

Small
Market
Radio
Newsletter
Inc.

Bill Taylor
KQSS
P.O. Box 292
Miami AZ 85539

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

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IT WON'T GO AWAY - N.A.B. President Eddie Fritts told "Broadcasting" magazine last week (12-24-'90), the Treasury Department is drafting a proposed Spectrum Fee, which would include taxes on the gross receipts of radio-TV stations. It might be put forth by President Bush in his "State of the Union" message, Fritts says. The spectrum fee would help fund new federal programs. Looking forward to a tough legislative year, N.A.B.'s new budget is expected to include a 10% increase for government relations (+\$200,000.00).

45 CANDIDATES ARE SEEKING 13 N.A.B. BOARD SEATS - Former R.A.B. president Bill Stakelin is "carpetbagging" from his New York City office for the Oregon/Washington seat. His East Coast based company has a station in Spokane... Bud Walters, who represented Kentucky-West Virginia up to 2 years ago is running for the Tennessee seat. Walter May, who lost his bid for the Joint Board chairmanship in the early 1980s, is reportedly readying for another run at the top job, pending the outcome of his Kentucky-West Virginia board re-election bid. ... Tom Young, former small market committee chair, has 7 opponents in his bid to represent California again. Jerry Papenfuss, the current small market committee chair has no opposition for the MN-ND-SD seat.

1990 STATION TRADING VOLUME was down 55% to \$1.156-billion. Number of stations traded was 1,275 vs. 1,277 in 1989, according to a tally kept by "Radio and Records" magazine.

NO ASCAP DEAL YET - In a joint statement, the Radio Music License Committee and ASCAP announced they had not reached agreement on a new industry wide contract. Present one expired 12-31-'90. Existing contract is being extended "til new one is agreed on. Both sides say they are satisfied with progress being made.

ABOUT THOSE WAL-MART "P.S.As." - Alex Kelemen, Vice President of Hometown Radio Network (a Regional Reps division) writes SMRNewsletter, "The only real surprise to me is that small market radio broadcasters run free spots for clients who have the ability, but lack the interest, to buy their stations."

QUARTERLY "ISSUES/PROGRAMS" LIST due in Public File this week.

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 (Bakersfield) AM Jerry J. Collins 1100 10kW D/
1 kW N (DA-2)
(San Martin) AM Jeffrey N. Eustis 1120 10 kW D/
1 kW N (DA-2)
MICHIGAN (Lexington) Vector Broadcasting, Inc. 96.9 3kW 328'
PENNSYLVANIA (Altoona) AM (Tyron Broadcasting Co.-Cary
Simpson) 1340 250w U (synchronous transmitter W T R N)
SOUTH CAROLINA (St. Matthews) Radio Four B'c'g. 93.9 3kW 328
TEXAS (Wichita Falls) Samwill B'c'g. 105.5 3 kW 328'

AMENDMENTS TO THE FM TABLE (Amended):

MISSOURI (Otterville) 107.9 A as 1st. W. 2-4/3-6.
VIRGINIA (Lynchburg) 100.1 C3 for A. M.: W K Z Z.

(Proposed):

MINNESOTA (Cold Springs/Litchfield) 94.9 C2. Change city of
license to Cold Spring. M.: K M X K (Herbert Gross)
OKLAHOMA (Tahlequah) 101.7 C3 for A. M.: K E O K.
WISCONSIN (Adams) 106.1 A as 1st.

And:

MISSOURI (West Plains)

The F.C.C. has approved a "networking arrangement", allowing 50,000 watt K U K U-FM at Willow Springs (20 miles from West Plains) to carry 12 to 24 hours a day of the programming of K W P M (AM), West Plains (Country music, professional, and college sports). K W P M's Class C FM station, K P S Q at West Plains, will carry a music dominant C.H.R. music format. K U K U-AM (1330 - 1 kW D - 52w N) will continue to offer local service to its community (1980 population 2215) including high school sports. Laurel Thompson, manager of the West Plains stations, says, the West Plains AM (a Class IV) will separate from the simulcast to carry local sports and other programming of a strictly local nature. The West Plains and Willow Springs are separately owned by Robert Neathery and members of his family.

Money Saving Tip

Use independent contractors instead of hourly personnel for some aspects of your operation (janitorial services, perhaps play-by-play, etc.) The expense is not subject to social security and other payroll taxes (or "fringes.") Before entering into an "independent contractor" arrangement, check the Federal and State regulations and make sure the agreements are in writing.

SMRNewsletter's 99 Money

Saving Ideas

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

Special opportunities in February:

Handwritten: X X
W-1
B-1
C

Saturday 2-2 - Ground Hog Day	Thursday 2-14-Valentine Day
Monday, 2-4 - Winter 1/2 Over	2-18/2-/23 - FFA Week
2-3/9 - Boy Scout Week (telemarket opportunity)	(telemarket opportunity)
2-10/16 - Crime Prevention Week (telemarketing opportunity)	Sunday 2-17 - Daytona 500 (the #2 motor racing)
Tuesday, 2-12 Mardi Gras	Monday 2-18 - President's Day
	Friday, 2-22 - Washington's Birthday

February facts and figures: The February volume of the 40 major categories of retail business is equal to 85.8% of the average month (January through November) --- but, the retailer has only 28 days expense vs. an average of 30.6 days the other non-December months of the year. By our calculations, daily February retail sales volume is equal to 93% of an avg. non-December month. If the retail sales in your marketplace = \$100,000,000.00 per year - \$7,000,000.00 will be spent in a 28 day February.

"VALENTINE'S DAY" is the #3 gift giving occasion of the year (surpassed by Christmas and Mother's Day). Target: photographers, greeting cards, candy, flowers, jewelry, women's clothing, restaurants.

Idea: Register listeners by "call and win" or by sign ups for a "Valentine's Weekend Second Honeymoon" - Friday-Saturday night at an area motel-resort (with indoor pool, sauna, etc.) Even if you give the winners some cash for car and miscellaneous expenses, it's a nice prize at a very reasonable price.

"DAYTONA 500" is the #2 motor racing event of the year. Many radio stations will carry it. It will be on TV - across the country. Get the number of cars starting in the race. Let listeners "call to win" a car in the race by drawing. Sell a promotion to a bar/restaurant with a big screen TV. Tell the winners to come down and "root for your car at the Sunday afternoon Daytona 500 Race Party." If you're not carrying the race, do some "cut ins" from the "party" talking to the fans about the performance of "their car." Award a prize to fan with #1, #2, and #3 finishers.

"WASHINGTON'S BIRTHDAY," long a traditional "clean-up" day for retailers comes on Friday this year. Put together a community wide sale event with schedules of ads - plus - station provided signs (a picture of a hatchet and "advertised on W W W W-Radio - AM 1230."

\$ale\$ - When the Prospect Says, "NO"

Ed McMahon's best selling book, "Superselling" is now available in paperback (St. Martin's Paperbacks.) It's good reading - lots of good selling ideas. For instance:

"Pick one nonsale - your most recent one is best - and study it methodically. Work step by step to isolate exactly why you didn't make a particular sale. This will take time, more perhaps than you think you can justify, but consider the alternative, which is to continue to rack up an alarming number of nonsales."

THE QUESTIONNAIRE

Did I arrive psyched up?

Did my entrance go off well?

Were my opening lines strong?

Did I watch for the buyer's wavelength and switch to it fast?

If the prospect gave me an opening to build rapport before we got down to brass tacks, did I make good use of it?

Did I listen carefully to what the prospect said about his or her needs?

Was my presentation well enough prepared?

Did I anticipate and defuse all the standard objections?

Did I hear any new objections?

Did the words me, mine, and I come up in conversation too often?

Did I start building small agreements right away?

What's the best line I delivered in the sales interview?

What didn't work that I shouldn't use again?

Did I try a few trial close to test the water?

Did I try to close too soon?

Did I ask for the Order?

Should I go back? If so, when?

What's the most important thing I can learn from this call?

WINTER SAFETY ANNOUNCEMENTS

Motorists! 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.

_____ 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.

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.

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. _____. They say, be sure to see and be seen.

Reduce your driving speed to accommodate the reduced visibility cause 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.

_____ 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 gasses 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.

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 too, be sure to instruct children to play away from the heating unit.

Management - Get More Done with Less Effort

1. Tend to business - not busyness! Activity does not necessarily equal accomplishment, therefore, only do what really needs to be done. Before you jump into action, ask yourself, "Do I really need to do this now?" Place more value on results and less on putting in time and effort.
2. Accept responsibility for use of your time. Don't fix the blame for your time-pressures. Fix the problem! Take charge of your schedule. Know when to say "no" to wasteful uses of your time.
3. Delegate where possible. Don't carry other people's workloads. Share tasks with your family members, employees, or co-workers. Do your fair share, but don't do everything by yourself. Another option is to hire out some of your personal workload.
4. Learn to use your creativity. Find more efficient way to get things done. Use idle time. Do two compatible things at once (like driving and listening to instructional tapes.)
5. Inject pleasure into your activities. Studies have shown that people who enjoy what they are doing are much more efficient than people who don't. Make a game out of your work. Invent ways to enjoy it.
6. Begin to see time as your friend and not as your enemy. After all, when your time is all used up, then you are all used up! Stay calm. Panic never improves performance.
7. Maintain a strong self-image, independent of your work. Your performance does not determine your value as a human being. So, don't strive for perfection by continually redoing the same job. Give your best effort and be content with that!
8. Plan your day. Set your priorities. Then devote the best portion of your time to the things that are the most important to accomplish your goals. (You have set down goals, of course.) Planning is essential if you want to avoid expending your energies on trivialities. Planned time is saved time.

Steve Simms in
"Personal Selling Power"
9-'90
1-800-752 7355
(Virginia: (703) 752 7000

Editor's Note: SMRNewsletter subscribes to dozens of publications. We have found "Personal Selling Power" to be the most useful sales and sales management magazine on the market. You might want to check with them about at least a trial subscription.

"Same Time - Different Station"

People in Laurinburg, North Carolina had been "getting up with Fred Fox for 15 years." Additionally, he was the W E W O's #1 sales producer and part of the community's civic life. A series of management changes, format changes, etc. prompted Fred "to go out on his own" by buying the 5 kW full-timers daytime competition - W L N C on February 1, 1988.

In addition to his long-established morning show, Fred changed the format on his newly acquired 500-watt daytimer (on 1300kHz) to an adult contemporary (60% oldies) music interspersed with a steady stream of local news and sports reports and features like a 3 time a day 5 minute "Community Spotlight", devoted to local civic groups and causes.

"Most of the people I'd been selling on W E W O added W L N C to their advertising budgets," Fred says. "We started out solvent and got into a pattern of small, but steady growth."

Meantime, W E W O's Class C FM changed its programming from a long established contemporary Christian format to a C.H.R. format targeted to Fayetteville (a market of over 250,000 vs. 35,600 in Laurinburg's county). W S T S became W M X F (Mix 96). The FM quickly became the overriding focus of management attention - and in June, 1989, W E W O gave up its 40+ year local service and became a simulcast of the C.H.R. FM station. That gave Fred Fox and his 500 watt daytimer an exclusive franchise of serving Laurinburg and Scotland County as a local station.

"The disappearance of our local competition," Fred says, "did not impact greatly on our business. Our business has continued to grow at about the same rate it had been growing. But, the absence of the local radio competition did not dramatically effect us - as most people thought it would. If the economy was different, it might have. I think generally, the local merchants decided that they'd just save those dollars they had been spending on the other station." Fred believes his station is doing about half what the 3 stations did 2 years ago when all 3 were actively selling the town.

Fred's career in Laurinburg is typical. He got to the West Coast during a hitch in the Navy. After that hitch he worked in retailing, a shipyard, and managed a small loan company there. He came back to his native Carolinas enrolling in the Carolina School of Broadcasting. "I didn't finish. I stayed long enough to find a job."

When he heard about a job opening at W E W O, he showed up without an appointment for an interview/audition. "When I arrived, the general manager was on the board. I told him I had to have \$125.00 a week (in 1971). He didn't argue. He wanted to get off the board - and back to running the station."

Fred established himself as a personality on the station and busied himself in the community's civic life. He married a local girl and he says, "I never had any desire after that to do anything else but be in the radio business in Laurinburg."

THE LAST WORD

On December 13, 1989, SMRNewsletter carried the following item on Page #1:

"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."

A follow up story: In its December 17 issue, the Washington area based "Radio Business Report" carried the following item:

"In the wake of a \$2,000.00 per station Howard Stern indecency fine by the F.C.C., Infinity Broadcasting's W X R K, New York; W Y S P, Philadelphia and W J F K, Washington confirmed to R. B. R. that each raised their advertising rates by 6%. Tom Chiusano, GM at W X R K, confirmed to R.B.R. that his station had done so "immediately after" the fine had been levied. Ken Stevens, GM for both 'JFK and 'YSP also confirmed the hike. Asked about the reasons, Stevens said, "With all the extra publicity will come higher ratings, so we figured a rate hike was appropriate." As for advertiser reaction, Stevens said, "What we need now is an afternoon Howard Stern."

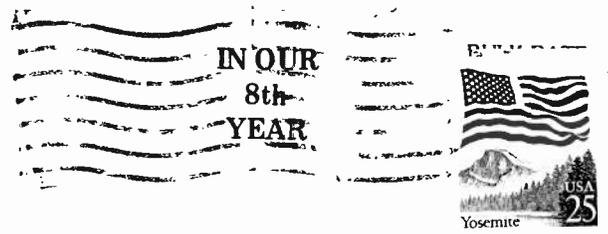
The Howard Stern early morning "audio sewer" depends on the trivializing of sex for most of its "success." Like programming in major markets depends on the same thing.

The broadcast industry has, in recent years, put considerable resources into fighting smoking, drug and alcohol abuse, drunk driving, illiteracy - all worthy of attention. SMRNewsletter wonders, with the alarming increase in teen-age pregnancy, venereal disease, rising costs of aid to dependent children, etc., no one within the industry seems to be concerned with the way so many television and radio broadcasters address sexual matters in their programming.

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VOLUME VIII - Issue #33 - January 10, 1991

ABOUT 160 OF THE 1,000 TOWERS inspected nationwide since November 1 were not in compliance with lighting or painting rules, according to the F.C.C. \$350,000.00 in fines have been levied. The inspections will continue.

AFTERMATH OF THE F.C.C. POLITICAL AUDIT - The 1-7-'91 issue of the Wall Street Journal quoted Milton Gross, chief of the F.C.C. fairness and political programming branch as saying that since the audit, many stations have offered candidates refunds "and several time-buyers said they spent 25% to 35% less than they had on previous campaigns as the result of our audit."

The same article reports that the governor-elect of Georgia and 4 of his unsuccessful competitors have brought suit against Gannet Company's W X I A-TV for overcharging them for political ads. The attorney, representing the Georgia politicians, says his firm has been contacted by candidates in other states about representing them.

N.A.B. WANTS THE F.A.A. TO WORK WITH THE F.C.C. in setting standards to protect airport facilities from harmful electromagnetic interference. N.A.B. contends the F.A.A. methodology is wrong and that actual FM interference has never been documented at airports to the extent asserted by the F.A.A. prediction methods. Stringent F.A.A. interference finding have posed a cost problem for scores of broadcasters in recent years.

LATEST "ZAPNEWS" TALLY: 9 STATES - The 6 month old news service by FAX which offers world/national coverage all over the country now offers state news in California, New York, Ohio, Michigan, Illinois, Indiana, Wisconsin, Louisiana, and West Virginia. Longtime U.P.I. staffer Billy Ferguson has joined "Zapnews" there.

APPEAL OF INDECENCY BAN oral arguments are scheduled before the U.S. Court of Appeals, Washington, D.C., January 28. N.A.B. and 15 other organization and media companies are arguing that such a ban violates the First Amendment.

66% OF TV VIEWERS PREFER TV WITHOUT COMMERCIALS - up from 53% in 1985, according to a poll by Video Storyboard Tests.

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

At the F.C.C.

NEW STATIONS (Granted):

NEW YORK (Homer) John Eves 101.5 1.58 kW 440'
NORTH CAROLINA (Old Fort) McDowell Communications Assoc.
104.3 2.57 kW 348'
OHIO (Montpelier) Lake Cities Corp. (WLKI, Angola, Indiana)
104.5 3 kW 328'
(Mount Gilead) Gourd City B'c'g. 95.1 3 kW 328'
TENNESSEE (Bolivar) Johnny and Opal Shaw 94.7 6 kW 328'

AMENDMENTS TO THE FM TABLE (Amended):

KANSAS (Copeland) 98.1 C1 for A. Amend appl. Sound B'c'g.
KENTUCKY (Hardinsburg) 104.3 A as 2nd. W.: 2-12/3-14

(Proposed):

IOWA (Decorah) 104.7 A as 2nd commercial
MISSOURI (Houston) 99.3 C2 for A. M.: K U N Q
(Thayer) 92.3 A for 99.3 A.

GONE SILENT - R. Peter Straus, who also owns small market stations in New York state and Virginia, has taken W F A D (Class IV AM and W C V M (Class A FM), Middlebury, Vermont off the air, pending their sale to Pro-Radio, Inc., Vergennes, Vermont.

INVOLUNTARY TRANSFERS:

FLORIDA (Vero Beach) W T T B (Class IV AM) and W G Y L (Class A FM) to Treasure Coast Broadcasting Cop., Debtor in Possession, 1235 16th St., Vero Beach, FL - 32961(901214GP/Q)

GEORGIA (Cairo) W O B B (Class A FM) to Orson Woodall, Reciever, P.O. Box 3335, Valdosta, GA - 31602 (901214GR)

MASSACHUSETTS (Barnstable) W Q R C (Class B FM) to Cape Cod Broadcasting Co., Debtor in Possession, 737 West Main St., Hyannis, MA - 02601 (901214GV)

OHIO (Canton) W B X T (500w D - 78w N) to Jack Nelson, Receiver, 1918 Fulton Rd., N.W., Canton, OH - 44703 (900921EA)

FINES: W T H Z, Tallahassee, Florida, has been given a short term renewal (to 2-1-'92) and fined \$18,000.00 for E.E.O. violations. ... W T C B, Orangeburg, South Carolina has been fined \$10,000.00 for E.E.O. violations and W S S Q, West Columbia, South Carolina has been refused reconsideration of a \$10,000.00 fine and short term renewal for E.E.O. violations.

MONEY SAVING TIP

Many long distance telephone companies charge in increments of 6 seconds rather than by minutes. Putting your FAX machine on a "6 second long distance company" can save a lot of money annually. (Cary Simpson, Pennsylvania small market radio group operator).

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

"GOOD NEWS" (or whatever you choose to call it.) We believe that the economic picture being painted by the TV and radio networks is far bleaker than the real facts. The data we read daily shows that people's confidence levels are far lower than what those people are actually doing in the marketplace. Is the national media talking us into "hard times?"

We strongly suggest that your station check recent new openings in your community; business remodelings, refurbishings and expansions; new jobs; farm income for 1990; building permits issued the last 90 days; decreases in crime statistics (by category); the savings rate, awards during the last 6 months; church attendance, etc. Brainstorm with your staff for more ideas. Look for every positive thing that's happened recently in your area. We're sure you'll find a lot of things - if you look for them.

Take the individual items and make them into separate announcements that you broadcast "run of schedule" during a period of a week, 10 days, or 4 weeks. Industries, financial institutions may well decide to sponsor these "Good News in ----" or you could run them as a public service. Don't "pretty them up," as the late Jack Webb used to say on Dragnet, "Just the facts."

"BUSINESS AFTER 5" - On several of our trips last year, we came across a great idea, sponsored by downtown merchant groups and chambers of commerce. One evening a month, the business people meet to set promotions, talk about business problems and opportunities. Instead of conducting the meetings in a "cold" meeting room, they are conducted in a different member's business place. The host provides refreshments and takes his fellow business people on a "tour" of his/her operation. The turnouts have been far better than the "traditional merchant meetings" we've attended.

"THE RED COATS" - In Williston, North Dakota, when a new business opens or a business changes hands, a committee of a dozen chamber members (each wearing a red coat) pays a short "get acquainted visit," bring a chamber plaque, a bouquet of flowers, and "good wishes." Bob Miller, K E Y Z/K Y Y Z, tells us that this is a many year old chamber project in his town. He also tells us, the chamber there has an unusually high percentage of memberships.

Worth Repeating

"You can make all the money in the world, but, that's of no value if there's no world to spend it in."

Donald McGannon
(The late president of
Westinghouse Broadcasting)

\$ale\$ - "A Lesson from the Man Who Sold Hot Dogs"

There was a man who lived by the side of the road and sold hot dogs. He was hard of hearing, so he had no radio. He had trouble with his eyes, so he didn't read newspapers. He didn't own a television.

But he sold good hot dogs. He put up signs on the highway telling how good his hot dogs were.

He stood on the side of the road and cried, "Buy a hot dog, Mister!?" And people bought.

He increased his meat and bun orders. He bought a bigger stove to take care of his trade.

He finally got his son home from college to help him out.

But, then something happened.

His son said, "Father, haven't you been listening to the radio, watching TV, reading the newspaper? There's a recession - a slowdown. The world situation is in a mess."

Whereupon the father thought, "Well, my son's been to college, he reads the papers, watches TV and listens to the radio, and he ought to know."

So the father cut down on his meat and bun orders, took down his advertising signs and no longer bothered to stand out on the highway to sell his hot dogs.

And his hot dog sales fell almost overnight. "You're right son," the father said to his son.

"We certainly are in the middle of a recession - a slowdown."

From SMRNewsletter files
- Author Unknown

F. Y. I.

"Consumers continue to want good quality, and they are not willing to take risks. They will stick with a strong brand image. That means buying BandAids on sale rather than buying a discount brand."

Paul Hall, President
TargetTrends Associates in
American Demographics 1-'91

From the Same Publication

Convenience, quality and value are the 3 factors that determine what customers will buy. In 1991, value will gain the crucial competitive edge.

About Radio News

The "M Street Journal" in its 11-26-'90 edition reported that over the Thanksgiving weekend, heavy rains produced the worst flooding in recorded history through much of the state of Washington. Thousands of people were evacuated from their homes, water supplies were contaminated, major roads and bridges closed, and flood waters reached unprecedented levels.

The need for current information was critical, but according to the "M Street Journal," of 56 radio stations in the Seattle-Tacoma-Everett area, only 2 outlets (news talk K I R O AM and K I N G AM) devoted substantial blocks of programming to coverage of the local weather-related crises. Even K I R O and K I N G ran coverage for only a few daylight hours Saturday and Sunday, choosing "to send their staff home on a holiday weekend" and run pre-scheduled specials, network talk shows, and sports programming.

"Public interest aside," editor Robert Unmacht asks, "Can radio afford to train listeners to wait for periodic 1-minute breaks in syndicated programs, already available on TV? Can radio afford to abdicate its image as a foreground provider of information?"

Also about radio news, SMRNewsletter received a thoughtful letter from longtime subscriber Dick Myers of Hollywood, Maryland. He reports, "The December 21 issue of 'Radio and Records' contained a farewell column by Brad Messer who said that he's ending his column in part because of the trend away from radio news, 'The kind of newsroom that always had a special place in my heart, the small and medium market newsroom where beginners could break in, is fading from the scene. Each week, regardless of what I wrote about, always in the back of my mind was that melancholy feeling about the gradual demise of entry-level, enthusiastic, exciting, chase 'em down, smaller town newsrooms."

Myers takes issue with Messer's column reporting 3 radio operations in his home county in Maryland, "each with a full-time newsman." He continues, "I do a lot of traveling and still hear many stations committed to local news. Recently," he continues, "I talked with a man from another part of the country who has put his station up for sale. When I asked him why the station had not been successful, he told me he believed, it was because his main radio competitor, a heritage full-service station, had cornered the local news market."

Myers, quotes Messer as saying in his "radio and Records" final column that he's "burned out." About news in small and medium markets, Myers says, "Things could be better, but in spite of what Messer believes, many radio stations are and continue to be places of thriving local journalism."

