squeezing the sales and advertising budget during tough times.

"The Frugal Marketer" by  
J. Donald Weintrauch and  
Nancy Croft Baker  
(AMACOM-New York - \$15.95)

#### Management - Advice from Tom Peters .....

Keep your mitts off the ad budget. Advertising and training budget historically receive the first and biggest blows in recessions. Talk about shortsighted! Training can best be conducted in slack times - especially economical on the job skill acquisition. As to advertising, we've entered an age dominated by intangibles (perceived quality, design, service, etc.) and bare-knuckled competition. Maintaining or enhancing the "brand" has never been so important for the small or large company in consumer or commercial goods or services. Remembering this during a downturn can gain you a long leg up when good times return.

Tom Peters, author "In  
Search of Excellence" in  
"Furniture World" 11-'90

Focus 1990 .....

As we close the "book" on the first year of the last decade of the century, instead of making predictions for 1991, we believe this space will be better used in sharing some thoughts that arrived this month from a couple of our subscribers.

Pete Charlton operates "The Management", a station software firm based in Fort Worth, Texas and serving a nationwide customer list - primarily small market stations. He was the first to develop low price radio station computing - over 10 years ago. He is also a former equipment salesman and one time small market station operator. In a letter to his clients this month he said:

"Broadcast stations have been taking a beating in the years since de-regulation. Since there is now no artificial protection against over-saturation of broadcast services, only the stations that are quick and smart will survive. Broadcasting is now market driven and it is definitely a buyer's market. In this kind of market cutting costs of operation by reducing service is not the answer."

"The real answer is to become both lean and mean. Keep your overhead down where you can. Increase your service to your customers and potential customers and listeners. Be flexible enough to adjust to changing conditions from your competitors and your customers. To survive, and better yet to make money, will require action based on good information rather than a reaction that is always too late."

Charlton believes much of the answer lies in new technology. "It is now possible to integrate all the internal operations of the station: traffic and billing, copy management, and programming available from us and our competitors."

"This does not mean that all stations have to become robot-like automations," he says. "In fact, the reverse is true. Integration of operations means more flexibility is allowed and better programming and sales activities are possible." SMRNewsletter has always believed that technology can solve many of small market radio's current problems. It has in the past: More reliable equipment eliminated the need for "on duty" engineers (a requirement until 1952) and made possible remote control of transmitters the same year. The cartridge machines, which arrived around 1960, improved the sound of even the smallest stations, automation in the 1970s and the satellites in the 1980s generally improved the program product and lowered costs. It seems to us that complaining about change is a bit silly. Without change there would be little need for the information we broadcast or the ads we carry.

Another thoughtful piece of mail this month came from Cary Simpson, a Pennsylvania small market group operator for 40 years and the dedicated chairman of Radio Advertising

Bureau's Small Market Committee - 24 operators of stations in towns of 25,000 and under all across the country. They operate in marketplaces that range from very good to very challenging. Cary polled them late this year about their business, their needs, and their current feeling about the small market radio business.

Business was reported "up" or "down" in "single digits." Universally, the operators felt "time poor." Without exception, they report greatly increased time and energy expended in their station's sales efforts: recruiting, training, and managing their salespeople. There is a general concern that this may be impacting on their attention to other aspects of their operation and "just as important, to the amount of time and energy they have devoted to community activities not directly connected with their stations."

The disappearance of strong local businesses, who make local ad decisions, and the appearance of franchises and chains where decisions are made "outside - often by people who have never been in this town," is a growing concern. In a telephone conversation, Cary said, "That can't be blamed entirely on the 'out of town' buyers - or the industry efforts, mainly by R.A.B." He went on to tell a recent story about a nationwide steak house chain that bought a big radio schedule. A couple of months into the schedule, it was canceled and went to TV - at the requests of franchise holders. "I wonder how many just ran the order without any local follow up?" he asks.

#### THE LAST WORD

Subscribers to SMRNewsletter and clients of our other small market radio related businesses often ask us, "What about small market radio as a business?" My answer is always, "The fundamentals are very good. People spend the same amount of time with radio now as they did 60 years ago - before TV, before the massive exodus of women from the kitchen into the workplace." Its fundamentals, we believe, are much better than print or TV or outdoor, etc. If a business is fundamentally sound, it is the skill and the dedication of the business operator that makes its individual entities successful or not successful.

Last year in this issue, we said, your business or ours is in answering one central question, "How can I help my customer make his business better." We think it'll be just as true in 1991 as it was in 1990. Good luck and happy new year!

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