While news on radio has become a matter for programming debate in the U.S., it's interesting to note that the 3 year old all-news service in France enjoys the 5th largest audience in that country - and 66% of the French all news audience is under 35, according to New York Times.

Management - "Are You Rewarding Poor Performance?"

What manager in his right mind would reward employees for performing badly? The answer is that most managers do it daily as an unconscious act. Here are some examples:

- Employees who do difficult tasks poorly are given only easy tasks to perform.
- Employees who are difficult to control receive job assignments giving them a lot of freedom.
- Employees who repeatedly complain to the boss about certain work assignments are given those work assignments less frequently.
- Employees who perform badly receive a lot of attention from the boss who plays amateur psychologist.
- When employees make errors in their work, the boss corrects the errors.

That performance which is rewarded will increase in frequency. This rule works whether or not the behavior is desirable.

You should consider the possibility that you may be influencing your employees to perform poorly, and you don't even know you are doing it.

"Why Employees Don't
Do What They're Supposed
to Do" - Ferdinand Fournies
(TAB Books)

Management - "Subjects to Avoid"

There are some subjects better left alone. Here are a few that should not be discussed:

- Your health
- Other people's health
- Controversial subjects when you don't know where other people stand
- How much things cost
- Personal misfortunes
- Trite and overdone subjects
- Stories in questionable taste
- Gossip that is harmful
- Anyone's sex life

"Letitia Baldrige's Complete Guide
to Executive Manners"
(Macmillan)

"Back Home"

Two years ago, Roger Utnehmer left his radio stations at Eagle River, Wisconsin in the care of his staff and with wife Mary Jo left for South America. They signed for a tour of duty as missionaries in a project sponsored by the Norbertine Priests.

Roger says, "Mary Jo and I had had very good fortune in our lives and felt it was 'payback time.'" Their assignment was to operate a soup kitchen and medical dispensary in Lima, Peru. A short time into the project, Roger came to the conclusion that it was worthwhile, but, he felt there was a need to provide gainful employment there. He established a factory to manufacture 100% hand knit alpaca wool sweaters. A year into the venture, 116 women are working there. It is a non profit corporation with margins earmarked to expand the soup kitchen-medical dispensary operation.

Roger and Mary Jo returned to W E R L (AM) and W R J O (FM) in November. They plan to make thrice yearly trips back to Peru (a month or less) to "nourish" the knitting enterprise. Additionally, Roger has opened a retail store in Eagle River to market the sweaters at \$85.00 to \$150.00 each. "Comparable sweaters sell in prestige big city stores at twice that price," Roger says. "The store here is a prototype for other stores we hope to open in other cold weather areas." He calls the less than 2 month old Eagle River store "very promising."

During his absence from the Eagle River stations, he says, "the station remained profitable and income grew both years." He returned just in time to put his upgrade on the air. W R J O went from 3 kW to 50 kW, "expanding our area of influence from 30 miles to 70 miles."

With the power increase, Roger bought a heavy billboard showing in the station's new coverage area and turned to an old, but still very potent promotion vehicle: "High/Low." He earmarked \$5,000.00 cash to fund the game jackpots. He calls the game "The I Switched to the new W R J O High/Low Game." Throughout the day, the stations asks for callers in _____ County (Wisconsin or Michigan). The first caller from that area who says, "I've Switched to the New W R J O" gets a chance to guess the amount in the jackpot. He or she is told whether the guess is high or low. Listeners get the correct answer by the process of elimination - generally taking 1 to 3 days. Listeners who don't guess the correct amount, get \$3.00 coupons which spend "like cash" on the W E R L/W R J O radio auctions, Wednesday morning 10 to Noon and Saturday morning 9 to Noon. (Those auctions have been running every week since the Utnehmers bought the stations in 1985.)

Another area audience and advertising building project started in the new areas served by the upgraded FM is a series of "Good News" breakfasts. They are staged in the 4

principal towns the station undertakes to serve. On 5 week months, the breakfast is held in one of the smaller towns in the coverage area. A direct mail invitation is sent to business, civic, and political leaders in the community where the breakfast is to be held. Additionally, the stations broadcasts 10 announcements per day the 2 days before the breakfast. Admission, the invitations say, is by "good news." Each person attending is expected to recite a piece of good news about the community or his/her business. The "good news bits" are recorded. Some are carried on W E R L/W R J O newscasts. Still others are put into announcements e. g. "There's good news in _____ . Here's what _____ told W E R L (or W R J O)."

W E R L/W R J O have had longstanding successes with home shows in the spring, a "Senior Citizen Fair" in the fall and a "Working Women" event during National Secretaries Week is adding another event this year, Earth Day Week (April 22nd). The event will be called "the Green Consumer Fair." Roger plans to gather displays from businesses offering environment sensitive and energy saving products and services.

The sales effort at the stations since the "upgrade" went on the air has been increased from 3 to 7 salespeople. Of his expanded sales effort, which he describes as "going very well," he says, "We're doing it right. Call #1 is an information gathering call. Call #2 features a written proposal outlining a program to meet the customer's problems and opportunities."

Roger says, "My idea of a good radio operation is to be seen and heard and to stand for something."

THE LAST WORD

The R.A.B. Small Market Committee will meet in Nashville on Thursday, January 24, coincidental with the annual R.A.B. "Managing Sales Conference." The meeting will be attended by R.A.B.'s. top management and key staff members.

If you have special concerns or suggestions that you would like to bring to the attention of the meeting you may call Cary Simpson. His phone # is 814 684 3200. His address is P.O. Box 247, Tyrone, Pennsylvania - 16686-0247.

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275 19th Street - Otsego, Michigan 49078 - (616) 694-9357 - FAX: (616) 692-6789

Small

Market

Radio

Newsletter
Inc.



Bill Taylor
KQSS
P.O. Box 292
Miami

AZ 85539

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

VOLUME VIII - Issue #34 - January 17, 1991

TWO WAY TV - The F.C.C. has proposed allocating a small portion of the airwaves for services that let TV viewers answer questions, order products or take courses at home. The commission says the proposed interactive service has educational as well as commercial applications. Former F.C.C. chairman Mark Fowler wants his client, TV Answer, to have a nationwide license. The commission favors licenses on a local basis. Licenses could be granted as early as mid-1992.

TWO WAY STREET - While cable interests and the N.A.B. are fighting telephone company entry into the cable business, cable operator Comcast Corp, has filed a request with the F.C.C. to test telephone service via cable TV facilities.

DIGITAL RADIO - N.A.B. lawyers filed reply comments with the F.C.C. last week on digital radio. In those comments, N.A.B. said, there is widespread support for its position that digital radio be land-delivered and offered on priority basis to existing broadcasters.

DECEMBER SALES FIGURES have been released by the major retailers: Same store sales at Sears fell 00.3%, were up 6% at WalMart, 1.2% at K-Mart, and were down 00.3% at J.C.Penney. The Conference Board showed consumer confidence in December at 61.3 vs. 113.0 a year earlier. Plans to buy news cars within 6 months stood at 2.6 vs. 2.4 in November and 3.3 a year earlier, a home 2.6 (same as November) but down from 3.3 in 12-'89, a refrigerator 4.1 (same as 12-'89) and up from 3.7 in November. (AdWeek's Marketing Week)

LAST CHANCE TO ENTER N.A.B. "BEST OF BEST" Promotion Contest is 1-31-'91 postmark. 3 winners in markets under 100,000 - 1 each for community service, station enhancement, sales. Prize for each \$250.00 cash, plaque, and recognition at Las Vegas radio luncheon. Info: Bill Peak (202) 429 5422.

RUNNING HARD: Lee Shoblom, K F W J/K B B C, Lake Havasu City, Arizona for AZ, NM, NV, UT seat on N.A.B. Board. A former board member, he also chaired Small Market Committee and was 1st president of L.P.T.V. association.

R.A.B. HAS SOME SEATS LEFT for Nashville seminar (800 232 3131)

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

At the F. C. C.

NEW STATIONS (Granted):

ILLINOIS (Carterville) Marilyn Pranno 95.1 3 kW 328'

KENTUCKY (Paris) AM Somerset Education Broadcasting

Foundation 1440 1 kW D

(This facility was off the air without notifying the F.C.C. The renewal was later refused the former licensee)

MISSISSIPPI (Flora) Crossroads Communications 97.5 3kw 328'

UTAH (St. George) Ear, Inc. 99.7 100kW 987'

AMENDMENTS TO THE FM TABLE (Amended):

ILLINOIS (Morris) 103.1 as 2nd. W.: 2-20/3-22

(Pontiac) 93.7 A for 103.1 A. M.: W J E Z

MICHIGAN (Oscoda) 100.7 C3 from 100.1 A. M. W C L S(C.P.)

VIRGINIA (Marion) 103.5 A as 3rd

(Rural Retreat) 93.5 A from 103.1A M.: W C R R

INVOLUNTARY TRANSFER:

COLORADO (Lamar) K N I C (FM-C) to John E. Fitzgibbons,
Interim Trustee, 936 E. 18th Ave., Denver, CO - 80218
(901219HE)

FINE:

NEW MEXICO (Mel Jamar) K W M W - \$10,000.00 for failure to light tower. The station place the blame on the tower builder, said it corrected the problem upon notification, and said the \$10,000.00 would put the station in serious financial condition. The Commission let the fine stand. They are serious about the proper lighting and painting of towers in accordance with the station's license.

AND -

The U.S. District Court in D.C. has refused to overturn the F.C.C. action stripping Henry Serafin of the license of W B U Z (AM), Fredonia, N. Y. The 10 year long litigation started when he was accused of E.E.O. violations and contest rigging.

The owner of W B B Y, Westerville, Ohio had announced plans to take that station off the air on January 1 because of the 10 year long, very costly legal proceeding there. The station owner, a large Ohio auto dealer, Richard Norse, is accused of "lack of candor" in a license renewal. Though he said he wouldn't, Norse has apparently decided to take the next long, costly legal step to attempt to keep the license.

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

"OPEN HOUSE" - By almost any account, Northwood, Iowa (population: 2,193) is too small to support a radio station, but, Ron Voss saw an opportunity there: to make the Class A FM a regional station also serving Albert Lea and Austin in Minnesota and Mason City in Iowa. He found an exclusive to the markets FM format - oldies via Unistar on the 2 year old K Y T C.

To establish a presence in the 2 Minnesota cities and the one in Iowa (all of which have very good local stations), Ron staged social hours in each one. Local merchants and community leaders were invited to each.

The climax of the evening at each evening's event was the presentation to the local chamber of commerce of a radio jingle extolling the virtues of that city. The "from the ground up" custom jingles sell for \$1,950.00 each from Philadelphia Music Works (800 368 0033). The chamber, Voss says, "is free to use the jingle on any radio station(s) it wishes. Obviously, we'll have some ideas for them on our station - just like everybody else." Voss see the jingles as "a way for radio to garner more dollars." If that happens, he says, "We'll get some, obviously."

"SPECIAL DISCOUNT" - If you have a car wash or gas station that wants some new customers, why not pick a slow day of the week. Each week announcement, "Tomorrow is a special day for people with (blue) cars at -----." If you have a blue car, drive in tomorrow for -----." Change the color each week.

"A DAY TO REMEMBER" - On your station's anniversary date, divide the number of years you've been on the air into the available hours of your broadcast day e. g. if you've been on 35 years and you have 17.5 hours, devote a half hour to the headlines of your anniversary date each year. Check the newspaper files at your library. Also include the most popular songs (in your format). Do it in reverse order (starting with 1 year). Sell sponsorships of each half hour (so you can run your regular commercials). Example, "The next half hour - 1972 - is brought to you in part by who were marking their grand opening, 25th anniversary, etc." You might want to "fancy it up" with people sharing their memories, interviews with people who were on the station then, etc.

About your customers

The best prospects for restaurants and food take-outs, according to an article in the January issue of "American Demographics." Weekly expenditures:

Age of Household Head:	34 & under	35 to 44	45 to 54	55 to 64
	\$29.61	\$40.85	\$42.26	\$30.63

\$ale\$ - Objections - A Tested Method for Handling

The sales manuals of two large companies, the Hoover Company and the Dictaphone Corporation provide the salesperson with some tested techniques for handling objections. The Hoover Company instructs its salespeople to turn an objection into a definite sales advantage by the following procedure:

1. Allow the prospect to state his objection. Give courteous attention - avoid interruption.
2. Ask the prospect if that is the only reason for not buying now. This informs you whether or not there are other objections.
3. Ask the prospect's reason for the objection. The prospect's reason will guide your answer. If the prospect does not know the reason for his objection, he weakens his position.
4. Repeat the objection in your own words with emphasis. State the objection more firmly than the prospect did. This assures the prospect that you understand the objection.
5. Base the sale on the objection. Have the prospect agree if it were not for the objection he would buy immediately.
6. Prepare the prospect's mind for proof or explanation. Have the prospect agree that an explanation would be sufficient proof.
7. Answer the objection. Give the prospect the needed information by explanation or answering questions.
8. Find out whether sufficient information has been given.
9. Present the sales agreement for the prospect's signature.

"Salesmanship Fundamentals"
Ernest and DaVall
(Gregg)

\$ale\$ - About Advertising

"If you don't tell, you don't sell.
When you quit advertising, you quit telling.
Quit telling and you quit selling."

Budd Gore
retired advertising
director
Marshall Field and Company
Chicago

About Collections

Cary Simpson, chairman of the R.A.B. Small Market Committee and a longtime Pennsylvania small market station group operator, writes: "I was talking to a friend who is in the office and school supply business. He is concerned about his rising accounts receivable. He made a very important observation: The money tied up in accounts receivable is ours. If we have to borrow money to meet our working capital needs because of high receivables, carrying customers for long periods of time becomes a very expensive service."

"In the case of my friend in the office supply business, his receivables equal his revolving credit line at the bank. In effect, he has 'factored' his account receivable - an old fashioned term we seldom hear these days. He's given up much of his profit. As we enter a traditionally lean period of the year, I think that the control of the station's accounts receivable deserves the same amount of attention as writing orders."

"Sarcastic letters, threats, humiliating approaches may result in getting your money, but they may also cost you business forever. A consistent, organized approach is the answer."

About the consistent, organized approach to this problem, SMRNewsletter quotes from an article in "New Business Opportunities." Charlie Becker is an accounts receivable consultant and seminar author. His clients include Dun and Bradstreet. He advises, "If your billing terms are net 30 days and a check hasn't arrived on the 31st day, make contact with the account. Frequently, the person has merely overlooked the due date and will write you a check on the spot." He says flatly, "It's easier to nip the problem in the bud than to wait until a bill is 60 days (or more) overdue before getting in touch."

Becker advises, "Always ask for all the money owed. Be prepared to offer the option of a payment plan if payment in full is not possible."

In person is usually best, he says, but if you're using the phone, "You have about 2 to 3 minutes to be effective on the phone with an account, and the first 15 to 20 seconds are the most crucial." He says, "Be professional - not wimpy, strong - not abrasive. Project a pleasant voice that conveys authority and knowledge of the account and respect for the dignity of the customer."

About the collection call: Always take a copy of the billing with you. Ask for the money - it belongs to you. Our favorite collection quotation: Jerrell of Moberly, Missouri: "We either teach the customers to pay or not to pay."

CRIME PREVENTION WEEK (2-10/2-16)

During Crime Prevention Week, _____ reminds young people that no matter what the size of a crime, the conviction can follow you for a lifetime. Years from now that record of shoplifting or drug use can keep you from getting a job or a promotion. One mistake can last a lifetime. During Crime Prevention Week, _____ says, law and order is everybody's job - young and old.

Most crimes committed are never reported. _____ says, many people think so little can be done they don't bother to call the police. If you are the victim of or witness to a crime, report it promptly and be as accurate and complete as possible. During Crime Prevention Week, _____ says, "Be alert and support good law enforcement."

Many shoplifters believe that nobody gets hurt by his or her crime. _____ reminds you that shoplifting does hurt someone: YOU! Billions of dollars worth of merchandise are shoplifted every year. The money lost is charged to legitimate customers who buy merchandise. During Crime Prevention Week, _____ says, report shoplifters and support strict law enforcement.

Crimes against business drive up the cost of doing business. That drives up the prices of the goods and services you purchase. _____ reminds you that crime hurts everyone. Effective law enforcement helps everyone. Report crimes promptly. Cooperate with your local law enforcement agencies. A message from _____.

If you can't teach your children the difference between right and wrong, who's going to? During Crime Prevention Week, _____ reminds you that young people need the kind of moral guidance they can only get from parents. Teach your children to respect the law and those who enforce it. Join _____ in observing the law and upholding those who enforce the law.

_____ believes the law is important. It's worthy of being upheld. Teach your children the difference between right and wrong. Crime prevention is not just the job of the police. During Crime Prevention Week, _____ reminds you that "example is always the best teacher."

Murder, robbery, and burglary are not the only crimes. During National Crime Prevention Week, _____ reminds you that cheating on your income tax and shoplifting are crimes too. _____ believes, the prevention of crime is everybody's business.

Crime is growing faster in small towns than in the cities. During Crime Prevention Week, _____ says, as a good citizen, you should insist on good, professional local law enforcement. _____ believes, the fight against crime needs the active support of everyone.

A 1990s Opportunity

Imagine what your operating statement would look like if you had to use conventional telephone company facilities every time you "took your programming outside the studio." Imagine how many program and sales opportunities you'd have to pass up because telephone company facilities were not available. It has been so long (about 30 years) since Marti Equipment came into widespread use that most broadcasters take it for granted.

N.A.B.'s selection of George Marti for its annual Radio Engineering Award is excellent. The presentation will be made in Las Vegas in April. His company headquarters is in tiny Cleburne, Texas. It is still not uncommon for the owner of a piece of Marti equipment to call the Texas plant with a problem and be counseled by the equipment's inventor/manufacturer, George Marti himself.

Marti's contribution of remote pickup units and studio to transmitter links are the most widely used products of their kind in the industry - providing service and saving money for thousands of stations all over the U.S. and beyond its borders. In an increasingly competitive marketplace, successful small market radio stations maintain marketable audiences by serving their communities with localized programming services - many of them with Marti R.P.U. equipment e.g. sports, "at your business" remotes, special events, and community involvement.

In the years ahead, Marti's contribution can be expected to grow thanks to still more innovative technologies. The stupidity and sloppy regulation of the Fowler and Patrick F.C.C.s. have left a legacy of more radio stations than the economy is likely to support anytime in the foreseeable future - except for technology. As Commissioner James Quello, an oft-times dissenter on Fowler and Patrick commissions, told "Broadcasting" recently, "There was no need for 2,000 or 3,000 more radio stations out there." The lawyers, engineers, and consultants without credentials have made "their killing," now it's up to real broadcasters to deal with the mess.

Economic history tells us that there will have to be a consolidation. In the newspaper business this has been marked by buy-outs, mergers, and joint operating agreements. The relaxed "overlap" ownership rules allow the hard realities of the marketplace to be dealt with. Even more relaxation is likely to come soon.

George Marti and his firm have again come forward with equipment that may well prove "an out" for the weaker broadcasters and an opportunity for the stronger ones. The idea is to set up a key station with nearby satellite stations. The key station would headquarter most general and administrative activities, much of the satellite

station(s)'s programming could be fed by Marti studio to transmitter link (S.T.L.) which would also be used to control the satellite station(s)'s transmitter. It is practical to operate a station in this manner 20,30, even 40 miles apart.

A local program and sales effort would be operated from the satellite station(s)'s city of license from small quarters with a skeleton staff. For communication purposes Marti has developed a product called the "MUX" System. It provides voice, fax, and computer communication between the two locations. The "MUX" equipment also allows the answering of telephone calls to the satellite station(s) at the key station (business calls, listener calls, etc.) That gives the satellite station a real presence in its city of license.

The key station with satellite(s) is not prohibitively expensive or complicated. In our view, it is an opportunity that's present now and will become more so in many areas. It is an opportunity that deserves serious consideration of broadcasters in the business for the long haul.

About George Marti: During our years in radio broadcasting we have seen many times a combination of technology and creative thinking and action that have turned seemingly insurmountable problems into opportunity that had previous seemed unthinkable. In our opinion, the industry's real heroes have, from the beginning, been the honest "tinkerers" like George Marti.

THE LAST WORD

The current F.C.C.'s practice of making widespread, unannounced inspections to check compliance with its rules and regulations is being criticized in some quarters - NOT HERE. In the most recent case, the inspection of 1,000 towers to make sure they were properly lighted and painted, non-compliance is a real threat to personal safety. The fact that 160 out of 1,000 towers "were not legal" is frightening to us who frequently use air transportation. Last summer's random political audits were an embarrassment.

Regulations are on the books for good reason. Complying with them requires money and time. Non compliance gives an unfair economic advantage to non compliers unless fines are levied on those who don't operate within the rules. We don't see the need to commend Chairman Sikes. It's something that should have been done all along.

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Inc.



Bill Taylor
KQSS
P.O. Box 292
Miami AZ 85539

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

VOLUME VIII - Issue #35 - January 24, 1991

1991 BUSINESS - WHAT YOUR CUSTOMERS EXPECT - Deloitte and Touche, the nationwide accounting and consulting firm, has poled 1,262 retailers across the country. Respondents in the Midwest and West expect sales to be the same as last year. Those in the Northeast and South expect sales to be lower. Plan to increase promotion: Northeast 18.4%, South 16.7% Midwest 17.3%, West 17.1%. Plan to increase advertising: Northeast 7.8%, South 11.0%, Midwest 10.2%, West 12.3%. (Furniture World - 1-'91)

DIGITAL AUDIO BROADCASTING - THE COST - Marcia DeSonne of N.A.B. Research and Planning told readers of N.A.B. "Radio Week" last week, "Importantly, new digital hardware can be phased in as equipment suppliers offer new digital product lines, and as broadcasters can afford to buy them. Current hardware would not be instantly obsolete. Digital equipment is likely to be acquired in the normal depreciation/replacement cycle. For those already phasing in digital equipment into station/studio operations, cost would be minimized. New equipment may be expensive, but these hardware cost may be more than offset by savings from the sharing of a single digital transmission facility by several broadcasters." Digital broadcasting will get intense attention from the N.A.B. Radio Board at its Naples, Florida meeting (1-25/1-31).

TRANSLATORS - N.A.B. has asked the F.C.C. to make the licenses only 1 year long and to limit the use of the hourly 30 second commercial "window" limited to enhanced underwriting like the public stations do.

ZAP NEWS CONTINUES TO EXPAND as U.P.I.'s future becomes more precarious. Latest move of the FAX delivered service into Minnesota with state coverage plus national coverage.

FM CHANGE REQUEST - The owners of W O A B, Ozark, Alabama has asked for a rules change to allow stations to operate with vertical polarization only.

C.B.S. RADIO SPORTS has come back to small market affiliates with a \$2,000.00 fee (vs. \$4,500.00 earlier). A C.B.S. staffer told one of our subscribers, "The series was only 4 games. We lost a lot money." He answered, "So did we. We pass."

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

At the F.C.C.

NEW STATION (Granted):

VERMONT (Morrisville) Radio Vermont, Inc. 93.9 3 kW 121'

AMENDMENTS TO THE FM TABLE (Amended):

CALIFORNIA (Garberville) 103.7 C1 as 2nd. W.: 2-26/3-28

(Yuba City) 103.9 B1 for A. M.: K X C L

FLORIDA (Rockledge) 102.7 C2 for A. M.: W H K R

MICHIGAN (Glen Arbor) 95.5 C2 for 95.9 A. M.: W T H M C.P.

(Pickford) 105.5 A as 1st. W.: 2-26/3-28

(Scottsville) 94.9 C3 for 95.9 A. M.: W K Z C

MISSISSIPPI (Pearl) 93.9 A as 1st. W: 3-1/4-1

MISSOURI (Bourbon) 96.7 A as 1st. W.: 3-1/4-1

(Columbia) 96.7 C3 for A. M.: K C M Q

(Proposed):

CALIFORNIA (Yreka) 103.9 C1 for 97.7 C2. M.: K Y R E

GEORGIA (Jesup) 98.3 C1 to Midway. M.: W G C O.

IDAHO (Weiser) 107.5 C2 for 99.3 A. M.: K W E I

ILLINOIS (Columbia) 104.9 C3 for A. M.: W C B W

(Gilman) 103.3 A as 1st.

KANSAS (Augusta) 104.5 C2 for A. M.: Gregory Steckline C.P.

VIRGINIA (Crozet) 93.9 A as 2nd.

WISCONSIN (Ladysmith) 103.7 C to Hallie. M.: W W I B

REPORTED SILENT (by the M Street Journal):

COLORADO (Monument) K C B R (AM-1040-5kw D)

(Request):

LOUISIANA (Sulphur) 101.9 A.as 2nd. Req.: Meena Youngblood,
Spring, Texas.

FINE:

W Z A M, Norfolk, Virginia - \$7,900.00:

A daytimer - it transmitted an unmodulated carrier signal
after required sign off;

Operated by remote control without authorization;

Failed to cease operation 3-plus hours after a malfunction;

E.B.S. equipment was inoperative and tests not conducted;

Station license not posted; chief operator not
designated;

Tower lights observations not made;

Complete public file not kept.

MONEY SAVING IDEA:

- About 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 of the possible long term effects?

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

"BRIDE OF THE YEAR" - During the series of 3 1-day small market radio seminars we did in New York State for the broadcasters association there, we heard the following promotion, being run on several stations:

Family members and friends vote for their favorite bride by making purchases at participating stores - 1 vote for each \$1.00 spent between March 1 and June 30.

Advertisers receive an ad in a pocket size bridal guide which is available at participating stores. Some station's guides also carry editorial material focused on wedding tips and etiquette.

The bride who gets the most votes (at 1 vote per \$1.00 purchased gets \$1,000.00 cash. (The wedding must take place before October 1).

In addition to selling advertisers who have wedding related goods and services, stations report many other sales as well.

EASTER is very early this year - Sunday, March 31. Clarence Horine advises SMRNewsletter that he and his company (Adver Tek, Box 678, Lexington, Kentucky - 40586 - 606-252 7485) are ready for Easter. Clarence recently underwent serious heart surgery.

Adver-Tek has 4-1/2-foot plush bunnies at \$29.95 each - 6-foot bunnies are now \$43.95. He tells us that the 4-1/2 foot bunnies are selling best "because shipping on the 6-foot ones has become so high. The shipping costs almost as much as the 6-foot bunnies."

Many stations sponsor "Easter Egg Hunts," where admission is by a plastic imprinted plastic bag obtained from a participating advertiser. He has plastic eggs (720 to a carton) at \$38.40, signs, instructions, etc. Adver-Tek has station customers all over the country.

"VOLUNTEER OF THE WEEK" - One of the stations in our area (W K Z O, Kalamazoo, Michigan) has come up with a good idea. They are saluting a volunteer each week (not an officer or group leader) but, one of the "unsung heroes" who makes veterans' hospital visits, church visits on the sick, provides transportation to seniors with medical appointments, etc.

About Your Customers

Whatever world or national events hold people's attention, "people still have to eat." But, says a super market executive, "The uncertainties in the Middle East, combined with a recession, will mean people probably won't eat out as much. They're likely to spend more of their food dollars at food stores." He expects service delis and prepared food sections to enjoy substantial sales gains.

\$ale\$ - Critical Factors for Success

- _____ Do what unsuccessful sales people will not do. Take time to care and listen; organize and prioritize; focus on the imperatives and don't "major in the minors."
- _____ Don't be afraid to fail. Ask for the order - again and again - and understand that a "no" is not final.
- _____ Don't take things personally. Understand the difference between your prospect's rejecting the idea you offered and rejecting you.
- _____ Stick to the fundamentals. Use the telephone every day to ask for appointments. It's easier to make 2 appointments a day instead of spending a day calling (on people too busy to see you, not in, etc.)
- _____ Use selling hours to sell. If you're doing administrative work during prime selling time (normal business hours) you are limiting your ability to succeed. If you socialize, organize, philosophize, exercise, analyze, or rest your eyes during prime selling time, you are shooting yourself in the foot.
- _____ Organize non-selling time to excel. Decide when and what to read, how to complete paperwork, how you will approach prospects when you have less critical time for thinking and these indirect selling activities.
- _____ Eat with prospects whenever you can. One of the biggest mistakes you can make is to habitually go to lunch with other salespeople.
- _____ Delegate everything you possibly can. Don't think you have to orchestrate everything. There is probably an inside person who can do it better than you.
- _____ Never get caught just waiting. If you have to sit 5 minutes and wait for an appointment, read. If you are driving to an appointment, listen to an audio tape (monitor the competition). Your mind will always outlast your body in stamina and ability to perform.

From "The Book of Small
Business Checklists"
\$34.95 from the John H.
Melchinger Co.
15 Cypress Street
Newton Center, MA-02159

\$ale\$ - Why don't we sell more time Saturday/Sunday?

80.4% of all adults listen on Saturday and/or Sunday.

They listen an average of 5 hours and 35 minutes.

F F A WEEK ANNOUNCEMENTS (2-17/2-23)

The Future Farmers of America at _____ School and those in chapters in 8,000 other schools across the country are working hard to assure America's agricultural future.

_____ reminds you that agriculture is the country's most important business. _____ also reminds you that the F.F.A. is playing an important role in assuring the future of agriculture.

It's America's biggest and most important business. The members of the _____ F.F.A. chapter are working and learning to assure the future of American agriculture. During F.F.A. Week, _____ sends best wishes and a sincere thank you to everyone connected with F.F.A. Join _____ in observing National F.F.A. Week.

The F.F.A. - Future Farmers of America - a half million strong. During National F.F.A. Week, _____ sends its best wishes to the F.F.A. chapter at _____ School., Farming is important to _____ and America. The folks at _____ appreciate the contributions being made to the future of farming and America by the F.F.A. members and leaders.

_____ believes the skills developed and the lessons learned in F.F.A. are not only valuable to the future of agriculture, but to the entire community. The lessons of good citizenship taught in every F.F.A. chapter will surely make this a better place in which to live. _____ salutes the Future Farmers of America during National F.F.A. Week.

To learn by doing is the best way of all. That's what F.F.A. members are doing in the chapter at _____ school and in chapters all across the country. _____ sends its best wishes to the members and thanks to the leaders of the Future Farmers of America. _____ reminds everyone that this is National F.F.A. Week.

Farming is hard work - but, as any farmer will tell you, it's good work. And, _____ knows that it's important work. Agriculture is America's most important industry. _____ salutes the future of agriculture during National Future Farmers of America Week.

The members of the Future Farmers of America work hard at learning their craft and thereby assuring the future of agriculture - America's most important industry. _____ During National F.F.A. Week, _____ sends best wishes to the members and leaders of the F.F.A. Best wishes for every success from _____.

_____ salutes the members and the leaders of the chapter at _____ school. It's one of 8,000 chapters across the country. At the chapter meetings, a half million young people are learning by doing - good farming and good citizenship. _____ believes that agriculture and America can look forward to a bright future thanks to the F.F.A. - The Future Farmers of America.

Dealing with 1991

The keys to success this year will be:

1. STAY LEAN - Share resources with others - or - do without.
2. STAY FLEXIBLE - Respond to coming rapid changes in prices, markets and consumer needs. Stay alert to the competition's successes and failures, and to the emerging local and national opportunities.
3. STAY FOCUSED ON MAJOR OPPORTUNITY AREAS - The good areas will be great and the bad areas will be terrible. Watch the trends closely.

That's the advice of Dr. Geoffrey Kessler in the most current issue of "Income Opportunities." Dr. Kessler heads a small business information gathering firm, Kessler Exchange (1-800-788 HELP).

Amidst all the current "gloom and doom," Dr. Kessler says flatly, he expects 1991 to be a good year for small business. He points out that during the last recession (1981-1982), big business lost over 1,600,000 jobs - small business added 2,600,000 - almost 1,000,000 were created in businesses with fewer than 20 employees.

He expects:

The top 10 opportunities in 1991 to emerge in:
education and training; subcontracting for business and government; services; energy saving and the environment; health care; entertainment and leisure; do-it-yourself; information products and services; financial products and services and local products and services.

About local products and services, he says, "As energy costs soar, inflation grows, and incomes shrink, people will look for local products and services. This will be a boon for local small business owners. Local businesses can tailor products or services to their customers' needs more readily than larger, more generic companies. As the world becomes more high tech and less service oriented, local small businesses who really care about their customers as individuals will become more and more attractive."

Dr. Kessler uses the 1981-1982 recession as a reference point in looking at 1991. He claims that "big companies will suffer more failures, and increasingly, the problems that arise will require small business solutions." He believes, "There will be more good employees available." He sees small business opportunities increasing in 1991.

A Radio Career By Accident

Vernadell Yarrow had been out of the work force for 19 years. With the youngest of her 3 children in junior high school, she decided for typical reasons to return to secretarial work and bookkeeping. That decision came at the same time Phil Taylor was putting the Clay Center, Kansas station, K C L Y, on the air in 1978.

Vernadell, 13 years later recalls her job interview with Phil. He told her, she recalls, "You'll be doing the same kinds of things you'd do in another job. Maybe a few radio things like writing ads sometime." The second day on the job she wrote her first commercial. Less than a year on the job she took over the station's mid-morning talk/interview show when the lady hired to do it moved out of town. Seven years in the job, she became the station general manager.

Phil built K C L Y when he was 26 years old. He had worked at stations in the south and elsewhere in Kansas. One of those jobs was news director where he became interested in law enforcement. In 1984, a job as under-sheriff of the county in which Clay Center is located opened. He decided to keep his station investment, but devote most of his time to what had become his "first love" - law enforcement.

After 2 managers in little more than a year, Phil turned the station over to Vernadell. 5 years after assuming the top job at K C L Y, Vernadell says, "I never thought of a job like this one, but, I wouldn't trade it for anything."

Clay Center is 35 miles west of Manhattan. Its home county has a population of 9,300 and retail sales of \$36-million. A translator in an adjoining county adds another 7,300 population and \$21-million retail sales base. "This is," Mrs. Yarrow says, "really small market radio."

The station operates conventionally without satellite or automated format. "We believe we have to be really local to make it," she says. There are 7 full-time and 6 part-time staff members. The sales effort, which extends into Clay Center and 5 smaller communities, is handled by one full-time salesperson and 3 people who double in air-work.

Interest in sports is central to the area and the K C L Y program effort. The station carries the full schedule of local high school football and basketball games, college football and basketball, and the Kansas City Royal baseball schedules. 25 to 30 advertisers are sold on a year around "sports club" sponsorship at \$15.00 per week.

Additionally, 5 area schools are covered through a 5 to 8-minute coach's report series, broadcast live at 7:35 A. M. and played back at 5:35 P. M. "That gives us a presence when those schools play in tournaments and special games that we can carry and sell," she says. Each of the coach's

programs are sold to business's near the schools.

Phil's participation in the station consists of serving as its president, filling in "when we're short," and serving as the station's announcer of wrestling events. Phil, who a former high school wrestler, she says, "knows all the finer points. We get big audiences and sell a lot of advertising on wrestling tournaments, I think mainly because of Phil's colorful descriptions."

In addition to its sports coverage and the sale of the Paul Harvey A.B.C. network broadcasts, the station's local news coverage is a solid revenue stream. That effort is covered by a local official's wife. "There just isn't much that happens that we don't know about, thanks to her and Phil."

Additionally, each month the station offers advertisers a participation in a station sponsored promotion. Currently listeners are signing up to win an airline "trip to anywhere in the United States." The Kansas News/Agriculture Network made arrangements for the give-away. Additionally, each of the participating merchants will offer a prize to be given away in that business.

About balancing her career and responsibilities as the wife of a cattle/wheat farmer, Vernadell says, "from the beginning her family has been very supportive." Two sons and her husband have often served as announcers when K C L Y was short-handed. "You can't ask for more support than that."

THE LAST WORD

A couple of personal items: This publication, like your local weekly or daily newspaper, is not the place to spread information about an event such as the Middle East - that's the province of broadcast media. We do however want those among our subscribers who have sons, daughters, husbands, grandchildren and others involved in the crises to know that our concerns and prayers are with you - and we join you in hoping for a quick and successful outcome.

Item #2: His many friends in the "Idea Bank" and elsewhere will be glad to know that Joseph Bahr's station, W V I S in the Virgin Islands, is back on the air. It was off over a year after taking a "hit" from Hurricane Hugo. Joe is not only a long-time subscriber, but, a friend we prize. It goes without saying, we're glad the re-building of the station is complete and our best wishes as he re-builds his business.

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275 19th Street - Otsego, Michigan 49078 - (616) 694-9357 - FAX: (616) 692-6789

Small

Market

Radio

Newsletter
Inc.

Bill Taylor
KQSS
P.O. Box 292
Miami

AZ 85539

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



VOLUME VIII - Issue #36 - January 31, 1991

TOUGH 1991 FOR BROADCASTERS IN WASHINGTON - Senator Wendall Ford (D-KY) (S 3) wants vouchers for candidates, funded by taxpaper checkoffs and 50% discounts on lowest-unit rate for up to 5-minute broadcasts. Senator Bob Dole (R-KS) (S 6) wants fixed time at preemptible rates and 5 free hours of time during 2 years before an election for qualified Senate candidates. There are at least 3 other "campaign reform" bills each in the House and Senate.

AIRNESS ISSUE BACK in the House and Senate with strong efforts to revive the "Fairness Doctrine" dropped by the F.C.C. in 1987.

MEMBERSHIPS ARE DOWN, but, so are expenses, R.A.B. president Warren Potash told "Broadcasting" magazine on the occasion of his 2nd anniversary as trade association head. He told the magazine that R.A.B. staff has been cut from 70 to 39, with no loss of member service thanks to new efficiency and technology. Potash attributed the decline in membership to economic factors.

R.A.B. SELL SERVICES TO NON MEMBERS - That's a suggestion from a new member of the R.A.B. Small Market Committee, Dan Latham, WBEX/WKKJ, Chillicothe, Ohio. He believes by selling non-member stations R.A.B. sales materials and research at a profitable price, the organization could garner new income and ultimately membership. The R.A.B. management promised to explore the idea with staff and board.

The committee, headed by Pennsylvanian Cary Simpson, was told the R.A.B. is about to release a 90-minute sales training video and will soon announce simplification of its "On Line Express" station information source. R.A.B. will announce a series of coast-to-coast sales seminars at "very reasonable" prices.

SUPPORT THE MEN AND WOMEN "IN THE GULF" is the message being sent out by 2 Iowa stations. At KJAN, Atlantic, announcements are telling people to get free yellow ribbons at area flower shops and display it on a front yard tree. KCLN, Clinton, Iowa bought 3 spools of plastic contractor ribbon (red, white, and blue). Cost \$38.00. Listeners get the ribbon on station remotes and affix it to auto antennas.

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

At the F.C.C.

NEW STATIONS (Granted):

ALABAMA (Atmore) Alabama Native American B'c'g. 105.9 3.7kw 446'
(Georgiana) Sharon Seifert 107.7 6 kW 328'
(Northport) Warrior B'c'g., Inc. 100.7 3kw 328'
ARKANSAS (Little Rock) Nameloc B'c'g. 99.5 3 kW 328'
(Wrightsville) Wrightsville Comm. 107.7 3 kW 328'
CALIFORNIA (Avalon) Catalina Radio L.P. 92.7 200w 996'
(Independence) Bennet Kessler 106.3 3 kW -1618'
FLORIDA (Coral Cove) Wayne Dilucente 107.9 3 kW 328'
(Edgewater) DeHaro Radio, Inc. 93.1 3 kW 328'
KENTUCKY (Irvine) Ky. River B'c'g. Co. (WIRV AM) 106.1 670w 653'
(Louisville) Louisville B'c'strs. 100.5 50kw 492'
(Reidland) Ladon B'c'g., Inc. 106.7 3 kW 328'
(Wilmore) Marianne Warnock 96.3 3kw 328'
NEW YORK (Copenhagen) Tia Soliday 106.7 200w 1227'
(Montauk) Women B'c'strs, Inc. 94.9 3 kW 125'
OHIO (Delaware) Radio Delaware, Inc. (WDLR AM) 107.9 3kw 328'
(Greenfield) Danny Watson 97.5 2750w 305'
(Wauseon) Steamboat Radio 96.9 3 kW 328'
TEXAS (Woodville) Trinity Valley B'c'g. Co. 94.7 50kw 492'

AMENDMENTS TO THE FM TABLE (Amended):

IOWA (Keokuk) 95.3 C1 for A. M.: K O K X.
(Washington) 106.1 A for 95.3 A. M. K C I I.
(Winterset) 99.5 C3 for A. M.: K T D G C.P.
MARYLAND (Oakland) 92.3 A for 92.1 A. M.: W X I E.
NEW MEXICO (Clovis) 102.3 C3 as 5th. W.: 3-11/4-10

(Proposed):

ARKANSAS (Bald Knob) 107.1 C3 for A. M.: K K S Y
(Clarendon) 104.1 A for 107.3 A. M.: C.P.
IOWA (Eagle Grove) 100.7 C3 as 1st.
OREGON (Reedsport) 99.5 A as 2nd.

INVOLUNTARY TRANSFERS:

California (Fresno) K K A M (Class IV AM) (Goleta) K M G Q
(FM A) (Santa Barbara) K I S T (AM IV) (Tulare) K B O S
(FM B) to Richard Phalen, Interim Receiver, 706 Park
Lane, Montecito, CA - 93108 (910108EB, Etc.)
GEORGIA (Ocilla) W K A A (FM-A) to Irwin County B'c'g.. Corp,
Debtor in Possession, Myon Complex, Suite 322, Tifton, GA-
31794
TEXAS (El Paso) K E Z B (AM - LkwD - 383w N) K EZB-FM (Class
C) to K E Z B, Inc., Debtor in Possession, 1500 N. Woodward
Ave., Birmingham, MI-48009 (910107ED)
(San Angelo) K B I L (AM 1 kW D) K B I L-FM (FM C) to
Robert G. Call, Receiver, 3298 Sherwood Way, San Angelo,
TX - 76901 (900918HM)

F. Y. I.:

If you need an F.C.C. Form, you can call (202) 632 3676 (24
Hours A Day). You can order by mail by using the F.C.C.
Form Order Card 207. (Orders are filled within 3 days of
receipt of this card). The F.C.C. contact concerning
forms is Marshall Wise, (202) 632 7546.

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

"CHIROPRACTORS" - If your prospect is a member of the American Chiropractic Association, he can obtain a series of 52 - 1-minute features from the association called "Talking Back". The cost for a year's run is \$225.00. The contact is David Hennekes 800-368 3083.

DENTISTS - We were not successful in uncovering a similar program feature for them. Although advertising by professionals is legal, the rules vary from state to state and state association to association.

PROFESSIONAL ADVERTISING GENERALLY - We are advised by stations which have been successful in selling doctors, dentists, chiropractors, attorneys, and accountants. They tell us they have been most successful with ad schedules, ads within news and other established special programming (including play by play sports, and telemarketing).

One of the great challenges is copy. The National Research Bureau (319) 752 5415 in its monthly copy service provides such copy routinely or on special request. Their copy writer/researcher, Theresa Levenson, told SMRNewsletter that the 40+ year old firm sends subscribers 40+ pages of copy per month on that number of lines of businesses. Subscribers can special request copy ideas for specific categories by mail or phone. Also included is copy for timely telemarketing campaigns. The service is sold at \$24.15 per month plus postage on a T.F.N. basis (45 day written cancellation). The contact is Nancy Heinzl.

"TELEMARKETING CAMPAIGN" - Dave Kimel, W W S R/W L F E, St. Albans, Vermont, sent us a FAX last week describing a successful campaign in progress at his stations. The messages being marketed are designed to increase support for the troops in the Persian Gulf, encourage letter writing to them, and encourage display of the flag. The announcements are careful not to take a position on the war - but, to support the troops.

"QUICKIE PROMOTION" for country music stations. Tony Niskanen at Radio Retailing Network is offering a special package of the "Country Music Radiomap". The standard size road maps show the Interstate System and the call letters and dial positions of country music stations all across the country. The idea, to help traveling country fans keep in touch with their music easily. There's room for sponsor and station ad on the map.

Tony suggests buying 50 maps (\$107.00 including shipping). He advises, give 5 away on your morning show by running a country trivia contest. Tell disappointed non winners, "If you're among the first 45 people to test drive an R.V., Van, Truck or Auto or see the campers at ---, they'll give you a "Radio Map." Info: 800 451 3622.

\$ale\$ - The "Magic Formula" For Winning ...

It's so simple that it's "revolutionary." The fact is, this formula or principle., is misunderstood enough and overlooked enough that it can truly be called "magic" by those who understand it.

Ready? Here it is:

You beat 50% of the people in America by working hard.

You beat another 40% by being a person of honesty and integrity and standing for something.

The last 10% is a dogfight in the free enterprise system.

Just take a minute and let it sink in. I don't care if you're building a football team, going into business, or running the country as its president (or selling radio advertising), you beat 50% of the people at any level just by working hard consistently over a long period of time.

I can get so made when I read some of those get rich quick books on the market today. They talk about how you need to work smart, not hard, to succeed. Wrong! Nobody seems to tell you about the bone wearing, back breaking work it takes to succeed, but I can promise you one thing. You aren't going to get to square one if you aren't willing to work harder than you've ever worked in your life.

Surprise! Work isn't fatal!

From "All You Can Do
Is All You Can Do"
by A.L. Williams
(Oliver Nelson Books)

\$ale\$ - Chris Lytle's 3 Favorite Closes:

1. "Is there any reason why I can't put this order in today for a Monday start?"
2. "So there's no real reason not to go ahead with it today? Right?"
3. "This is right for you. Let's do it."

Chris Lytle and Associates

800-255 9853

(See item on page #6)

6 GOOD REASONS TO ADVERTISE NOW!!!

1. Advertising is your primary method of communicating with your business's audience. Advertising is the only function of business that can accomplish this task.
2. Advertising pre-sells. Customers who come to you have a good idea of your products or service because of your advertising. Selling becomes easier.
3. Advertising maintains your image. The economic shortages are insignificant when compared to shortages of REPUTATION, IMAGE, and CREDIBILITY..
4. Businesses that don't advertise fail more frequently. Advertising is basic to your very survival.
5. Your competition is advertising. Even while you are reading this, your competition is speaking to your customers.
6. Your competition hopes you never ever advertise again. That is the one essential hope your competitors have.

The above was a "bill stuffer," faxed to us by Geroge and Judy Bissell of W E A V/W G F B Plattsburgh, New York.

PERCEPTION vs. REALITY

When the Small Business Administration asked retail salespeople why they thought customers stopped buying in their stores, most said their store's prices were too high.

But, when the S.B.A. surveyed customers to find out why they changed stores, only 9% cited price.

The main reason: 68% of the customer surveyed said they were treated indifferently by salespeople.

"Communications Briefings"
Pittman, New Jersey

WORTH REPEATING

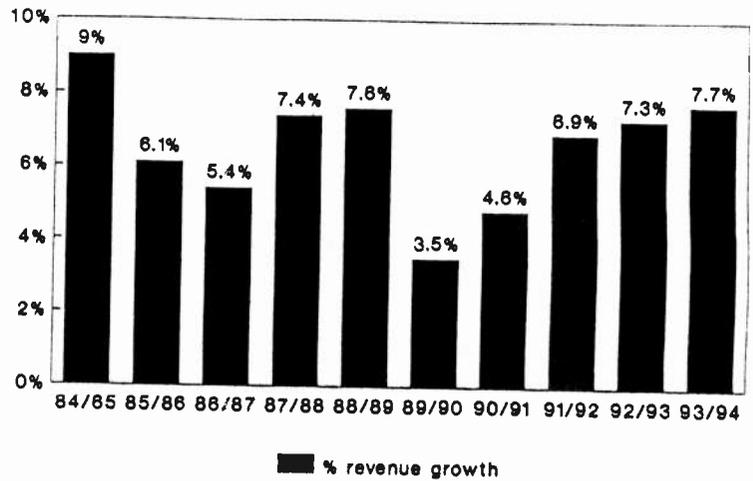
"Winning isn't everything, but wanting to win is."

Vince Lombardi

Average Annual Radio Revenue Growth
All 262 Arbitron Markets

About This 'n' That ...

THE 3.5% AVERAGE INCREASE posted by radio stations in the 262 Arbitron-rated markets is described by Washington based Broadcast Investment Analysis (B.I.A.) as the "low point." The firm forecasts a 4.8% increase in 1991 and increases of 6.9% to 7.7% annually from 1992 through 1994. B.I.A. publishes numerous studies yearly on radio and TV station finance. (See chart on right.)



Source: BIA's Investing in Radio 1991

A SEVERE RECESSION MAY BE ONLY IN THE MINDS of a community's mind. That's the consensus of managers at the R.A.B. Small Market Committee meeting in Nashville last week. The managers taking part think it's wise to look at items locally like building permits, auto registrations, employment rates, sales tax receipts, etc. The information (including comparisons to last year) is available generally from local and state government offices in a community.

AS NEWSPAPER ADS SLUMP, publishers are looking to revenue to fill the void. The New York Times Syndicate reports a rash of daily newspaper subscription increases across the country. Publishers know they will probably lose readers.

NEW ADDRESS - Sales trainer Chris Lytle is now at 8309 Greenway Blvd., Middleton, WI - 53562. He's doing 22 5-hour seminars in February through April. New material. Title: "Back to the Basics and Beyond." Rates, dates, locations: 800 255 9853.

NEW WEEKEND COUNTRY VARIETY SHOW is being explored for Opryland U.S.A. by Nashville based consultant Skeeter Dodd. Program would originate aboard "General Jackson Showboat" at the park. Early indications are that stations prefer 2 hour show delivered on C.D. Skeeter Dodd - phone # 800-264-0018 FAX: 615 331 8571.

MIDEAST WAR brings significant lifestyle changes. Big winners: Take out and home delivered food. Domino's, according to the Wall Street Journal, is enjoying sales increases of 7% to 40% over last year. Video rentals (non war movies) are up, transistor radios and short wave radios enjoying brisk sales. Sales of camouflage clothing and flags way up. Cable TV hookups up - people wanting to watch the war on TV or get away from it by watching movie channels. C.N.N. big winner thanks to its stealing "the show" from the big 3 networks in the early days of the war. A C.N.N. Radio affiliation is thought to carry more prestige than it did before the Mideast Conflict.

"Profitable After the Bust"

Riverton, Wyoming has had a radio station, K V O W, since 1948. Since 1960, it has been owned and operated by the Tony Kehl family - for the past 5 years by son Steve.

Tony Kehl got into the radio business in the years following World War II. He worked at small stations in Nebraska. "We always spent our vacations here in Wyoming," Steve recalls. "By 1960, my dad had saved enough money to realize two lifelong dreams - live in Wyoming and own his own radio station. He worked hard and made K V O W a great station."

Riverton, like many small towns in Wyoming, has had periods of "boom" and "bust." The first "boom" Tony recalls was in the late 1960s - early 1970s - uranium mining. "That 'boom' came to a 'screeching halt,'" Tony recalls when the "Three Mile" incident took place. When Steve came into ownership in 1980, he says, "the uranium 'boom' was over, but, oil, gas, coal and cattle farming were doing well. Then in 1983, those industries came on very hard times and so did Riverton."

"We lost money for about 2 years, until we got used to operating in the new economy here," Steve says. "Looking back, I am sure we could have lost less money, if I had made cuts more quickly. But, during the good times, we'd put money aside. Now, since the slow recovery of the area began in 1989, I'm glad we did it like we did. My father made this a great radio station. It still is. The money we lost is not nearly as important as preserving the quality of the operation."

In addition to operating with less population and less economic base, a second station, an FM, came into the market in 1984.

Although K V O W has had a companion FM station, a Class C FM, K T A K, Steve says, "The business community considers me and our salespeople the 'AM people.' The other station salespeople are considered 'the FM people.' I'm not concerned about that," Steve says, adding, "We sell 'combo', our full service modern country AM and our 'oldies' FM. I've thought about separating the sales staffs, but, I'm not so sure we could do enough extra business to justify that. This is a small town. And, it would probably be tough for the salespeople to earn enough money to keep them committed."

Steve describes himself as "not a real radio man. I can't announce and know nothing about engineering. I'm a salesman and try to be a businessman."

About the sales, he says, "Our first goal is to establish a relationship where the customer believes we can help him. We normally work with him to set goals for his business.

Most of the time, those goals are set for a month or less. We work with him to create good messages." Kehl believes "big schedules get big jobs done. It is not unusual for a short schedule to run as many times as 40 times a day on AM and FM (at \$6.50 per message). There are a lot of radio people who argue against doing that, but, I know it works in Riverton. That's what the customer cares about - so, that what I have to care about."

"We don't very often run advertiser supported promotions. More times than not, the promotions are designed to help the station build audience, rather than move merchandise. It's our business and should be our expense to maintain and build audience - not our customers."

Steve closed our conversation with some thoughts on a subject many small market owner-operators are concerned about. He told us, "There was a time when you could live off what you were making out of your station, believing that when it was time to retire, you could sell your station at a high price and live out your life on the proceeds of the sale. I don't think you can count on that right now. I think you have to do like people in other businesses do: Take part of what you're making and set it aside for a 'rainy day' and your 'old age.' That way, if it's a good market when it's time to sell, you're that much ahead. If it isn't, you'll still be all right. That's conservative, but, you get that way in Wyoming."

THE LAST WORD

We talked last week with Ray Saadi, co owner-operator of K T I B (AM), Thibodaux/K H O M (FM), Houma, Louisiana. A longtime leader in state broadcasting affairs and a former director of N.A.B., Ray told us he is particularly concerned about the various political advertising bills before Congress.

"Mine might be the worst case. We have a limited inventory (satellite programming) on both my small market station, the AM, and my big market station, the FM (serving both New Orleans and Baton Rouge.) This is the big primary election year here in Louisiana (September). There could be as many as 600 candidates. Can you imagine what would happen if we had to give political time away - or - sell it at 50% off?"

This publication believes there may well be a need to take another look at the political advertising rules, but it has to be a careful one.

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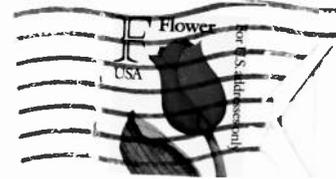
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Bill Taylor
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P.O. Box 292
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Bob Doll - Publisher and Editor
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VOLUME VIII - Issue #37 - February 7, 1991

N.A.B. BOARD ACTION in Naples, Florida, conditionally accepted a letter of intent, looking forward to establishing the European developed Eureka system of Digital Audio Broadcasting. N.A.B. favors a land based system in which current broadcasters would participate rather than a direct-to-the home satellite system. ... The board is anxious that an agreement be reached soon with AM radio set manufacturers in which a special marking be placed on sets which meet the N.R.S.C. standard. ... The board endorsed bills by Rep. John Dingell and Sen. Daniel Inouye to provide additional spectrum space to accomodate D.A.B. and H.D.T.V. It came out flatly against efforts which would require D.A.B. broadcasters to make royalties to performers.

N.A.B. BOARD POLITICS - A hot race for Vice Chairman of the Radio Board is shaping up. Dick Harris, recently retired head of the Westinghouse stations and now a Florida AM station owner, has announced, against Walter E. May, WPKE/WDHR, Pikeville, KY, former Radio Board Chairman and unsuccessful full board chairman candidate in the early '80s. ... Dick Novick, WKIP/WRNQ, Poughkeepsie, NY is running apparently without opposition for Radio Board Chairman. No contest for Joint chair with Line TV Group head Gary Chapman moving up.

N.A.B. FINANCES Forecast income \$16.745-million, expenses \$16.477-million. Station dues revenues expected to be "flat." Increase will come from conventions and associate memberships. 1991 Expenses up 5.5%, income up 4.0%.

TOUGH TIMES IN THE STATES - Kansas's new governor Joan Finney (D) is "pondering" an ad tax. In Ohio, House Bill 1 would cap radio-TV expenditures for all state candidates and prohibit radio-TV ads the last week before an election. In Washington state, 2 bills have been introduced to take beer and wine ads off TV.

NO STATION FEES FOR C.B.S. RADIO SPORTS - On 1-31-'91 the network withdrew its request for station payments after meeting almost a solid wall of resistance.

SMALL MARKET SEMINAR (2-15/16 St. Louis). At press-time, 5 openings. Information: (616) 694 9357.

At the F.C. C.

NEW STATIONS (Granted):

ALABAMA (Atmore) Alabama Native American Broadcasting 105.9
3.7 kW 446'
CALIFORNIA (Soledad) Soledad Radio L. P. 105.3 630w 699'
HAWAII (Kahaluu) Shaka Broadcasting Ltd. 106.1 35w 3,198'
KENTUCKY (Frankfort) Allan Communications (W K E D-AM D)
103.7 2.5 kW 357'
(Shepherdsville) Claire Tow 105.1 740w 551'
MASSACHUSETTS (Webster) Okun Broadcasting (W G F P AM-D)
98.9 3 kW 328'
OHIO (Lima) Amer. Christian Radio 93.1 3 kW 328'
OKLAHOMA (Wilburton) Blue Mountain B'c'g. 103.7 6 kW 272'
TEXAS (Tahoka) Parity Radio Corp. 95.3 3 kW 328'
VIRGINIA (Lebanon) Yeary Broadcasting 107.3 2.6 kW 344'

AMENDMENTS TO THE FM TABLE (Amended):

ALASKA (Nome) 96.1 A. W.: 3-12/4-11
ARKANSAS (Van Buren) 102.7 C2 for 102.3 A. M.: K L S Z
GEORGIA (Dock Junction) 105.9 C3 for A. .: W X M K
KANSAS (Clearwater) 100.7 A. W.: 3-12/4-11
KENTUCKY (Cave City) 103.7 C3 for A. M.: W H H T
MISSOURI (Asbury) 103.9 A. W.: 3-12/4-11
(Sikeston) 97.9 C3 for 97.7 A. M.: K S T G
NEVADA (Gardnerville/Minden) 99.1 C3 for 99.3 A. M.: K G V M
NORTH CAROLINA (Edenton) 102.5 C2 for 102.3 A. M.: W Z B O
(Scotland Neck) 95.5 A for 102.7 A. M.:
W W R T C. P.
SOUTH DAKOTA (Canton) 102.7 A for 102.5 A. M.: K I X S C. P.
WISCONSIN (Bloomer) 95.1 C3 for A. M.: W P H Q

INVOLUNTARY TRANSFERS:

ARKANSAS (Russellville) K A R V (AM-610 1 kW D/500w N) to
Michael Horne, Trustee, Box 190, Russellville, AR -
72801 (901228EB)
GEORGIA (Cleveland) W G G A (FM A) to Communications Marketing
Services, Debtor in Possession, Box 1318, Gainesville,
GA - 30503 (901019 HY)
KANSAS (Wichita) K Q A M (5 kW D/1 kW N) K E Y N (FM C) to
Radio Mgt. Services, Receiver c/o Steven L. Evans, 19 E
200 South, Suite 1065, Salt Lake City, UT - 84111
(910114EA)
KENTUCKY (Louisville) W A V G (AM 5 kW U) W L R S (FM A) to
Thomas Duddy, Receiver, 5202 Crittenden Dr., Suite 104,
Louisville, KY - 40213 (910122 EA). (Note: The stations
have been owned since August, 1988 by Toney Brooks,
longtime chief operating officer of the Sandusky Radio
Group. He paid \$4.5 million in a high leveraged deal.)
MICHIGAN (Marine City) W S M A (AM - 1 kW D) to Richard S.
Sommerville, Trustee, Box 407, Mt. Pleasant, MI - 48039
901228 EA). (Sommerville sold the station in May, 1987)
- AND - OHIO (Chillicothe) UHF TV station W W A T-TV to
Triplett & Associates, Debtor in Possession (901214KG).

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

"REALLY BIG MONEY" - By all accounts, the best radio prize is CASH. Because of the state lotteries and the giant national sweepstakes promotions, the cash prizes any radio station can give away are pale by comparison. We have usually advised \$50.00 and \$100.00 bills, finding that the richest or poorest person in the audience is always "thrilled" with an unexpected fifty or one hundred dollar bill.

During our seminars across New York State and Pennsylvania, we were told that the second best prize must be state lottery tickets. Several stations told us of staging "quickie" contests when their state lottery jackpot hit a large amount. A small New York state station bought \$500.00 worth of \$1.00 tickets when that state's lottery reached \$50-million. They invited listeners to "call in to win" "50 Chances at Fifty Million." 10 winners got 50 tickets each. Another station announced that it's mobile unit would be in a particular location at a particular time to take guesses in a "high/low" game (1 to 1490 - the station's frequency). Listeners lined up to meet the mobile unit and take guesses at 10 different locations. Winners got 50 lottery tickets each.

"WORD OF MOUTH" - N.A.B. "Radio Week" 1-28-'91 carried a good idea from longtime SMRNewsletter subscriber, Fred Hirsch, WDME AM-FM, Dover-Foxcroft, Maine. His salespeople are asking advertisers to tape 10-second testimonials about the importance of W D M E to their businesses. Each time a salesperson brings in a testimonial, he/she gets \$10.00 cash.

"AN IDEA" from Roger Utnehmer, W R J O/W E R L, Eagle River, Wisconsin. He and his staff members enclose the card at right when they mail bill payments from the station and personally. He says the cards get a lot of good reaction.

LOOKING AHEAD TO MARCH

Easter is Sunday, March 31 this year - VERY EARLY.

Other March opportunities include: St. Partick's Day, Sunday, March 17; the first day of Spring is Wednesday, March 20.

March 3/10, Drug Awareness Week; March 10/16 Girl Scout Week; March 17/23, Agriculture Week "to make the general public aware of the contributions of the nation's providers of food and fiber."

WRJO 94.5 FM
COUNTRY

WERL 950 AM
LITE MUSIC

I'm an employee of WERL WRJO radio and want you to know that payment of this bill is possible because people listen to our stations, invest in advertising and respond to ads. If you are one of our advertisers, one of our listeners, or play our stations in your business, thank you. If not, please give us a try. It could make me an even better customer of yours.

\$ale\$ - A Couple of Lists from Jim Williams

Sales Growth Killers:

1. Account prejudice
2. Pitchitis
3. Assuming you know the account
4. Diminished faith in product, client, self
5. Selling just enough to pacify the boss
6. Experience
7. Bad prior week or month
8. Fantastic prior week or month
9. Distraction by personal life problem(s)
10. Poor time manage = less calls
11. Poor presentation planning = lousy calls
12. Ill health
13. Bad vehicle
14. Hit and miss usage of demo tapes
15. Asking less than the client will buy
16. Not seeing all clients weekly
17. Not seeing good clients more than weekly
18. Doing personal errands during duty time
19. Clubs and hobbies to excess
20. Allowing slow pay
21. Chit chat during call
22. No search for ideas, copy themes, etc.
23. Failure to use basic selling by veterans
24. Excessive friendship with clients
25. Putting the client before the station
26. Letting prior "high water marks" limit you
27. Belief that there is a point of diminishing returns
28. Fear of cancellation = NO GUTS

Standards for Selling Success:

1. See every assigned account and ask them to buy something or ask them to buy more on every call
2. Present an annual to all accounts monthly
3. Present 5 large ad schedules weekly
4. Use 15 demo tapes weekly
5. Keep a daily plan and activity list
6. Make weekly and monthly projections
7. Observe time management rules
8. Collect promptly

Jim Williams
J.R. Williams, radio sales
training
2437 Grand Avenue---#278
Ventura, CA - 93003-0191

(805) 643 8835

Hard Facts During Hard Times - The Auto Dealer

"Ford isn't planning to scale back ad spending, unlike what it did during the recession of the early 1980s," according to its chief marketer, Keith Magee. He says, "In this marketplace, you really can't afford to back away."

According to "Advertising Age," Ford dropped almost all consumer incentives last month, providing cash instead to dealers that they can use for marketing tactics from price cuts to increased advertising. Ford, in recent years has been the best performer consistently among the "Big Three."

This month, the dealer magazine "Auto Age," devoted several pages to dealer advertising. It carried advice from dealer advertising expert Jim Mudd, headquartered in Cedar Falls, Iowa. He says flatly, "dealers can no longer afford image advertising geared toward inviting people into the dealership should they ever decide to purchase a car. The dealer's advertising must go after those purchasing cars and trucks in the next 72 to 96 hours - about 1% of the market at any given time."

The same article quotes a Lexington, Kentucky Toyota Dealer as saying, "Everyone is payment conscious now. Advertising interest rates and rebates have lost their effectiveness. What works now is telling the dollar amount the customer will pay each month and the low down payment."

During our seminars in New York state and Pennsylvania, we shared the platform with Bill Sullivan, an Allentown, PA advertising and promotion consultant specializing in auto dealerships. In his view now, "A 'good deal' takes precedence over service. Buyers know they can take a vehicle to any dealer for warranty work. For other services, they will go to their favorite mechanic or quick service outlet.

Sullivan quotes "Newsweek magazine, which annually surveys 35,000 buyers of new cars and trucks. That survey shows that on average prospects: are in the market for a period of 6 weeks, spend 4 weeks ranking makes and dealers and 2 weeks visiting dealerships; have 3 makes in mind, and will visit 3 dealerships. "Unless a dealer makes it into the top 3, he isn't going to get a sale."

Sullivan advises his clients, "When you advertise, dominate, even if it's for just a few days a month. The idea is that by establishing your 'store' in the minds of the consumers, they will put you on their shopping lists - even when your not in the paper or on the air."

About radio, he says, frequency is more important than reach - run 1 or more ads every hour you're on. Avoid gifts. They bring in bodies - not buyers. Avoid cutesy broadcast (and print ads). Don't confuse response with results. Lots of people may say they saw you drop your pants in a TV spot - but not buyers. If they want to laugh, they'll watch Johnny Carson."

Management - The Telephone

First impressions are lasting impressions. That's why the first moments you spend on the telephone are critical. Here are some key points to keep in mind:

1. Have you answered the phone quickly enough - without being too quick. "Quickly enough" is generally within 30 seconds. Surveys indicate the phone can ring that long before a caller becomes anxious. Surprisingly, answering "too quickly" can also make callers uneasy. A general rule to follow is to answer on the second ring. This "buffer" period gives the caller a moment to get settled and collect his/her thoughts before speaking.
2. If you are engaged in one call and a second line begins ringing, excuse yourself and take a second call, advising caller #2 that you will be right with him or her.
3. If you put someone on hold, make sure to advise him or her that you will be with him momentarily. Never put anyone on hold without speaking to him/her each 30 seconds.
4. What are your first words? A friendly greeting like "Good Morning!" Be sure to follow immediately with your station call letters and your name.
5. Are you speaking clearly and naturally? Be sure you are speaking into the telephone. That may seem obvious, but most of us have never heard how we sound on the phone. Many people who speak in normal tones face to face (or on the air) speak too quietly over the telephone.
6. Have you asked the caller's name early in the conversation? Even if you don't need the caller's name, asking shows you are interested in him or her and the reason he or she called.

(A utility company in the Midwest instructed employees only to request a customer's account number because that was all the customer service rep needed to call up a file. Though this seemed practical and efficient, the practice was quickly changed because the customers didn't like it.

7. No matter who calls, from the first, treat him or her like the station's best customer. He may be now or someday.

Information Source:
"Telephone Techniques" -
Dartnell Publication
Chicago, Illinois

Editor's Note: I have always wondered why so many stations invest in the appearance of their studios and offices and pay so little attention to the way the telephone is answered. 1000 times more listeners will call as will ever visit the station. At least 10 times as many customers will call as will ever visit the station.

"K J A N - Another Amazing Chapter"

In the May 9, 1985 issue of SMRNewsletter we profiled KJAN AM/FM, Atlantic, Iowa. The crux of the story was that it had been operated by a 3 way partnership for 30 years. The partnership was selling out to retire at \$1,000,000.00, a hefty sum for a station in a town of 7,789 population.

We were amazed, and so were our readers who commented on the story, that the 3 working partners had been so successful for so many years. The story was titled, "It Shouldn't Have Worked, but, It Did."

The buyers were a group headed by John Carl, a small market group owner with stations in Iowa, Kansas, and Minnesota. Carl and his associates bought the station coincidental with the Midwest farm crises. They operated reasonably successful for 2-1/2 years. In 1988, the Carl group was approached with a handsome \$2-1/2-million offer by a broadcaster who saw a "move in" opportunity to Omaha for the FM. They sold. The buyer in turn "spun off" the AM station to 2 long-time K J A N employees, Al Hazelton and Merlyn Christensen and a group of 3 Atlantic investors. The investors included Frank Miller and Bob Einhaus, two members of the longtime K J A N partnership.

Al Hazelton, who has served as general manager of the station and Merlyn Christensen, sales manager, the 2 active partners since 1988 says, "When we made the deal to stay on with the AM minus the FM, we were scared. We'd read all that 'gloom and doom' about AM - just like everybody else. Until they built the new FM tower closer to Omaha, we simulcast our AM programming as a favor. That lasted about 3 months. We then went solo, AM only - - - nothing happened. The people who had been listening to us on FM apparently just switched back to AM."

K J A N's 250 watt daytime signal, thanks to its 1220 dial position and Iowa's high ground conductivity is excellent for 35 to 40 miles in every direction. At night, with 87 watts, it covers over half that with an excellent signal. In Christensen's words, "The listeners just didn't seem to care if we were on AM or FM - just so long as we were on." He adds, "AM radio is still alive and well in small town Iowa."

The second surprise for Hazelton and Christensen was the up-tick in the farm economy. "Since 1985, our billings had retreated some, as I believe as billings did on all the small market stations in the 'Farm Belt'. Beginning in 1988, the economy and our billings began to recover. In 1990, K J A N AM did 35% more than the AM-FM combination had done in 1987."

Hazelton says he and Christensen "didn't do anything that special or that new when they took over. I started here 15 years ago as a combo announcer-chief engineer. Merlyn started as a salesman here 20 years ago. We had both been here during the 'glory days.' We actually revived some things that had been discarded over the years. They're working again."

K J A N AM sells advertising in 20 to 25 communities every month. Typically, there are 200 advertisers on the air. Christensen who operates with 3 salespeople without previous radio sales experience says, "basically, I tell our salespeople, the station is sold. It's been here for 40 years. You have to sell the customers on you. If you do that, they'll buy K J A N advertising from you."

K J A N prides itself on staying away from the bizarre and flamboyant. A steady eye is kept open for worthwhile causes. Most recently, each florist in the area was contacted and asked to provide free strands of yellow ribbon that listeners could pick up there and display on a tree in their front lawn to salute the efforts of men and women serving in the Middle East. Christensen says, "We ran the announcements with the florist list on the air free and the ribbons went up all over the area. Only problem, a few of the florists called to ask us to take their names off the announcements. They thought they were giving away too much ribbon."

THE LAST WORD

Nutri System is by all accounts one of the great radio success stories of the past 5 years. On one of my January plane trips, I sat next to one of their regional vice presidents.

He and I discussed Nutri System's effective radio use, but, he told me a couple of disturbing things. Their agency is now with good success tying radio buys to guaranteed leads (\$2,000.00 spent = 40 leads). Short sighted when the buyer and seller understand advertising as an investment, rather than an expense. Many stations are accepting "the deal."

Further, he mentioned a radio trade magazine article in which a programming "consultant" advised stations not to let their air people do the Nutri testimonials which built the company's radio success. The "consultant's" theory: listeners don't want to listen to "fat people" on the radio.

Nutri System will spend more money on TV this year than it has in its history. Business goes where it's welcome.

SMALL MARKET RADIO NEWSLETTER (Inc.) IS PUBLISHED WEEKLY AND MAILED FIRST CLASS TO SUBSCRIBERS IN 50 STATES, POSSESSIONS AND CANADA. SUBSCRIPTION: 1 YEAR \$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

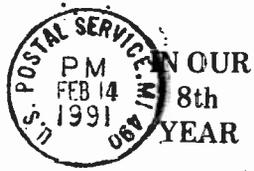
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Small

Market

Radio

Newsletter
Inc.



Bill Taylor
KQSS
P.O. Box 292
Miami

AZ 85539

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

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15% BUDGET INCREASE is being asked by the F.C.C. for next fiscal year. They want to add 50 full-time employees to augment enforcement, rulemaking and authorizations.

AD TAX IN NEW MEXICO - A bill to levy a 5% excise tax on all in-state media has been introduced in that state's senate. ... Meantime, Washington state's liquor control commission has turned down a proposal to put more restrictions on alcoholic beverage advertising.

THE MARKETPLACE - January retail sales were better than forecast, according to the Wall Street Journal (2-8-'91) Strong apparel sales were sparked by cold weather in most parts of the country. The Gulf War depressed results. Dayton Hudson same store sales up 1.2%, J.C. Penney, down 3%, Wall Mart up 11%, Sears was down 3.2%.

TURNOVER IN SALES DEPARTMENTS of radio stations below the top 100 markets was 46% during the past 12 months, over twice the rate of other service industries, according to "Sales and Marketing Management's" annual survey. Dr. Charles Warner, conducting R.A.B. funded research says that the straight commission compensation system found in most radio stations is "the least effective means of motivating salespeople." After reviewing that research, Warner says, he favors a compensation system made up of salary plus commission paid monthly - plus a quarterly pool and semi annual or annual bonus based on individual and organization billing objectives.

R.A.B. REGIONAL WORKSHOPS are open to non members at \$60.00 per attendee (members \$20.00). The March/April workshops across the country will focus on the auto industry and newspapers. Dates and places of the workshops are available by calling 800-232 3131. ... R.A.B. says it also makes many of its materials and services available to non-members at a premium rate e.g., Co Op Directory, C.R.M.C. Program, Radio Fact Book.

THE 46 YEAR OLD WIFE of broadcaster Bud Walters died 2-2-91 after a brief respiratory illness. She was a nationally known ballet teacher and leader in the arts. Memorials may be made to Wanda Lenk Foundation, Box 150846, Nashville, TN-37215.

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 (Eufaula) Toole & Co. 97.9 3 kW 328'
ARIZONA (Holbrook) Navajo Bdcst. Co. 92.1 3 kW 328'
(Tucson) F.E.M. Ray, Inc. 104.1 3 kW 328'
CALIFORNIA (Sutter Creek) Susan Turgetto 101.7 1.23 kW 514'
DELAWARE (Selbyville) Anchor B'c'g. 97.9 3 kW 328'
IOWA (Belle Plaine) Robert Mason 95.7 3 kW 328'
SOUTH CAROLINA (Socastee) Puritan Radiocasting 99.5 3kW 328
TENNESSEE (Bartlett) Belz B'c'g. Co. 92.9 3 kW 328'
WEST VIRGINIA (Montgomery) Upper Kanawha Valley B'c'st'rs.
(W M O N-AM) 93.3 400w 713'

AMENDMENTS TO THE FM TABLE (Amended):

FLORIDA (Gretna) 93.3 A for 100.7. M.: W G W D.
(Marianna) 94.1 A for 93.3 A.
(Quincy) 100.7 A for 102.7 A.
(Tallahassee) 103.1 M.: W T H Z.
GEORGIA (Crawford) 102.1 C3 for A. M.: W G M G C.P.
MAINE (Dexter) 102.1 C2 for A. M.: W G U Y.

(Proposed):

CALIFORNIA (Greenfield) 107.9 A to Del Rey Oaks. M.: K Q K Z
C.P.
LOUISIANA (Richwood) 100.9 A.
MISSISSIPPI (Oxford) 93.7 A for 107.1 A. M.: W K L J.
NEW MEXICO (Socorro) 92.9 A.
VIRGINIA (Appomattox) 102.7 C1 for B. M.: W Z S T.

FIRST COME / FIRST SERVED (Open until 3-13-'91):

As in Sherwood, Arkansas; Flemingsburg, Kentucky; Mount
Morris, Illinois and Grinnell, Iowa.

INVOLUNTARY TRANSFERS:

TEXAS (Kermit) K E R B (AM-D) K E R B (FM A) to Ron White,
Receiver, 1413 Cumberland, Odessa, TX - 79761 (910125
EE/EF)

REPORTED SILENT (by the M Street Journal):

COLORADO (Leadville) K R M H (AM-IV) (FM A); COLORADO (Rocky
Ford) K A V I (AM 1 kW D 96w N) (FM A); OREGON (Phoenix)
K R O G (FM B)

OPERATING TIP (from Coldwater, MI based consulting engineer,
E. Harold Munn):

Check to make sure that each of your operators has at least
a Restricted Radiotelephone Operator Permit. File Form 753
with \$35.00 payment to F.C.C., Box 358295, Pittsburgh, PA -
15251-3295. Don't rely on verbal affirmation. You are
subject to a fine if unlicensed personnel operate the
station.

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

During the recent R.A.B. "Managing Sales Conference," there was a 2 hour session devoted exclusively to small market radio station concerns. Several promotion ideas surfaced:

"DAIRY QUEEN HELP WANTED ADDS" - The manager of one station reported that after seeing classified ads in the local newspaper advertising for part-time help at the local Dairy Queen, he approached them. They reported few responses. He asked, "What time do you need help?" The "D.Q." operator replied, between 11 AM and 2PM and 4 PM and 7PM. The station sold him help wanted radio ads to run during those hours. The copy: "Would you like to make some money now? Why not come out to the Dairy Queen. They need part-time help right now (11 AM to 2 PM) etc." The Dairy Queen help wanted radio ads were so productive, they've repeated it several times and are using the station regularly to sell their product. The reason the help wanted ads worked, according to the radio operator, "We got the message to the right people at the right time."

"PEN GIVE AWAY" - The small market operator credited Sioux Falls, North Dakota based sales trainer Darrell Solberg with this 10 week promotion. 500 ball point pens were given away (50 per week). A large poster board sign was hung up in the business. Each person who won a pen was asked to sign the poster. All of the pens except 5 were black ink pens. The 5 were red ink. Persons getting the red ink pens got a cash prize. Pen winners were selected weekly by drawing, their names broadcast on ads promoting the contest.

"REAL ESTATE IDEA" - "This idea won't sell houses, but, it will help get listings for a real estate agency," a small market operator said. He sold a real estate agency one of the station's morning drive newscasts. Each day the real estate agency features one of its residential listings - a plus for getting a listing. They list the usual newspaper exposure and other features to prospects with property to sell - plus - they tell them, "We'll showcase your house on our 7:30 A.M. radio news program." Added benefit: When the listeners hear a new listing every morning, it sends the message, "That agency is a very active one" - the kind most prospects want.

About Sales Self Training

Tom Kearns who manages Tom Brokaw's Rapid City, South Dakota station (K T O Q) conducted the R.A.B. small market session. About the necessity of sales people to dedicate themselves to continuing self training, he told this story: "A young man hired on with a forestry business. He did well for several weeks - cutting down a lot of trees. When his performance dropped, the boss called him aside asking, "What's wrong? Your not cutting down near as many trees. Have you sharpened your ax? The young man replied, 'No. I've been too busy cutting down trees.'"

\$ale\$ - Telephoning Someone You Don't Know

1. Smile. Even if you don't feel like it - smile. This will ensure that you sound friendly.
2. Introduce yourself and, very briefly, (your station). Be careful how you enunciate your company, and the name of (your station). Since you know what you are saying and do it all the time, you may get sloppy and say it sloppy and say it in a way that is unclear for someone who has never heard it before.
3. State your reason for your call, including benefits for him/her. Do you talk with strangers if they don't say why they are calling? Probably not! Therefore, tell the person you call how he/she will benefit from the call. (If not immediately, as soon as the benefit is evident from the conversation.)
4. Ask it this is a good time to talk. If not, get a commitment to call later at a specific date and time or within a specific time frame.
5. Don't respond negatively if your prospect is "short" or "cold" or annoyed. Do you like people to call you about purchasing their products or services? Most people don't.

Visualize the people who answer as engaged in some pleasurable activity or, conversely, as being harried by the boss. This will help you avoid feeling rejected or angry if they are abusive in some way. Stay friendly and appeal to them to help you with your objective.

Michael Smith in
"Personal Selling Power"

\$ale\$ - About A Competitor - "The Yellow Pages"

According to Consumer Review Systems, a consulting firm not affiliated with any Yellow Page publisher, "a 1/8th page in black may sell more business than a full page ad in "the phone book."

Their surveys show that consumers reading the "Yellow Pages" want to know 2 things: why they should purchase from one company instead of another and information that facilitates their making the purchase.

Based on their survey they say (among other things) they advise: "Size the advertisement to make sure it is large enough to catch the eye of the consumer, but not overly large in relation to competitors." And, "Forget red ink. Using a second color such as red ink actually decreases the chance of any ad being read, or has less readership than a larger ad purchase with the same amount of money."

"Auto Age" - 12-'90

About Your Customers - Some Timely Information

FARM TIRE DEALERS - Fully 18% of farmers purchased rear tires in the past 12 months, 39% bought light truck tires and 46% put new tires on their car. Farmers also tend to buy more batteries than the average consumer. 59% of farmers bought batteries and 23% purchased 3 or more. Dave Clawson, general manager of Goodyear's Farm Tire Strategic Business Unit, advises his dealers, "If you handle the dirty business of tractor rears, you should be able to get the clean business of truck and passenger tires." He tells his dealers, "While tires are not impulse items, advertising and merchandising can nab a good share of the business when customers are ready to buy.

"Farm Store" - 12-'90

REAL ESTATE - Unless you're on the two coasts, the real estate business may not be that bad. Glenn Crellin, who heads research and economic studies for the National Association of Realtors says, "When you get away from the coast, you find that real estate market isn't that bad. The market in the Midwest never got that terribly hot and consequently, it isn't going to get that terribly cold." The association estimates that 3.3 million homes changed hands in 1990 - compared with 3.44 million in 1989 - a difference of just 4%."

AdWeek's Marketing Week
1-28-'91

30% of the sales of new homes traditionally take place March/May --- and 27% of re-sale houses.

GOING OUT OF BUSINESS SALES - Tulsa, Oklahoma based Bob Keiningham is one of the largest producers of high-impact advertising packages in the world - including "Going Out of Business Sales." He advises, "Before the event starts a business should set volume and profit objectives and a time frame in which to attain them. Don't say, we'll keep it going until the 'folks' quit coming. Realistically, 12 weeks is a good length for most operations. Pigs get fed. Hogs get slaughtered." He advise, "Start with news of your closeout - no prices, special terms or time events. Reap the harvest of your easiest buyers." Then start expanding your message. Once you've saturated, close the store and offer a timed event, still using no prices or special terms - 'further reductions on selected items,' etc. You should be 3 or 4 weeks into the sale before you started adding price items to the campaign." He says he's managed some G.O.Bs. where specific prices were never used. "Then," he says, "Announce 'selections going fast,' followed by 'Time is running out, then 'final week,' then 'final week-end,' then 'final day,' then come back with an 'emergency 72 hour extension."

"Furniture World" 10-'90

Management

Every time the business sector begins to hear rumblings of any kind of downturn, we invariably race to see who can shoot himself in the foot the fastest.

Invariably there are organizations that always weather these rumors and actual recessions. What happens to one and not the other? Do some people just get all the breaks? Are the others just plain unlucky? In the wrong place at the wrong time?

Examples of foot shooting: Sure you should keep your overhead lean. But, that should occur all of the time. However, if you're thinking of cutting back, personnel, sales and promotion is not the place. When times got tough for IBM in the last year or two, who got transferred into sales? EVERYBODY! That's right, engineers, secretaries - the whole shooting match. Did they stop advertising. No! Has it turned them around? Things are much better at IBM.

If you are faced with a business downturn, you should reduce spending. But where? Do more with less, if possible. Get your receivables current if they aren't. Cut out marginal employees.

Seek out every source you can to help you come up with new ideas, strategies, techniques. How can you help your customer achieve more business? If they're moving ahead, so will you. Is there something else you can sell them? Ask your salespeople. Ask your customers.

Most of us get defensive when asked whether we're doing what we're supposed to do all the time. Don't allow it! Explain to your people the importance of this campaign.

What are you reading with an eye to how your business and your people can implement the material? Pass it on to other people in your organization. Ask them to identify possible opportunities. It's a lot harder moving up than moving down. LET'S MOVE UP!

Jim Moran, Publisher
"Competitive
Advantage"
P.O. Box 10091
Portland, OR - 97210

From A Small Market Broadcaster

"Our salespeople are increasing the amount of time they are spending pitching potential advertisers. We're targeting the 'Mom and Pop' stores. With all the bad news, we have to remember that we went through the '81-'82 recession and business came back stronger than ever."

Jay Brewer
W T C J - AM
Tell City, Indiana
- 6 - in N.A.B. "Radio Week"

"Under the Umbrella"

Conventional wisdom would hold that starting an FM stand-alone 30 miles from the heart of Cincinnati and well within the market's 6-county metro was a risky venture at best in 1970. As W S C H passed its 20th anniversary last October, the station's founder-owner-operator says, "I guess I did it because I didn't know any better."

When John finished school in the mid-1950s he took over the operation of his family's farm. "I had a bad year and a half - bad breaks from the market and the weather." John left the family farm for "a regular paycheck" at a uranium refining operation - a 40 mile daily commute. After a couple of plant layoffs, John decided to trade the commute and the "almost regular paycheck" to go into business for himself - the "very risky" business of operating a service station. John calls operating the Sunoco service on the main street of Aurora, Indiana (population: 3,816) "the real turning point." Sunoco had a training course for its dealers. John came away with 2 things that he says he's put to use all of his 30 year business life: About sales, "Find a need and ask for the sale," and keep your eyes constantly on your receivables.

Five years into the operation of his service station, Texaco offered him a better station and companion distributorship. "Back in the 1960s a well located gas station was sort of a 'nerve center' in a small town. Between waiting on customers at the pumps and making fuel oil and farm deliveries, John got to know 'just about everybody in the area on a 'first name basis.'" John doesn't remember at exactly what time or for what specific reason he decided to build a radio station. "The Cincinnati stations didn't pay a lot of attention to the smallest county in the metro (Dearborn) and the only one in Indiana. I thought there was a need to carry the local and Indiana news, broadcast the high school ballgames, and cover the elections here. And, in my own business I felt handicapped by having only the small weekly newspapers to advertise my business."

During the 3 years Schuler waited for his FM license he spent his spare time visiting small radio stations and he attended two Chicago N.A.B. conventions. "I listened to everybody with whom I came in contact."

By the time he got his radio license he made two decisions: #1 he would sell his oil business and put his full-time efforts into the radio station. "This was too small a business to be just an investor." Secondly, his wife Barbara gave up 10 years seniority at Proctor and Gamble in Cincinnati to join John full-time at the radio station. "I decided to take things outside (sales) and she would manage things inside (bookkeeping, programming, etc.) The station went on the air October 29, 1970 and was profitable the first month and has stayed that way for over 20 years.

John sold his radio advertising as he had sold petroleum products to farmers, heating oil to residents, and T.B.A. to the dealers he served as a distributor. He set himself a route through the small towns in his coverage area. He recalls, "In my visits to small radio stations, I picked up a lot of rate cards. When I went on the air, I made up my card from them. The most popular things seemed to be 25 30-seconds ads a week. I didn't realize that most radio advertising ran Monday through Friday during the day. I sold 25 ads a week, Monday through Sunday, 6 AM to 10 PM for \$41.00 per week. Today, thanks to annual rate increases of about 25¢ each, those schedules cost \$162.50 - and they're still our most popular seller."

While Barbara still shepherds the station's finances and operations and John devotes his energies to the station's sales, John still does one "inside job" that he's done from the beginning - deciding what records will be played. "I'm out every day. I know what will go and what won't go." Originally the station was primarily country/western with some cross-overs. "We went straight country a couple of years into the station operation, then eliminated the crossovers - there just wasn't enough of it." John says he eliminates about 1/3 of the current charts he checks weekly. "Those songs don't fit our middle of the road country format."

John now has 3 full-time and one part-time salesperson (currently all female). One started as a college intern, another was a waitress "at a nice restaurant," another was a salesperson for a record vendor (recommended to John by a customer), and the part-timer had worked for a station "out on the fringes of our coverage." We don't have a lot of meetings, we have some training videos, I distribute some articles from your 'paper' and others. The key, although John doesn't emphasize it, "I'm available when they ask for help."

W S C H's staff has grown to 11 full-time and "about that many part-time - weekend announcers and sportscasters." The station makes no effort "to out program" the Cincinnati stations. When we heard it (on a Sunday morning) it sounded like a well run business. John's comment, when we told him that, "when you're selling gas and oil at a couple of pennies a gallon gross profit, you learn to be that way quickly."

THE LAST WORD

SMRNewsletter is not against radio networks, but, we wondered listening the other night how the paying customers feel about those network "spots" telling listeners to call a 900 number (at \$2.00 a minute) to find out how to "hammer a car dealer down" or the the "spot" telling listeners how to "save the commission on selling their house" by sending \$20.00 for a "do it yourself house selling kit."

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

Small
Market
Radio
Newsletter
Inc.

Bill Taylor
KQSS
P.O. Box 292
Miami

AZ 85539

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

VOLUME VIII - Issue #39 - February 21, 1991

THE MARKETPLACE - Despite the outbreak of war in the Persian Gulf and all of the "recession talk," government figures released 2-13 showed January retail sales were off only 1.4% from January, 1990. Hardest hit: autos - 4.4%. Other durables declined 2.9%. Building materials (-0.9) and home furnishings off 0.4% (better than their December showings). Food and clothing sales rose 0.1%. Sales at restaurants and bars were up 0.8%. December personal income figures showed a gain of 7/10ths % over November. For 1990 personal income was up 5.6%.

N.A.B. HAS AGAIN OBJECTED to the Census Bureau Annual Survey of Broadcasters. It got O. M. B. approval last year, despite N.A.B.'s. argument that it was unnecessary because the association and others do similar surveying.

SMALL MARKET BROADCASTERS won 9 of the 12 seats up for election this year on the N.A.B. Board. The winners: Richard Osborne, WKXL AM/FM, Concord, NH; LeRoy Schneck, WNAE/WRRN, Warren, PA; Walter E. May, WPKE/WDHR, Pikeville, KY; Houston Pearce, WARF, Jasper, AL; Dick "Boom-Boom" McBroom, WONW/WNDH, Napoleon/Defiance, OH; Ross Biederman, WTCM AM/FM, Traverse City, MI; Bud Walters, WHAL/WYCQ, Shelbyville, TN (and others); Jerry Papenfuss, Result Group, Winona, MN; Harold Greenberg, KMAS, Shelton, WA. Doug Williams, KWOX, Woodward and Harold Wright, KRPT AM/FM, Anadarko are in a runoff in Oklahoma. Holdover small market N.A.B. board members are Richard Novik, WKIP, Poughkeepsie, NY; Art Suberbielle KANE, New Iberia, LA; Bob Templeton, KAYS, Hays, KS; Al Harris, KUGR, Green River, WY.

W D M E FM ONLY as of 2-16-'91. Fred Hirsch, owner/operator of the Dover/Foxcroft, ME operation has decided to sign off his AM (which duplicates his 6 kW FM) as a "cost cutting measure." When he signed off Class IV AM W D M E, Hirsch believed that no more than 10% of the W D M E audience listened on AM. "They'll switch to our FM." He told SMRNewsletter when he was contemplating the move that he'd save \$10,000.00 to \$12,000.00 a year.

HELP! HELP! HELP! A subscriber wants the current address or phone # of Creative Promotional Marketing, producers of programs for dentists, pharmacists, optometrists, etc. Please phone, FAX, or write us.



275 19th Street - Otsego, Michigan 49078 - (616) 694-9357 - FAX: (616) 692-6789

At the F.C.C.

NEW STATIONS (Granted):

LOUISIANA (New Iberia) D.C. Jones 93.7 50 kW 492'
MISSISSIPPI (Long Beach) Beach Broadcasting L.P. 94.5 3kW
328'
SOUTH CAROLINA (Murrell's Inlet) Inlet B'c'g. Co. 94.5 3kW
328'
(Scranton) Scranton Communications 102.9 3kW
328'
TEXAS (San Angelo) American Indian B'c'st. Group 101.9 100kW 980'
VIRGINIA (Vinton) Carol Bowman 101.5 3 kW 328'

AMENDMENT TO THE FM TABLE (Request):

ILLINOIS (Hamilton) 103.1 B. Req.: Riverbend Radio

INVOLUNTARY TRANSFER:

NEW JERSEY (Newark) (Am - 5 kW U) to Jerome J. Lapenna,
Managing Agent, 1590 Franklin Ave., Nutley, NJ 07110
(910201EA)
OKLAHOMA (Edmond) K T N T (FM - A) to Porter H. Davis,
Receiver, 13 Oakdale Farm Rd., Edmond, OK - 73013 (910107HH)

REPORTED SILENT (by the "M Street Journal"):

NEW HAMPSHIRE (Poitsmouth), W H E B-AM
NORTH CAROLINA (New Bern) W F S L-AM and W S F L
FM - pending sale; (Jacksonville) W L A S-AM; WEST VIRGINIA
(Moundsville) W Q P N-AM.

And, some statistics from the same publication:

There were 334 construction permits for new stations in 1990 vs. 388 in 1989 and 321 in 1988. 11% of the nation's radio stations changed hands in 1990 (1,011 vs. 1,100 in 1989 and 1,165 in 1988.)

11% of the nation's station (1,050) changed formats in 1990 vs. 842 the year before. There were 645 call letter changes (7%) vs. 634 in 1989 and 565 in 1988. 11 stations changed city of license vs. 13 in 1989 and 11 in 1988. (Our thanks to Robert Unmacht, "M Street" editor for sharing the information.

Money Saving Tip

Keep a long distance telephone log. Insist that all long distance calls appear on the log: Date, time, person calling and person called --- and purpose.

SMRNewsletter's "99
Money Saving Ideas"

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

Our second annual Small Market Radio Newsletter seminar in St. Louis this past weekend was a "sell out." Our promotion exchange was again the highlight of the two days. There were dozens of good, practical, "doable" promotions and sales ideas. The attendees selected the winner who received a \$100.00 bill. The winner:

"COLD WEATHER/WARM WEATHER SPECIAL" - Ron Voss, co owner/manager of K Y T C, Northwood, Iowa offered a special inducement for advertisers to schedule January through March schedules. Advertisers spending \$400.00 per month get a bonus 6 ads any day the temperature drops below 0 or the area gets 2 or more inches of snow. Additionally, they'll receive 3 days/nights free lodging at a resort during June/July/August. Voss says the same idea could be used during the summer with 6 bonus ads any day the temperature goes over 100 for example. The premium would be a 3 day/night lodging at a resort type hotel with pool, spa, etc. during January, February, March. The advertiser can use the hotel visit for himself/herself or as a business promotion during the season.

"PRICE FINDER GAME" - Kevin Anfield, Collins Miller's right hand man at W P O K/W J E Z, Pontiac, Illinois, has 2 13-week schedules from a local supermarket by helping to increase readership of the store's newspaper ads. The ads tell people to listen for a call from the radio stations. When they're called, they're asked the price of one of the feature items in the newspaper ad. If they give it correctly, they get a \$5.00 prize from the store - plus - a chance to win a 108 second shopping spree (1 per month). The games are run in 13 week cycles. When the game is not running, the store runs a regular ads schedule on the station.

"SHORT RANGE FM RADIO TRANSMITTERS" - Don Martin, W S L M, Salem, Indiana, says that he's getting good response with an FM radio transmitter than can be heard for about 1/10th of a mile (costs about \$800.00). He has one sold to his local Chamber of Commerce. It's set up on Salem's town square, giving tourist information, shopping information, etc. He's also made use of it in auto dealer and store promotions and has used it in his real estate business to merchandise houses. He demonstrated it during the Saturday morning seminar break. You can call him at (812) 883 5750.

"DIVORCE FAIR" - David Young of K S I D, Sidney, Nebraska, got the biggest laugh of the seminar when he said he was going to run an all day make-believe "Divorce Fair" on his station on April Fool's Day (April 1). Make believe lawyers, psychiatrists, pawn brokers, etc. will "hawk" their services on the station.

We'll have other ideas from the seminar in future issues.

\$ale\$ - Overcoming Objections

Paul Micali has spoken before over 3,000 audiences. In his view, the goal in overcoming objections is to change the prospect's thinking without antagonizing him. He believes objections fall into 3 categories: viewpoints, opinions, prejudices.

A viewpoint, he says, is usually a broad generality which the prospect won't fight too hard e. g. "We want to stick with what we're doing." He suggest handling it:

1. Give the prospect respect for his viewpoint.
2. Activate his dominant desire (hot button) by stressing a matching benefit.
3. Swing back into your presentation and further clarify the point.

The opinion, he feels, is more deep-seated e. g. "It costs too much," they have given this some thought. It is not a generality:

1. Give the prospect respect for his opinion.
2. Activate his dominant desire (hot button) by stressing a matching benefit.
3. Carry the prospect's reasoning through to its logical conclusion.
4. Swing back into your presentation.

Prejudices are the most troublesome of all types of objections. They require very special handling. They are deep-seated. They often are the result of a bad experience with your type of business, your product, or someone connected with your business. To handle, he advises:

1. Listen attentively and sympathize with the prospect. Don't interrupt!
2. Ask the prospect to suggest a remedy.
3. Activate his "hot button" by stressing a matching benefit.
4. Swing back into your presentation.

Never lose sight of your goal. To professional salespeople, an objection, regardless of its severity, never represents a roadblock. They think of it is nothing more than a temporary detour. They may be slowed down briefly, but they categorize the objection, handle it, then return to the job at hand. Above all, they keep in mind that overcoming objections is the most sensitive part of any sale.

Paul Micali's book, "The
Lacy Techniques of
Salesmanship"
\$8.95 - Lacy Institute
15 Paine Road
South Yarmouth, MA 02664

Advertising and Professionals

There is an old axiom which says, "Once you start advertising, never plan to quit." A professional person who plans to start advertising will likely go through the exercise outlined for doctors in a 1982 edition of "Physician's Management" by Irwin Braun. He asked his physician readers to consider the following points (appropriate, we think for all professionals):

1. What kind of patients (clients) do you want? Some people want the best and expect to pay for it - many, are "price shoppers first." Understand the demographics of your target (age, sex, income, education level, etc.) This will help you in selecting media and formulating your message.
2. What kind of practice do you want? What is your personal philosophy? Do you want a low-volume, high-fee practice based on a personalized approach and longer visit or low fees and service to a large number of people. In that case, are you willing to have longer hours - perhaps evenings and weekends. Do you have a position that sets you aside?
3. Is your practice set up to handle additional volume? Do you accept credit cards and third party payments?
4. How big is your practice's market area?
5. Who is your competition?
6. If you have associates, are they in agreement with an advertising program?
7. Do you have sufficient resources for an advertising program? If you're new, with a new office outfitted with the latest equipment, should you appropriate a budget for a continuous advertising program? Don't start unless you have the financial resources and other commitment to continue it.

From our personal relationships with professional people, Mr. Braun's last question may be the most important of all:

8. Do other professionals in your line advertise? If you are located in an area that has a good deal of professional advertising, you are less likely to be criticized by your colleagues if you launch your own advertising and public relations program. If there isn't any or much professional advertising in your area - beware.

(See also Page #3, SMRNewsletter 1-24-'91)

Management - Some Tips

1. Catch your people doing something right and commend them for it. This is the first step in positive reinforcement. There is a difference, however, between true praise and flattery. For praise to be effective, it must be deserved. It doesn't have to be for some great result or effort - the little things count too.
2. Compliment employees for a specific action or behavior - not generalities. Point to the specific success and say what you thought was good about it and why you felt the employee did a good job. This accomplishes two things: it lets the employee know you are aware of the effort, and it supports positive behavior instead of concentrating on negative behavior.
3. Don't wait to praise an employee. Timeliness is crucial when giving praise. If too much time elapses, we may say nothing because we have forgotten what has merited praise, or because we are embarrassed to have waited so long.
4. Don't overdo it. A little bit several times is worth a lot more than too much at once. Too much praise is just as ineffective as too little.
5. Let employees know you appreciate them as individuals. Sit down periodically and talk to your employees to let them know you appreciate them as people, not just numbers or "cogs in the wheel." Because formality will diminish its effectiveness, be informal, one-to-one.
6. If you find you have employees you cannot compliment in any way, you need to review why. Make sure it's not just because you don't like them. If their behavior is bad and you can find nothing to praise them for, you probably don't need them.

There is a feeling that if you praise employees too much, they'll expect more money. To counter this feeling, managers are too often frugal with their "attaboys." The fact is, we don't praise with the same effort and gusto we use when we criticize. Many managers believe that they must criticize to make people more productive. Typical, "I don't praise people who are just doing their job right."

We need to let our employees know they are winners, something that is hard to do if we are too busy telling them in what ways they've failed.

Omnia Profiles
Box 23205
Tampa, FL - 33623-3205

(813) 286 4114

Recommended Reading for Announcers and Copywriters ...

His voice is probably one of the most recognizable in the country. His "Motel 6" radio campaign is one of the radio success stories of all-time. Tom Bodett was invited to share his secrets with attendees at the recent R.A.B. "Managin Sales Conference." He told those assembled that "What we're doing with 'Motel 6' is not intricate, hypnotic, or amazing. Some things you can look at too closely."

Bodett believes radio is "communication. We talk to each other." About the "Motel 6" radio ads, he says "We talk about families on vacation, traveling salesmen eating pizza on the bed, bleary eyed truck drivers looking for 'cheap' sleep. We don't sell 'em every time, but, when they're looking for a room, they'll see that sign and 'Motel 6' will rent a room."

He does not like talking about a listener as "a target, but, rather as a preferred customer - the kind of person the business wants to do business with." About "targets," he told of the abundance of moose that can be seen near his home in Alaska - "except during hunting season. Those moose then know their being 'targeted' and they make themselves pretty scarce."

Bodett thinks a lot of advertisers "take the consumer for a fool." He told about an ad for mens shoes. "A woman's voice says, 'I judge a man by his shoes.' I never knew a woman like that, if I did, I'm sure I wouldn't want anything to do with her."

In Bodett's words, "Ads should do no harm. Radio ads should talk the way we talk to each other." He says that in research the Richards Group (the 'Motel 6' ad agency) has done, 50 year old people think Bodett is "about 50 years old." 30 year old people think "he's around 30." Actually he says, "I'm 36 - the average age in America now. I'm medium height and medium weight. My views have gotten more middle of the road as I've gotten closer to middle age."

In writing or doing a radio ad, Bodett suggests talking to people about "their favorite subject - them." To advertisers he suggests, "They should deliver the quality of product they promise at the price they say they will."

"Motel 6" with Bodett offering "a clean, comfortable room at about 24-bucks a night" using only radio has seen its occupancy rate grow to 76% and its annual sales grow from \$226-million to \$460-million in just 5 years. When his exclusive contract as "Motel 6" radio spokesman runs out at the end of this year, Bodett intends to make himself available to other (non competing) firms.

As he came to the end of his talk at R. A. B. (about 20 minutes) he again reminded people who write for or talk to people over the radio, "Don't think of them as targets - but friends. They want to be talked to - not shot at. TALK TO THEM ABOUT THEM."

Finally he reminded his audience, "Advertising is a company's first introduction to a customer. So, treat them like they just walked in the door. Shake their hand with a 'how do you do', offer them what you've got. You might not sell them what you've got then, but, you'll always make a friend - and eventually, friends take care of each other."

THE LAST WORD

This publication has on several occasions been at odds with N.A.B. positions. We are sure it will happen again, but, on N.A.B.'s position on D.A.B. (Digital Audio Broadcasting), we find ourselves in complete agreement. Further, we strongly recommend that subscribers of this publication seriously consider supporting their efforts financially with membership. THERE'S NO PLACE ELSE TO GO! We feel comfortable in saying this. The majority of the radio board is small market broadcasters like those who support SMRNewsletter.

The N.A.B. plan calls for a terrestrial system of local radio stations, operated by those who now operate AM and FM stations in large and small communities. N.A.B. believes that those now in the radio industry "should steer the D.A.B. ship rather than be merely a passenger." We can't see any other satisfactory course.

D.A.B. is not some "far out futuristic novelty." The public's quick embrace of compact discs and other digital technology sends a signal that in the future only radio via digital technology will be widely acceptable. How far away is that future? It took 30 years for FM to supplant AM as the audio communications leader. It probably won't take that long for D.A.B. The simultaneous entry of TV and FM upstaged FM's entry. Hi Fi records came in the mid-'50s and stereo recording in the '60s. Their sale wetted the public's appetite for hi fi/stereo FM. This time, compact discs are here creating a demand for digital radio beforehand.

D.A.B. isn't going away! We believe that 10, 20, or 30 years the industry which you (and I) have invested our lifetimes in could become obsolete - just a memory if we don't go forward with the N.A.B. D.A.B. plan NOW.

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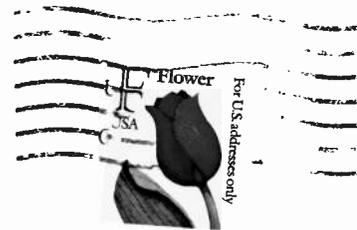
275 19th Street - Otsego, Michigan 49078 - (616) 694-9357 - FAX: (616) 692-6789

Small

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Bill Taylor
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P.O. Box 292
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Bob Doll - Publisher and Editor
Barbara J. Doll - Circulation

VOLUME VIII - Issue #40 - February 28, 1991

NEW SETTLEMENT AGREEMENT RULES effective date has been postponed pending handling of petitions for reconsideration filed by N.A.A.C.P., United Latin American Citizens, National Black Media Coalition, and F.C.C. Bar Association (trade association of communications lawyers).

COMPLAINTS TO F.C.C. AGAINST "consulting, networking" and sales deals struck between non-commonly owned stations in the Nashville (TN) and Jackson (MS) markets have been filed by competitors. The competing stations complain that the arrangements are contrary to F.C.C. transfer of control and duopoly rules.

NEW MEXICO 5% AD TAX has been beaten back in legislative committee. ... In Washington, State, a bill has been introduced to ban outdoor ads for tobacco and alcohol.

HOW MANY STATIONS? The "M Street Journal" says there are now 857 granted - but unbuilt FM C.P.s.; 182 granted - but unbuilt AMs and applications (1,890) for an additional 970 FMs.

REGISTRATIONS FOR COUNTRY RADIO SEMINAR (Nashville 3-6/9) are still being taken by Patsy or Bernie (615) 327 4487.

WAL MART AUTHORITY Ken Stone of Iowa State University will headline a program at N.A.B. (Las Vegas 4-15/18). ... WalMart has been on Noon-A.B.C. Paul Harvey program since 1-1-'91.

N.A.B. "BEST OF BEST" PROMOTION AWARD WINNER Small Markets: W K X L AM/FM, Concord, NH; W I R D/W L P W, Lake Placid, NY K L A W, Lawton, OK. Winners get \$250.00 cash, plaque, and free registration at N.A.B., Las Vegas. Winning ideas in SMRNewsletter next week (3-7-'91).

DRAKE-CHENAULT WILL EXIT the reel-to-reel music format business. Buyer: Either R.P.M., Orchard Lake, MI or Seattle, WA based Broadcast Programming. Not effected: the Drake-Chenault/Jones satellite delivered formats (6) reportedly on 200+ stations.

TRIVIA - When G. Heileman Brewing Co. went "Chapter 11", they owed W G N-AM, Chicago \$173,521. (Advertising Age 2-18)

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

At the F.C.C.

NEW STATIONS (Granted):

ARIZONA (Oro Valley) Pueblo Radio B'c'g. Serv. 97.5 3kW 300'
KANSAS (Norton) Pioneer Country B'c'g. 106.7 50.5 kW 92'
(Topeka) Margaret Escriva 92.5 3 kW 328'
MASSACHUSETTS (South Yarmouth) Cape Cod Radio 103.9 3 kW 328
MICHIGAN (Whitehall) Pyramid B'c'g, Inc. (WPBK-AM)102.5 1.7kW 426'
MINNESOTA (Duluth) FM Duluth L.P. 101.7 3kW 328'
(Spring Valley) Radio Ingstead 104.3 2.8 kW 472'
NEW JERSEY (Atlantic City) Radio Vision Comm II 107.3 25kW 328'
NEW MEXICO (Roswell) Mary Moran 104.7 50 kW 492'
OKLAHOMA (Alva) Lucille Lacy 104.7 100kW 980'
OREGON (Banks) Common Ground B'c'g. 107.5 2 kW 396'
PENNSYLVANIA (Boalsburg) Boalsburg B'c'g. Co. 92.9 263w 1112'
(Mansfield) Jennifer Lamb 92.3 417w 866'
SOUTH CAROLINA (Loris) Robert Rabon 105.9 3 kW 328'
TEXAS (Corpus Christi) Reina B'c'g., Inc. 94.7 3 kW 298'
WEST VIRGINIA (Barrackville) Rosemary Fantasia 93.1 3 kW 248'

AMENDMENTS TO THE FM TABLE (Amended):

FLORIDA (Zolfo Springs) 106.9 A. W.: 4-2/5-2.
GEORGIA (Americus) 98.7 A for 97.7 A. M.: W P U R.
(Fort Valley) 97.9 C3 for A. M.: W K X K C.P.
(Smithville) 99.7 A. W.: 4-2/5-2.
MAINE (Howland) 103.9 C for A. M.: W P V M.
(Searsport) 101.7 A. W.: 4-2/5-2.
MISSISSIPPI (Baldwyn) 92.5 A for 95.9 A. M.: W E S E.
NEW YORK (Saugerties) 92.9 A. W.: 4-2/5-2.
SOUTH DAKOTA (Canton) 102.7 C2 for A. M.: K I X S.
UTAH (Centerville) 105.7 C for C1. M.: K B C K.
VIRGINIA (Lynchburg) 97.9 C3 for 99.3 A. M.: W G O L.
WISCONSIN (Wisconsin Dells) 106.9 A for 107.1 A. M.: WNNO.

(Proposed):

ALABAMA (Headland) 105.3 C3 for A. City of license from
Chattahooche, FL to Headland, Alabama. M.: W U M G.

(Requests):

FLORIDA (Miami) 107.5 C for C1. M.: W Q B A.
GEORGIA (Waynesboro) 107.1 C3 for A. M.: W A G W.
ILLINOIS (Breese) 105.3 A. Req.: Breese B'c'g.
(Carlyle) 96.7 A. Req.: Carlye Broad. Assoc.
(Dix) 96.7 A. Req.: Kenneth W. Kuenzie
(Fisher) 93.5 A. Req.: Globe Comm. Co.
(Flora) 95.5 A. Req.: Flora Broadcast Assoc.
(Mattoon) 93.7 A for 101.3 A. M.: W M C I. Req.: Globe
(Mount Carmel) 101.1 A. Req.: TNT Communications.
(Teutopolis)101.3 B1. Req.: Globe Comm. Co.
(Tuscola) 101.1 A for 93.7 A. M.: WITT. Req.: Globe
INDIANA (Ferdinand) 98.5 A. Req.: W Q X E (See below)
KENTUCKY (Bowling Green) 93.3 A for 98.3 A. Req.: W Q X E.
(Elizabethtown) 98.3 C3 for A. M.: W Q X E.
MISSISSIPPI (Shubuta) 107.1 C3. Req.: WHP Broadcasting.
(Sumrall) 107.1 A. Req.: Sherrie Lynn Wolverton.
SOUTH CAROLINA (Bluffton) 106.9 C1 for C2. M.: W L O W.

INVOLUNTARY TRANSFERS:

MONTANA (Hardin) KKUL (AM-IV) (FM-C) to Michael Rapkoch,
Receiver, 1746 Ave.B, Billings,MT-59101 (910211 EA/B)
TENNESSEE (Huntingdon) W H Z Z (FM-A) to William L. Guy,
Trustee (910102 HF)

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

Easter is early this year (Sunday March 31), but there are still plenty of opportunities in April.

April 1 - April Fool's Day April 21/27 Secretaries Week
April 7 - Daylight Time Begins
Entire Month: Cancer Control Month, Cable Month, "Keep America Beautiful Month"

"WORKING WOMENS BANQUET" - Instead of "Secretaries Day/Week", many stations are now staging events that are more encompassing. K C H I, Chillicothe, Missouri, stages a "Working Womens Banquet." The restaurant where the event is held is billed as a co-sponsor with the station and provides the meal free. 220 women get tickets from co-sponsor's locations. Each pays cash for an ad schedule, provides a coupon or small item for "goodie bags" given each working woman. They get ad space in a printed program. They can take part in a fashion show during the event by paying a premium. Chris Beyer calls it one of his station's best annual events.

"WORKING WOMEN WINE AND CHEESE PARTY" is an annual event at K T T R/K Z N N, Rolla, Missouri. In addition to being a profitable, visible event, Hal Sell has made it a major marketing tool for his station. Each woman attending gets a name tag with her name and her town prominently lettered. "Our FM station is a regional station located in a trade center. Those badges tell our customers that we really get to the folks in the small towns out in the trade area," Sell says.

28 advertisers are sold. Each gets a booth and provides a door prize. A style show is featured. Participating advertisers can take part in a fashion show during the event by paying an extra premium.

The event is held on the campus of a community college.

"TRI STATE AREA SUMMER GUIDE" - W D L C/W T S X, Port Jervis, New York, have combined an audience building promotion with a profit center. The station publishes a map of the 5 small cities in its primary service area. The map (standard road map size) in addition to identifying streets shows the location of advertisers who "buy in:" restaurants and motels, photo shops, sportswear stores, pharmacies, gift shops. There is a list of emergency and tourist service phone numbers. Major area events are listed. The two radio stations' programming is described with special emphasis on programming of interest to area visitors.

\$ale\$ - Problem Solving

There are 6 basic steps you can use to find and solve your prospects' and customers' problems - and, in the process, increase your own sales. Some steps can be taken in the planning stages and others should occur during the opening of the sales call. The final 2 steps are the basis for the sales negotiation, make the proposal or negotiating a final agreement.

- Step #1 - Identify the problem. Ask questions. The key question is "Why?" Why is it done this way? Why does this happen? Listen to the answers to isolate the problem.
- Step #2 - Determine the problem's worth. Is the buyer's problem worth solving? Is the immediate or potential sale worth your time? If the answer is "no" forget it - problem solving is an approach for larger returns.
- Step #3 - Determine the benefits. Look for the basic benefit, the objective, and aim your solution at it, not just the immediate problem. You must determine the benefits of the solution.
- Step #4 - Consider all possible solutions. When you can visualize several solutions to a problem, consider and evaluate each one. Weigh the advantages and disadvantages of each against the benefits desired in a solution. Arrange the solutions in order of preference.
- Step #5 - Recommend a solution. "Based on what you have told me, I would suggest WE do this ..." Or, bring in a third party to validate the solution. "The ABC Company had a similar problem and, based on what we did successfully for them, I suggest that WE ..."
- Step #6 - Negotiate the solution. One great advantage to problem-solving-selling is that when the buyer accepts your solution to his problem, the sale is usually assumed and the remaining negotiation involves details like price. Closing the sale can now be as simple as getting the buyer to answer a simple question like, "When can we get started?" Or, it could require considerable give-and-take negotiation.

Keep these steps handy for review and practice. Use the problem-solving approach to establish buyer benefits and thus cope with the typical concession demands. Then you can get right down to a win-win proposal and make a sale that works.

Homer Smith in
"Personal Selling Power"

About Radio Farm Business

At right, a presentation sheet for farm related businesses from a Southern Illinois station. It does a good job of selling the need to advertise to a group of businesses who often tell us, "We depend on 'word of mouth' or 'everybody knows we're here.'"

The country's oldest farm equipment maker, Moline, IL based John Deere, has plunged into radio this year. They've hired a radio spokesman - Jack Barlow. They've sent their dealers an audio radio presentation, an initial 18 "spot" series, and have established a co-op plan.

Barlow, on the presentation tape, tells John Deere dealers, "80% of your customers turn on the radio everyday. It's the most overlooked medium. It's cheap in comparison to other media. Most important, it utilizes the 'mind's eye' - the imagination. It stays with a person a lot longer than messages in other media because it causes a person to think." Deere wants to overcome its "high price" reputation and to remind farmers "there are two ways to save money, on the front end or in the long run. Barlow tells John Deere dealers to "run the spots that tell people what you've got to sell and that you're the most efficient, most concerned supplier with kindness, competitive price, and genuine concern."



Your Business vs. Farming

- | | |
|-----------------------|--------------------------|
| 1. Land and Buildings | 1. Land and Buildings |
| 2. Equipment | 2. Equipment |
| 3. Employees | 3. The hired hand |
| 4. Buy merchandise | 4. Plow the field |
| 5. Advertise | 5. Plant the seed |
| 6. Merchandise | 6. Cultivate |
| 7. Ring up the sale | 7. Harvest |

*Farming and the operation of your business are very much alike.

*Each has Seven Steps to Success.

*Leave out any one step and success is sacrificed.

***Step #5 for the farmer is the planting of seed. If no seed is planted there will be no harvest.**

***Step #5 for the business man is advertising. The merchant who fails to advertise will not have much of a harvest either.**

Let Us Help You Grow



98.3 FM STEREO 1560 AM

Management - Collections

Did you know? The "fine print" on time contracts from AAAA (American Association of Advertising Agencies) member agencies no longer guarantees payment by the agency. That clause was changed without 'fan fare' about a year and a half ago.

The change in the AAAA contract came up for discussion during a collection session at the recent R.A.B. "Managing Sales Conference." The panelists: Pete Szabo, head of Atlanta based collection agency Szabo Associates; Dan Christensen, Collection Express, Houston, Texas, and Lisa Weaver of W Z E Z, Nashville.

Christensen pointed out that because of the declining value of money, cost of money, and investment in sending statements and other procedures, \$1.00 'on the books' for 90 days is worth only 80-cents. The way to get paid faster, according to the panel, is to set a collection procedure and monitor it on a regular basis.

Szabo advises stations to start a collection process no later than 15 days after an account becomes past due. "In the case of a continuing account, the amount continues to grow and becomes much harder to collect because there's more money involved - \$1,000.00 becomes \$2,000.00 in the second month. Further, he says, "The further the payment is removed from the service performed, in the customer's mind the service becomes less valuable and his money becomes more valuable."

For stations that have traditionally had "easy credit policies" who want to change, Christensen advises, "Go slowly and carefully. Tell the account station policy has changed. Blame it on the home office, the C.P.A., your banker. Then bring that account from 90 days to 60 days then 30 days then current in careful steps. Get your money, but, keep the customer - it takes 60% fewer dollars to keep a present customer than get a new one."

Ms. Weaver stressed the importance of "management (not only salespeople) knowing every customer. That makes the collection process a lot easier." On new business, "The salesperson should tell the customer what the terms are as part of the validation step. Management, on new orders, should send a 'thank you letter,' confirming what the client has bought and again what the station's terms are."

The panel consensus: When the account is past due 15 days:

- 1.) Is there a problem? If it has to do with the station - correct it immediately.
- 2.) If the account can't pay - but will, WHEN?
- 3.) If he/she won't pay, DECIDE WHAT YOU'RE GOING TO DO RIGHT AWAY.

Pete Szabo, the country's largest collection agency head of money owed to stations and by stations, advises, "In handling collection be businesslike and antiseptic (preventing disease)."

"AM - FM and Cable TV"

Francis Nash came to W G O H to fund his education. 25 years later, he has a bachelor's degree, two master's degrees, and an education specialist degree in higher education - but, he's still with W G O H - its general manager since 1979.

"I had intended to be a college professor," Nash says. "But, I've found you can get the same satisfaction running a small station that you'd expect in a college classroom."

Nash got an opportunity to find out about that first hand. When Kentucky Christian College at Grayson, where W G O H is located, decided to start a broadcast course of study and build a station on its campus, school officials hired Nash to conduct the classes, build its station and serve as faculty advisor and chief engineer of W K C C. He kept that job, along with his responsibilities at W G O H, its FM station W U G O, and its TV channel on the local 2,400 home cable system. Nash gave up the college job in 1988 to undertake another project: co-author of "History of Broadcasting in Kentucky" with Dr. Tom Greenfield of Bellarmine College in Louisville, Kentucky.

Nash says he and Greenfield hope the book, which they expect to take 5 years to finish, will be more than the average work of this type. They are pinning their hopes on extensive research they're doing on Kentuckian Nathan B. Stubblefield, who many hold pre-dated Marconi as inventor of radio. Nash says, "We're finding as much controversy in the archives as apparently surrounded him during his lifetime." Nash says, he and Greenfield have unearthed "many other fascinating stories among the broadcast figures in the state's history."

Of his radio stations, Nash says, "A lot of people would call what we do a curious mix. On AM, the music is traditional country with a gospel song featured every other hour and with a 2 hour block of bluegrass music daily. Alongside the music are the hourly C.B.S. newscasts, a hefty schedule of local news (including a 30-minute block from 6:45 A.M. to 7:15 A.M.) and steady stream of farm and other service features that we feel are of interest to a rural audience."

The FM station has a "hybrid" mix of current adult contemporary songs, "upscale" country crossovers, and oldies that span 35 years. On FM, which simulcasts the AM's hourly news, the station is mostly music during the day, but, with a heavy schedule of major league baseball, college football and basketball, and high school football, basketball, and baseball. Of his programming, he says, "We do well enough in our county of 25,000 to be among the top 10 consistently in the 6-county Huntington Arbitron area."

The third part of the W G O H-AM, W U G O-FM communication's service is its Channel 16 operation on the local cable system. The system was built by Nash's next door neighbor. From him, Nash secured the local origination channel. The system has since changed hands 3 times. A character generator at the station shows the continual list of community announcements and 5-line ads. W G O H sells a 5 line ad which shows up on the screen every 15 minutes for \$20.00 a week. Last year, 450 businesses and individuals bought time on Channel 16 - a combination of sales with AM-FM radio schedules and "walk ins." The cable ads, Nash says, are similar to newspaper classifieds. Audio from WUGO-FM.

Additionally, 3 - 30 minute public affairs programs are done weekly; playbacks of high school games and community events are carried (sold as part of radio packages). The stations own the TV equipment: the character generator, 3 cameras, 3 video records, and a "home made mixer" - total investment: \$12,000.00

The cable channel is also utilized for major fund raising events "trimulcast" with the AM and FM. Recently, such a radio/tele-thon was staged to raise money for a high school student group's trip to Washington, D.C. Another is lined up for late April to raise funds for an after-prom party for high school seniors.

W G O H and its FM station and the cable TV origination have been owned since the beginning in 1959 by a local physician, a dentist, and a druggist (his widow now holds the stock). "They could have made a good profit by selling several times," Nash says, "but, they think the station is important to the county. They like being part of it."

Nash says, he stays away from "big promotions. We sell basic advertising. We promote the stations (and the cable TV channel) by making them important to the county." In March, the station is sponsoring a cleanup campaign, "Make Carter County beautiful." Service clubs will sign up at the station to clean-up eyesores in the county. Refuse will be picked up by county trucks. The county's largest hardware store will provide bags. Each worker will get a certificate from the station and will be treated to a free meal at one of the county's restaurants.

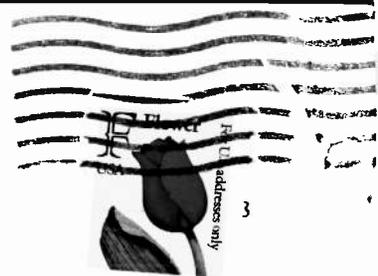
THE LAST WORD

Borrowing to excess must have some of the same results as drinking to excess. It is no secret that many of the large group owners are stretched financially by paying too much for their late-1980s expansions, financed by a lot of high interest debt.

At the N.A.B's recent "Group Head Fly-In," N.A.B. "Radio Week" reported, "Attendees shared suggestions for reducing operating costs. They included: Pay bonuses 2-to-1 to employees (ie., if an individual earns \$5,000 in bonuses, give that person \$10,000 in approved client trade.")
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 - PHONE: (616) 694 9357 - FAX: 616 692 6789

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Bill Taylor
KQSS
P.O. Box 292
Miami AZ 85539

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

VOLUME VIII - Issue # 41 - March 7, 1991

AT ISSUE WITH N.A.B. DIGITAL BROADCAST - A Haddon Heights, New Jersey based consulting engineer in a letter to "Broadcasting" (published in its 2-18-'91 issue) claims "Eureka 147 requires clustering of 14 programmes at each transmitter. All the programs will have identical coverage. A small market with 4 stations, for example, would have 10 'spare' channels. The F.C.C. longstanding policy of 'more services are better' will require that the additional channels be filled with additional services." He also claims, "Since most D.A.B. systems either provide perfect reception - or none at all, suburban stations will either be fully included or fully excluded from central urban markets."

"Eureka 147 is a European development. Much of the equipment will be supplied by Philips, Marconi and Telefunken, which are E.B.U. associates and have a head start, not by U.S. manufacturers. The receivers will be manufactured in the Orient."

His solution: "With the investment of a couple of million dollars and two years' time, the U.S., together with Canada and Mexico, can easily develop a D.A.B. system properly suited to the needs of independent commercial broadcasters."

Editor's Note: Two weeks ago, we urged our subscribers to back N.A.B. in the D.A.B. effort. We haven't changed our mind, but, believe Mr. Schober's concerns warrant serious consideration at N.A.B.

NEW FM TRANSLATOR RULES have gone into effect (3-1) despite a flurry of petitions. There is a freeze in effect until May 1 for all but "noncommercial educational stations." The freeze ends on May 1. New translators and technical upgrades on present ones will have to meet the new rules.

N.A.B. HAS COME OUT STRONGLY AGAINST NEW F.C.C. FEES for commercial broadcasters, fearing that they would increase in future years.

ALABAMA BOUND - We're doing small market seminars for the state association. Dates: 4-4 at Troy, 4-5 at Decatur.

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

At the F.C.C.

NEW STATIONS (Granted):

CALIFORNIA (Lucerne Valley) RASA Comm. 106.5 3 kW 328'
CONNECTICUT (Ledyard) Ledyard Comm. B'c'g. 106.5 3 kW 288'
GEORGIA (Hinesville) Bullie B'c'g. Corp. 104.7 3 kW 328'
 (Macon) Macon Radio Assoc. L.P. 92.3 3 kW 328'
 (Sylvester) Thomas Lawthorne 102.1 3 kW 328'
ILLINOIS (Newton) S. Kent Lankford 106.9 3 kW 328'
KENTUCKY (Hawesville) Joe L. Aldridge 105.7 3 kW 328'
 (Williamstown) Grant Co. B'c'rs. 106.5 3 kW 328'
MINNESOTA (St. James) Rogers B'c'g. Co. 100.5 50 kW 492'
NEW YORK (Canton) David and Ann Button 101.5 3 kW 328'
NORTH CAROLINA (Hamlet) Sherrell Jackson 104.3 3 kW 328'
 (Jacksonville) Ferguson Radio 92.3 50 kW 492'
OREGON (Harbeck-Fruitdale) Grants Pass B'c'g. 98.3 3 kW 328'
TENNESSEE (Dickson) Edmission/Eubank Comm. 93.7 3 kW 328'
TEXAS (Cleveland) Texas Classical Radio 97.1 50 kW 492'
VIRGINIA (Richmond) James River Comm. 101.1 3 kW 328'
 (Vinton) Carol Bowman 101.5 3 kW 328'
WISCONSIN (Waunakee) Dale A. Ganske 105.1 3 kW 328'

AMENDMENTS TO THE FM TABLE (Amended):

INDIANA (Angola) 100.3 A for 100.1 A. M.: W L K I.
 (Auburn) 102.3 A for 105.5 A. M.: W I F F.
 (Decatur) 105.1 B1 for 92.7 A. M.: W Q T Z.
 (Roanoke) 94.1 A for 105.1 A. M.: W Q T X C.P.
MICHIGAN (Marquette) 94.1 A as 3rd. W.: 4-15/5-15.
MINNESOTA (Deer River) 105.5 C for A. M.: K X G P C. P.
MISSISSIPPI (McLain) 98.7 A as 1st. W.: 4-15/5-15.
TEXAS (Odem) 98.3 C3 for A. M.: K K H Q.
WISCONSIN (Tomah) 94.5 C3 for A. M.: W Z F R C.P.

(Proposed):

SOUTH CAROLINA (Kershaw) 106.1 C3 for A. M.: C.P. Change
 city of license to Waxhaw, North Carolina.
TEXAS (Abilene) 106.3 C2 for A. M.: K H X S.
 (Colorado City) 106.1 A for 106.3 A. M.: K A U M.
 (Hempstead) 105.3 A as 1st.
VERMONT (South Burlington) 95.5 C3 for 95.3 A. M.: WXXX.
WISCONSIN (Chetek) 106.7 C2 as 1st.

INVOLUNTARY TRANSFERS:

ARKANSAS (Augusta) K A B K (FM-A) to Harvey Fritts, Receiver
 Box Z, Augusta, AR 72114 (910130HU)
OKLAHOMA (Cordell) K R M K (FM A) to Richard L. Adams,
 Receiver, Box 341, Cordell, OK 73632 (910207HY)

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

Small Market Winners

Community Service - W K X L AM/FM, Concord, New Hampshire - "This Island Earth." In conjunction with Earth Day 1990, W K X L organized this conservation campaign to increase awareness of environmental issues. Listeners collected points by adjusting their lifestyles with an eye toward conservation.

Station Enhancement: W I R D/W L P W, Lake Placid, New York "Radio From Home." The stations dedicated an hour of music to each local service person serving in the Persian Gulf and included the service person's address at the end of his/her hour. Relatives and friends called in with messages. Each serviceperson received all 22 hours of dedication - plus - an AM/FM/cassette "Walkman," extra batteries and "other goodies." Sponsors recorded personal greetings instead of commercials.

Sales: K L A W (FM), Lawton, Oklahoma - "Lawton Salutes Fort Sill." K L A W paid tribute to Fort Sill Field Artillery Center (U.S. Army) for its recognition by Vice President Dan Quayle as the U.S.'s. best military installation. The station presented Fort Sill facts and history, trivia questions and citizen salutes. Two reporters were sent to Washington to cover live the awards presentation.

Large market winners were W C A O/W X Y V, Baltimore, Maryland; W R D U- (FM), Raleigh, North Carolina and K R B E (FM), Houston, Texas.

Medium market winners were W U S Y (FM), Chattanooga, Tennessee; K B F X (FM), Anchorage, Alaska and K W N Z (FM), Reno, Nevada.

Here are 2 large market ideas that you might be able to adapt to your small market operation:

If you have a schedule on your cable system, low power or full power TV station:

"Create Your Own Commercial Contest" - W R D U (FM) picked up on "America's Funniest Home Videos" TV show. They asked listeners to make videos to tell the W R D U story. The station received over 400 entries. The winning entry became W R D U's TV "spot."

"Power 104/Pepsi Texas Chill Out" - K R B E (FM) co-operated with Pepsi to increase the popularity of the station and the soft drink. Those who chose Pepsi in a blind taste test with Coke were given "License to Chill" cards - entitling them to discounts at record stores, theatres, and participating retailers. Pepsi is planning a national campaign this year based on the results of the K R B E promotion.

\$ale\$ - Build Your Prospect's Self Esteem

Your Prospect's level of self-esteem becomes important when it affects buying decisions. A prospect, for example, may say, "I don't need anything that big," or "That's out of my league." Statements like these indicate that you should attempt to boost your prospect's self esteem.

Improving your prospect's self esteem, if even temporarily, requires that you elicit certain feeling from the person - feelings of competence, importance, uniqueness, independence, responsibility, security, being likable, etc.

Helping a person feel good about himself or herself in these areas is the basis upon which your prospect will begin to raise his or her own self opinion. Be sincere and honest with your compliments and comments. Here are a few examples:

1. "I like your thinking on that." (Competence)
2. "This will have a significant impact." (Importance)
3. "You've shown me a new way to approach this." (Uniqueness)
4. "I trust your judgement on this." (Independence)
5. "I can see what you're doing is important." (Responsibility)
6. "You've certainly covered all the bases." (Security)

Remember, we all like to associate with people who make us feel good about ourselves. If you boost self-esteem in others often enough, soon you will become a person others will go out of their way to see - and gladly recommend to their friends.

"Sales and Marketing
Executive Report"
Chicago, Illinois

\$ale\$ - If You've Had A Bad Week or Month

1. List on paper all the good things in your job and in your life. On the other side, list all the bad stuff. Check it out --- is it really so bad?
2. If it's really that bad, ask yourself, "What's really wrong? Do I hate my job. Am I not making enough money, or am I just tired right now?"
3. Is my personal life interfering with my job. If so, can I change it?
4. Most importantly, am I putting all my effort into my work? Am I giving it 100%. Time to get busy.

Meg Martin/Kim Ginther in
"Sales Slump"

Wal Mart - the Nation's New #1 Retailer

Coincidental with Wal Mart unseating Sears as the nation's #1 retailer, "Advertising Age," the largest circulation weekly newspaper in the advertising business devoted over a half page to the Bentonville, Arkansas based firm.

"Advertising Age" estimates show that Wal-Mart spends only 0.5% of every sales dollars on advertising compared with 2.5% for now #2 Kmart and now #3 Sears, 3.8%. Last year, the publication said, Wal-Mart generated \$192.85 in sales for every \$1.00 spent on advertising.

In "Advertising Age's" view, Wal-Mart's "thrifty position is not an indictment against advertising. Instead, it's representative of Wal-Mart's superior management skills." Its operating expenses account for 16¢ on the sales dollar vs. 22¢ to 27¢ for its rivals.

The article says that Wal-Mart intends to expand from its present 1,500 stores to 3,000 by the year 2,000 and increase sales from 1990's \$193-billion. Much of Wal-Mart's growth is expected to come at the expense of weaker competitors, primarily regional chains and local operations analysts say. "That may not be good for local media."

An economics professor at Iowa State University has compared 17 towns with populations of 5,000 to 30,000. He compared them with 30 similar towns without Wal-Mart stores. Sales tax receipts in the Wal-Mart towns rose 30% in the general merchandise category in the first year of Wal-Mart's entry, 39% for the third year. In non Wal-Mart towns, receipts were down 0.6% the first year and down 4% the 3rd year.

Businesses that didn't compete with Wal-Mart, such as restaurants, service stations, and home furnishings stores benefited when Wal-Mart came to town. For example, Stone says, sales tax were up 5% the 3rd year in those lines, while they were down in non-Wal Mart towns.

Specialty retailers that compete directly with Wal-Mart, such as sporting goods, hardware and drug stores, saw a 12% drop for the third year - and Stone says, "It's getting worse." His conclusion, "Overall, the inordinate part of the retail sales gain goes to Wal-Mart. There's a net reduction in sales to existing merchants."

About advertising, Stone told "Advertising Age," "I know local newspapers are concerned. They say Wal-Mart uses print advertising the first year, then it tails off to a small amount. If there are enough stores in a market, they use TV. But radio people appear to be squeezed out. The local managers do have (some) discretion with their ad dollars. It appears to be a matter of competition."

EASTER GREETINGS

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

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 _____.

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.

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 _____.

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

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

_____ 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 rapidly 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. _____ extends best wishes for a Happy Easter.

If you're traveling this weekend, _____ reminds you that you're sharing the road with many other Easter Travelers. Many are not familiar with the area. _____ says, "Start early! Be alert! Drive with extra care!" _____ says, let's all do our best to make this a safe, 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 joyous, blessed Easter from _____.

"How Much Is Too Much?"

Lincoln County, Oregon, 120 miles south of Portland on the Pacific coast could soon be the most "over radioed" market in the continental U.S. The county of 38,000 people, whose local economy is a combination of tourism, commercial fishing, and timber, is home now to 3 AM-FM combinations and a stand alone AM. There are 3 granted, but unbuilt FMs, 2 C2s and a C3. If they go on, that would be 1 commercial radio station for each 3,800 people.

Lincoln County, in which Newport (population about 8,000) is the principal city, is statistically a strong retail trade center - retail sales: \$309-million, consumer income \$473-million. Given its 65.5% retail sales conversion rate (aver 53%), the market should be a strong radio market - yielding something around \$1-million a year - but, divided 10 ways that's only \$100,000.00 a year per station - or \$8,333.00 a month. How much serving of the public interest can you do with \$277.00 a day revenue?

David Miller, who manages the county's dominant pair, KNPT/KYQT at Newport, calls the creation of 3 new stations there, "economic insanity." "We have a 5 kW full-time AM which dates back to 1948 and a Class C FM. We have the facility and the location in the county's principal city and the county seat. But, too many stations has to impact even our operation adversely."

Miller points out that 2 of the AM-FM counties have been through the bankruptcy court. One of them is the operation he has managed since 1988:

"This station sold for \$1,000,000.00 cash in 1979. The financing included \$750,000.00 at '4 over prime.' In the early 1980s that equaled 24% and 25% interest. The interest payments were more than the station's gross. It was forced receivership. It stayed there for 5 years."

The stations were purchased through the bankruptcy court for \$450,000 in 1987 by former Utah broadcaster Frank Carmen. He had retired to Newport. "Frank was a great human being and a great broadcaster. At 78, he came in here and set about re-building the station's plant and its reputation." A year into the project, Carmen hired Miller, a longtime broadcaster friend "from back in Utah" to manage the Newport stations.

Miller worked part-time as an announcer for 3 years before taking a full time radio job in 1975. Two years into the business, he switched over to sales and management. When he came to Newport, he says, "I did the things you know to do in a small market: get expenses under control, hire 3 good salespeople (2 are former managers at competing Lincoln County stations) and make myself part of the community. I did one other thing that was 'key' here: I brought back Bob Spangler as morning man and play-by-play sportscaster. His

association with the Newport radio operation dates back to 1954. He's very good and to be quite frank, 'Mr. Newport Radio.' When he came back on K N P T, people knew we really were back in business.

He says the first call he made when he came to Newport was on the Chamber of Commerce. "I told them the station and I were at their service in any way they felt we could help." He says now, "That's the best thing I could have done. They have over 500 members - a very strong membership for a town of 8,000."

That help has translated into a weekly radio program on which a Chamber official not only gives news, but, salutes new members. "They tell me that's helped their membership and of course it's helped us by starting relationships." A similar program is done for another Chamber in the county.

Miller is a Chamber director, chairman of it's "greeter" committee. He's also in Rotary, a director of the Food Bank, the YMCA, and an active layman in his church, "the kind of things most small market guys do," he says.

Frank Carmen died a year ago. Miller now runs the stations for his heirs. He says the stations have shown small, but steady "cash flow profits" for 2 years. "But, to make the kind of return an investment like Frank's should make, that's a few years in the future --- barring entry of the 3 additional stations. If that happens, it's going to take longer --- or it may never happen."

About the overpopulation of radio stations, Miller asks, "If it was possible technically to build 38,000 radio stations here, 1 for each man, woman, and child in Lincoln County, would it be good public interest policy to grant the licenses?"

THE LAST WORD

Last week, on page #1, SMRNewsletter reported that there were 2,009 new stations either granted or pending at the F.C.C. That's far more than the economy will support realistically far into the future. Permitees without the money to build stations lied to the Commission when they filed those applications. They should not be allowed to sell those C.Ps. at a profit or even to recover their expenses. The C.Ps. should be canceled and the allotments removed from "the table." We are told that this is the age of the operator - not the speculator. It's time for the Commission to restore sanity and integrity into station creation.

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Small
Market
Radio
Newsletter
Inc.

275 19th Street - Otsego, Michigan 49078 - (616) 694-9357 - FAX: (616) 692-6789



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 #42 - March 14, 1991

CONSUMER CONFIDENCE EDGED UP SLIGHTLY in February after registering its lowest mark in 10 years in January. The Conference Board reports that the index stood at 57.1 (1985 = 100). That marks the first increase in the index since last September. Plans to buy within 6 months: New automobile 3.7% up from 3.0% in January and 3.2% in February '90; a home 2.9% up from 2.6% in January '91, but down from February '90's, 4.1%; a new refrigerator 5.1% (4.4% in January '91, 4.3% in February '90).

(Adweek's Marketing Week)

F.C.C. RADIO COST OF REGULATION FEES awaiting Congressional approval:

AM Daytime Class II	\$150	AM Class IV	\$100
AM Daytime Class III	\$100	FM Non Commercial	\$100
AM Clear Channel	\$500	FM Class C, C1, C2, B	\$500
AM Fulltime II	\$300	FM Class A, B1, C3	\$300
AM Fulltime III	\$200		

R.A.B. 1 DAY REGIONAL MARKETING WORKSHOPS have drawn 3 times as many attendees as last year. Chicago sold out so quickly, a second Chicago workshop has been added (March 26 - O'Hare Hilton). Other scheduled: Dallas 3-21, Denver 4-2, Portland OR 4-3, San Francisco 4-4. R.A.B. members pay \$20.00 - non members \$60.00. Info: 800 232 3131.

SMALL MARKET WINNERS COUNTRY RADIO SEMINAR PROMOTION CONTEST
KXIA Marshalltown, IA; K D U Z, Hutchinson, MN; WLCO, Clyde, OH. See SMRNewsletter "Money Page" next week.

FREE! If you'd like to run an "Earth Week" promotion (4-21/27), Mort Small (TV-Radio Features) will give you \$1,000 worth of prizes. Call Mort or Lisa Winston at 800-446-6426. Limited offer.

DOWN TO EARTH - T.N.N.R's 4 hour weekend "Nashville Record Review" with Crook and Chase will be distributed on vinyl disc beginning April 6 for either Saturday or Sunday playback. Info: Cathy Lehrfeld (212) 916-1037.

DRAKE CHENAULT's 180 remaining format (tape and CD) clients went to Broadcast Programming, Inc. They now distribute a total of 39 formats to 850 clients.

At the F.C.C.

NEW STATIONS (Granted):

INDIANA (Corydon) Harrison Co. B'c'g. Co. 93.7 50kW 492'
(Syracuse) William Dixon 103.5 3 kW 328'
MASSACHUSETTS (Orange) Deane Brothers B'c'g. Corp. 97.3 3kW
328'
NEW HAMPSHIRE (Winchester) Radio Keene, Inc. W K B K-AM,
98.7 3 kW 328'
NEW YORK (Youngstown) Jeffrey Eustis AM 770 5 kW D (DA)
OHIO (Oak Harbor) Oak Harbor Comm. B'c'g. 97.3 3 kW 328'
PENNSYLVANIA (Brockway) Mark Graves AM 800 5 kW D (DA)
(Covington) Kennedy B'c'g. 101.5 1.95 kW 564'
TENNESSEE (Germantown) Eugene Walton 107.7 3 kW 328'
TEXAS (Palacios) Joseph Sandlin 100.7 3 kW 328'
(Waco) Kennelwood B'c'g. Co. 94.5 3 kW 328'

AMENDMENTS TO THE FM TABLE (Amended):

ALABAMA (Tuscaloosa) 105.5 C3 for A. M. W A C T.
ARIZONA (Bisbee) 92.3 A for 92.1 A. M.: K Z M K.
(Grass Valley) 92.1 C2 for A. M.: K Q Y T.
ARKANSAS (El Dorado) 93.3 C3 for A. M.: K L T W C.P.
CALIFORNIA (Central Valley) 99.3 C3 for A. M.: K N N N.
FLORIDA (Live Oak) 98.1 C1 for C2. M.: W Q H L.
IDAHO (Eagle) 107.9 C2 as 1st.
KENTUCKY (Barbourville) 96.1 C3 for A. M.: W Y W Y.
(Georgetown) 103.1 A for 102.9 A. M.: W T K T.
NEW JERSEY (Belvidere) 107.1 A as 1st.
PENNSYLVANIA (Scranton) 106.9 A for 107.1 A. M.: W E Z X.

(Proposed):

HAWAII (Lanai City) 104.7 C for A. M.: C.P.
ILLINOIS (Fairfield) 98.9 A as 2nd.
(Mount Sterling) 106.7 B1 as 1st.
IOWA (Eldon) 104.3 C3 as 1st.
MISSOURI (Portageville) 106.5 C2 for 106.3 A. Change city
of license to New Madrid. M.: K M I S.
(Warrenton) 99.9 C3 for A. M.: K F A V C.P.
SOUTH CAROLINA (Ridgeland) 104.9 C3 for A. Change city of
license to Lady's Island. M.: W S H G.
WISCONSIN (Sheboygan Falls) 93.7 A as 1st.

(Requests):

ALABAMA (Eva) 99.9 A as 1st. Req.: ROJO, Inc.
(Fairview) 99.9 A as 1st. Req. Ross B'c'g. Co.
(Falkville) 99.9 A as 1st. Req.: Warrior Comm.
CALIFORNIA (Arnold) 106.1 A as 1st. Req.: Matthew Cullen.
(Baker) 96.7 B1 or 94.9 B1 or 97.7 B1. Req.:
First American Communications, Barstow, CA.
KANSAS (North Fort Riley) 102.5 C1 for C2. M: K X D T.
LOUISIANA (Campti) 98.5 C3 as 1st. Req.: Fred Hannel, Henry, IL.
(Dubach) 97.7 C3 for A. Req.: William W. Brown.
MISSISSIPPI (Petal) 106.3 C2 for A. M.: W M F M.

INVOLUNTARY TRANSFER:

ARKANSAS (Gurdon) Two Rivers B'c'g., Inc. (A) to Dan Winn,
Receiver, Box 214, Little Rock, AR - 72203 (910206HB)

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

"HEALTH PROFESSIONAL ADVERTISING" -Creative Marketing and Communications, based in Cincinnati, markets 2 60-second "programettes": "Focus On Your Health" and "Guidelines to Fitness." The features are sold in 13 week cycles and there is no limit to how many times each program can be aired. Cost in small markets is about \$4.50 per program.

The same firm markets other features: a real estate feature, a patriotic series titled "Our American Heritage," and one that is selling well to recycling firms, waste management companies, and utilities, "The Environment and You." They also have a series designed for lawn and garden businesses, "How Does Your Garden Grow."

For information/sample programs, etc.: Ms. Pat Beckelheimer - 800-543 7413.

"DOLLAR STRETCHER" - Dick Huckaba at W I Z Z/W S T Q, Streator, Illinois, took the unusual tact of buying a page in the local paper to enhance his "Dollar Stretcher" promotion. Listeners were told to visit participating stores to sign up to get a call from the stations and win \$109.00 - which could be spent with participating stores. Winners were paid off with \$1.00 coupons that looked like oversized dollar bills.

The ad which promoted the promotion also included coupons from each participating store.

SPECIAL REQUEST - A SMRNewsletter subscriber in the south called us for a recommendation on a program or feature he could sell to a veterinarian. We have yet to find such a program.

John Young, K I B S, Bishop, California (population: 1980 3,333) has had his "Lost and Found Dog" and other pet announcements sponsored by the pet food and supply department of a local super market.

About Your Customers - A "Growing Business"

Three quarters of Americans, about 70-million households, participate in gardening, according to a Gallup survey, conducted for the N.G.A. These range from owning a houseplant to growing the bulk of the family's fresh vegetables. People between 30 and 49 account for about half of sales of lawn and garden products. People over 50 account for 33% of sales. Per household expenditures are \$259.00 in the East, \$291.00 in the West, \$232.00 in the Midwest and \$215.00 in the South. Lawn services and home landscaping services have enjoyed a 12% annual growth rate in recent years.

"American Demographics"

"Selling in the '90s"

"If you thought the 1980s brought rapid change to selling, hold on to your hat. Compared to the 1990s, the 1980s will look like a biplane next to a jet." Those are the words of widely published author and expert on today's sales scene in a recent issue of "Income Opportunities."

In the 1990s, he says, "customers will be more demanding, more knowledgeable." That knowledge and demanding attitude, he says, "will require stronger sales planning, a higher level of presentation skills and a demonstration of superior service. You must know your product or service backwards and forwards, and also how it will benefit your customer. This means no more sloppy, disinterested sales calls and no more 'shooting from the hip.'"

During the 1990s, Perry believes, "customers will demand more customized products and services that meet their individual or particular needs."

"Buyers will look to the salesperson as an integral part of any purchase. You and your customers must not consider each other 'the enemy.' Instead you must look at selling as the means to make long-term 'partners' of your customers. You want to create mutually beneficial relationships that rest on this premise: If you satisfy the customer's needs well, you will inevitably profit."

In the 1990s, Perry says, "You must not look at a customer as someone from whom you extract money. Rather, you must look at a customer as someone with whom you want to establish a long-term relationship. You profit far more from repeat customers than you do from the expensive, time-consuming, and difficult process of finding new customers." He advises, "Look at customers as 'the managing partners' of your business because," he says, "you will have no business without them."

"In the the 1990s, you can not just react - you must act to succeed during the fast flowing tide of change."

"Income Opportunities"
12-'90/1-'91

\$ale\$ - Overcoming the Price Objection

When a prospect says, "That's too much," it probably means you haven't given him/her enough benefits. It's always wise to hold back a couple of benefits. Save some good reasons to buy in case this happens.

Harry Friedman in
in "Furniture World"

About This 'n' That

CHAINS AND SMALL MARKET RADIO - One of our subscribers writes: "At one time this drug store chain was a huge advertiser. Slowly, over the years they have decreased to approximately \$300.00 per month. This year they have cancelled totally."

"While we have been eliminated, the advertising space in the local weekly paper appears to have increased."

Our subscriber included a letter from the drug chain's vice president-advertising. In part it said: "As an advertising professional with 22 years of retail experience, I recognize the importance of maintaining a strong voice in recessionary times, but that strategy must be in concert with the reality of achieving this month's bottom line results."

"The hard reality of the situation is that a large percentage of our print advertising carries a vendor co-op subsidy and these same dollars are not as readily available to support a radio schedule in as many towns as we need to advertise in."

"As for health tip bulletin (free 'public service' identifying itself as being provided by the drug chain), many radio stations appreciate the service, as it saves them some research time."

FAX ETIQUETTE (No Kidding)

Ann Marie Sabath writes a column for "Sales/Marketing Management" on business etiquette. In the 2-'91 issue she writes, "There is an etiquette for sending faxes." She lists the following:

"Be sure that the fax cover letter is typed, rather than handwritten."

"If several pages need to be faxed, give your customers the option of sending them by regular or overnight mail, rather than monopolizing their phone line."

"Be sure the sender's name, as well as the receiver's name, office phone and fax number, are included on the cover page."

"If white-out or correction fluid is used on pages that are to be faxed, photocopy them before faxing. Correction fluid sometimes shows up as a blotch on fax transmissions."

"Finally, notify the sender that a fax has been sent. Their office may be on another floor. The consideration will be appreciated."

About Trades - A Subscriber's View

As more stations turn to promotions to fill their sales void, there is likelihood they will lose sight of the primary purpose of selling - to generate cash flow. We are not yet a cashless society so it is necessary to create money flow to cover operating expenses. Trades or contra is not a long term way of life - but like many other things it can become one.

Trades are counterproductive to cash flow. It sets a low value on the station's unsold inventory. It fosters a bad habit for clients who become accustomed to getting radio advertising without paying cash - and because trades are "free", there is a tendency to ignore cost accounting. Thus a station can spend valuable sales time collecting goods or services - often paying 2 or 3 times retail value. Some stations pay cash commissions to the merchandise collectors at the same ratio. If you can afford to discount air time up to 3 times its stated value - your rates are too high and that is why you need so many trade promotions in the first place.

There are times when trades are expedient. Each station operator must make that value judgement. However, no one should avoid a cost accounting for each promotion: staff time (program, clerical, engineering, sales) must be calculated at their normal rate. Charge back all the air time (including promos) at rate card. If desired, you can factor a plus for audience enhancement, but its percentage of total cost should be very small - maybe 5% or 10%.

Once you have studied these seldom considered costs, ask yourself, "Was it worth it?" You'll be surprised how often it is not.

We have strict rules about trades. We don't do them unless there is a deep underlying motive: presenting something worth of airtime, but, not commercially viable - or - as a last resort method of debt collection. We insist all trades be offered to our regular clients first. It must be new money - no part of their regular schedule. Trade with non-clients must include an ad schedule determined in advance and usable only during the promotion time period. Salespersons are not paid commissions on the value of the trade - only the value of the ads. They are reminded they would not have made the sale without benefit of the promotion and without merchandise there would be no promotion.

A "war story": McDonalds is a locally owned franchise. He never had time for us. He didn't disbelieve, he just didn't think it was that important. Then, Hardee's moved in across the road. After the opening flurry, the agency disappeared. The local manager was empowered only to give us discount coupons by the "barn full" - NO CASH. We declined. A couple of years later, a new agency and Hardee's began buying us. They now spend several thousand dollars a year - and McDonald's is now spending \$5,000.00 a year. Do you believe this would have happened if we'd accepted those Hardee's coupons?

George Allen

"Not What It Looks Like"

The most recent census figures show that Savanna, Illinois's population decreased during the 1980s from 4,500 to 3,700. "Beaver Miller" co-owner/general manager of the town's radio station, W C C I, a 20 year old Class A that's just recently gone to 25 kW, says, "We're arguing with the census people. We know we lost population - but, not that much."

Savanna was until 1977 "a railroad town." Since its biggest employer left, a government installation and small industries have "slowly taken up the 'slack.'" Beaver calls his town "a good business town, but, not by any imagination a 'boom town.'"

One of the station's former owners and the operators of several neighboring stations have told SMRNewsletter over the years, "W C C I does a remarkable business." "Beaver" didn't disagree, saying only, "We really don't do anything different from what most people do. I guess we work a little harder and we believe more."

Over the years, W C C I has built for itself a dominant position as a source of news and sports in 13 small towns, 9 school districts, and 3 counties. Our news and sports coverage "cover our area like a blanket." In an area with only weekly newspaper and shoppers, W C C I has positioned itself as the sole outlet for information and the primary medium for advertising.

Miller came to W C C I 9 years ago after 5 years with small stations in Iowa and Illinois. "They 'cut me in' for some equity. I thought I'd build it up, sell out at profit and move on to something else." On the job for 2 years, "I decided I liked it here and could do about anything I really wanted to do right here."

Over the years, with the encouragement and help of his sole remaining partner, retired C. P. A. Ed Bock, Miller has become half owner of W C C I.

The sales effort at W C C I is conducted by "Beaver" and 3 full-time salespeople - all long-time employees: Dee Zimke, Janice LeCompte, and Sue Linjhem. His salespeople are paid a commission against a guarantee - plus - participate in a monthly "bonus pool." Miller says that "pool" is designed monthly to meet "reasonable, but, attainable goals." He calls the "pool" a chance to "reward station goals which are sometimes different from individual personal goals. An extra dollar in January is worth more to the station than an extra dollar in December," he feels.

Miller's salespeople are strictly salespeople. "They don't write copy. We have 2 combination announcer/copy writers. "I want the salespeople out selling, not in the office writing. I know a lot of people will disagree with me, but that's what works for me."

About the copy, "A lot of people will disagree with me about this. We don't do 'production spots.' I don't think that kind of thing is necessary or even desirable. We do straight forward ads - the kind of ads people read in newspapers and shoppers. They don't have to read them when they come over the radio."

"Beaver's" management style seems to be as straight forward as his feeling about sales and copy. "We seldom run advertiser tie-in promotions. We have a customer appreciation party once a year and a golf tournament for our advertisers. That's about it."

He involves himself in all aspects of the station operation, but, he says the key is that the "nuts and bolts" inside operating details are in the care of long-time station manager Ann Murphy. Mark Schoening handles the news effort, does 2/3 of the station's play-by-play sports (Beaver does the other third), and shares with "Beaver" the "very important job" of "being a presence in the 3 county area."

"I told you when we started this conversation that we worked a little harder and believed more," Beaver told us. "I think I left out the most important thing - planning. We try to stay a month ahead of ourselves. Over the years, we've gotten our customers used to that. We do better that way, but, so do they." About planning, he says, "I don't set up the plan then announce it. I work with each person who has to be part of the plan in formulating it. That way, it's our plan - and we usually make it."

THE LAST WORD

The "cost of regulation" fees listed on Page #1 of this SMRNewsletter issue are part of a \$20-plus million dollar package of fees the F.C.C. proposes to levy on the industries it regulates. Radio stations would pay \$2.8-million.

Obviously, stations are not happy to incur this new expense. But, the real truth is that the fees are far less than the operator's of other licensed businesses pay to their regulators. Furthermore, the fees would be fully deductible from federal and state taxes. The net impact on even the lowest billing stations would be minimal.

It is true, as some quarters hold, that the fees, like other F.C.C. fees, might rise in the future, but, even taking that into consideration, it seems to us that the broadcasting industry would be unwise to expend much of its political capital fighting this.

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Bill Taylor
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 P.O. Box 292
 Miami AZ 85539

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

VOLUME VIII - Issue #43 - March 21, 1991

N.A.B. AT SENATE POLITICAL AD HEARING said "broadcasters are not opposed to changes in political broadcast law, but, question the constitutionality of some current proposals" e.g. mandated free time, half price ads, etc. S. 521, introduced by Senator Danforth (R-MO), Inouye (D-HI) and Hollings (D-SC) was described by N.A.B's. spokesman as "legislation we can live with." That legislation would assure candidates non-preemptible spots at preemptible rates; would shorten lowest unit rate period to 30 days before a primary (now 45 days) and 45 days before a general election (now 60 days). Spots would be preemptible until paid for.

A SUGGESTION TO CUT DOWN THOSE NEGATIVE ADS - One of our subscribers (Steve Trivers, Fairfield Broadcasting) has written the 2 congressmen in his area (one a Democrat, the other a Republican) suggesting, "Political candidates would be entitled to the lowest unit rate provided that the picture, voice, name, or likeness of the opponent is not used in the ad. If those devices are used then the candidate would have to pay full rate card."

A RECORD NUMBER OF STATIONS "SILENT" reported this week by "M Street Journal" - 20. See Page#2

CELEBRITY ATHLETES ON A ROTATING BASIS are now doing part of Tom Star's all night nationwide via satellite sports news/talk show. Signed: baseball's Bill Buckner, basketball's Dave Cowens, "fem" college basketball great Nancy Lieberman. Available via satellite and barter. 1-800-800-5543.

CRYSTAL AWARD ENTRIES for station public service efforts are available now. Deadline: 5-31. Entry fee: \$45.00 for N.A.B. members (\$60.00 non members). Information: William Peak, (202) 429 5422.

COUNTRY RADIO SEMINAR attendance down 8% this year, but 6% better than 2 years ago.

W D M E NOW FM ONLY - The Dover-Foxcroft, Maine operation took its AM simulcast off the air February 15 "to save money." For AM listeners who didn't have FM radios a free set was offered. 15 requests - 1 a local newspaper office.

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):

ARIZONA (Buckeye) Arthur Mobley 106.9 3 kW 298'
MISSOURI (Kirksville) Hallmark Computer 107.9 100 kW 466'
(Lutesville) Lutesville B'c'g., Inc. 105.1 1.75 kW
428'
MONTANA (Great Falls) Robert Mason 107.3 100kW 1,000'
NEW YORK (Honeoye Falls) Honeoye Falls Radio 107.3 3 kW 312'
TENNESSEE (Celina) Regional B'c'g. Co. 101.5 6 kW 328'
TEXAS (Raymondville) Lucille Ann Lacy 105.7 310w 797'
WEST VIRGINIA (Spencer) Star Communications 104.7 3 kW 328'

AMENDMENTS TO THE FM TABLE (Amended):

CALIFORNIA (Marina) 92.7 B1 for A. M.: K B O Q.
(Salinas) 103.5 A for 103.9 A M.: KRAY.
(Seaside) 103.9A for 103.5A
FLORIDA (Key Largo) 103.9C2 for A.M.: WZMQ
(MacClenny) 92.1 C3 for A. M.: W J X R.
(Panama city Beach) 100.1 C3 for A. M.: W P C F.
(Williston) 101.3 A for 92.1 A. M.: W F E Z.
INDIANA (Monticello) 95.3 A - change city of license to
Brookston, IN (closer to Lafayette, IN)
KENTUCKY (Garrison) 98.3 A. W.: 4-23/5-23.
NEW YORK (Saratoga Springs) 102.3 A - change city of license
to Ballston Spa, NY. (closer to Albany, NY)
TEXAS (Littlefield) 95.5 C3 for A. M.: KXDM C.P.
WASHINGTON (Pullman) 99.5 C1 for C2. M.: K Z Z L.

(Proposed):

ILLINOIS (Steeleville) 97.5 A as 1st.

REPORTED SILENT (by the "M Street Journal"):

CONNECTICUT, Hartford, W C C C-AM; GEORGIA, Ashburn, W N N Q
AM/W F F M - FM; LOUISIANA, Oakdale, K I C R AM; NEW
YORK, Tupper Lake, W R G R-FM; TENNESSEE, Oak Ridge,
W K N F-FM; TEXAS, Odessa, K O Y L-AM; Ralls, K C L R;
Victoria, K T X N-FM. Silent pending sales: ARKANSAS,
Ashdown; W T F S-FM; KANSAS, Winfield, K V F W-AM;
NEW YORK, Gouverneur, W I G S AM W G I X FM; NORTH
CAROLINA, Belhaven, W. K. J A-FM; Windsor, W B T E AM/
W U R B FM; TEXAS, Texarkana, W T F S AM.

INVOLUNTARY TRANSFERS:

ARIZONA (Sierra Vista) K M F I (AM 2.5 kW D 39w N) to Alan
R. Solot, Trustee in Bankruptcy (910301EF).
GEORGIA (Gainesville) W G G A (AM - Class IV) to Charles
Hulsey, Receiver, 1043 Farmhouse Road, Gainesville, GA-
30506. (910305 EB).
MAINE (Belfast) W W F X (FM-B) to Union Financial Services,
Creditor in Possession, 300 Main St., Stamford, CT - 06901
(910226HM)

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

The 3 small market winners of the Country Radio Seminar Promotion Contest were announced in Nashville (3-13/16):

1st PLACE - "WATERBED RACES" - K X I A, Marshalltown, Iowa sold the promotion to a ski resort 50 miles from the station and a waterbed retailer located in Marshalltown.

37 teams of 4 people each paid an entry fee of \$5.00 to take part in the event on the slopes of Fun Valley Ski Resort. Entry fess were donated to the Easter Seal drive.

The teams raced down the ski slope on waterbed inner-tubes - supplied by the waterbed retailer. After the race, the inner-tubes were returned to the store's inventory "good as new." John Reardon says that about 400 spectators showed up to watch and cheer on favorite entries. "We will do it again next year.", he says.

#2 - "PLAYHOUSE GIVE-AWAY" - At K D U Z, Hutchinson, Minnesota, a local home improvement company built a 6' by 6' children's playhouse. Materials and products used in the construction of the playhouse were materials and products the home improver sells.

The playhouse was put on a flat-bed table and was displayed at 2 or 3 events in the K D U Z listening area over a 6-month period. Listeners could register at these events or at the home improvement company's store. Registrants were asked on the blanks to list home improvement products or service for which they would like additional information. The blanks were used as leads by the home improver. There were 15,000 registrations.

The playhouse was given away 2 weeks before Christmas, K D U Z's Larry Graf tells SMRNewsletter.

#3 - "BACK DOOR PROMOTION" - When the city fathers at Clyde, Ohio (population 5,500) announced a 1.7-million downtown renovation, the merchants were jubilant - until the work began. With the street torn up and the sidewalks impassable, business activity almost disappeared.

Eddie Cruz, operator of the town's radio station, W L C O a Class A FM, undertook a "Use th Back Door" radio campaign. Listeners were told to come downtown, watch the \$1.7-million dollars worth of work in progress and to shop the downtown stores for special bargains. In daily 9 to 5 remotes, interviews were conducted with workmen and instructions were given on how to find the back door (through alleys and parking lots) of the stores. Shoppers could sign up to win a weekend get-a-way, provided by the station and "Clyde Cash" merchandise certificates. When the 90 days of work was completed by Thanksgiving weekend, the merchants had made it through the crises - much of the credit going to Eddie Cruz and W L C O for turning a crises into an event.

\$ale\$ - About Radio Station Rates

Should audience size be the only factor a station uses to determine rates? NO! When advertising is bought on a radio station, the customer is really buying 2 things: 1.) access to the station's listeners 2. the environment the station provides for its listeners. These environments can be as different as night and day, and - as is true with most things in life - the environment that provides the most effective setting for the advertiser tends to cost the most. For example, a station that provides strong news and weather coverage, is active in the community, and does special things for its listeners provides the best setting for commercials. Since those services are costly for the station to provide, an advertiser should expect to pay more for time on that station than on a station with a less effective environment - even if the two stations have similar audience sizes.

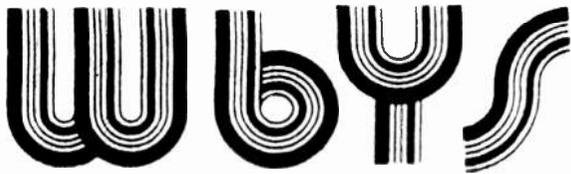
That means that an advertiser shouldn't expect to pay the same "cost per listener" for every station. A listener to one station is not worth exactly the same as a listener to another station. There is solid evidence that some audiences are worth much more than others.

Benny Griffin, President
Great Empire Research
Wichita, Kansas

\$ale\$ - Well Worth Repeating

A hill is not too hard to climb
Taken one step at a time.
One step is not too much to take;
One try is not too much to make.
One step, one try, one song, one smile
Will shortly stretch into a mile.
And everything worthwhile was done
By small steps take one by one.
To reach the goal you started for
Take one step more ... take one step more.

James Dillet Freeman in
"One More Step" quoted
by Art Garner in "Why
Winners Win" (Pelican)



P.O. Box 600 • Canton, IL 61520 • (309) 647-1560

URGENT URGENT

WBYS is many things to many people. One thing it is NOT is a phillanthropy. We are just like all of you. In our case we sell a service and send out the bill. About 80% of the costs of providing our services is paid for before the advertiser receives the bill.

We have accounts of all sizes from \$25 per month to \$1500. When more than 40 accounts do not pay their bills for one or more months it adds up to a sizable sum.

If we could we would not charge anything for our advertising and live in a "never-never" land where the fairy godmother waves the magic wand and everything is hunkey-dorey. But that is not the way it is.

So - - will you please send us a check?

If you can't pay the entire amount - send a partial payment.

If you can't send a partial payment call or write us telling us when we can expect payment.

If we don't hear from you by February 10th, someone will call on you to collect.

We appreciate your business and will appreciate your co-operation in this matter.

Thank you,

Charlie Wright
General Manager

February 1, 1991

EDITOR'S NOTE: Charlie told us about this February 1 collection letter at our St. Louis seminar (2-15/16).

The 13 accounts written dated back to November. 8 responded by 2-10 with \$4,082.48. The other 5 will get in-person calls.

In addition to sending the money owed, several accounts called to compliment Charlie on the letter.

FM STEREO 98.3

AM 1560



Management - Motivation

Since motivation is closely linked to productivity, performance, and profits, it should be one of your highest priorities. Well motivated people shine and make you look your best.

To motivate your people to perform:

Make your people part of the whole picture. Show your employees how they fit into your entire organization. Let them inside. Change the "you and me" to "we."

Tune your thinking to theirs. Be empathetic. Learn about their interests, ambitions, goals, characteristics, highs and lows.

Encourage employees to set their own goals. Work with them to help them set their own goals, and support them in the process.

Become a "walking" manager. Get out of your office. You'll motivate your employees by honestly taking an interest in what they're doing.

Recognize accomplishments. Hand written notes often go further than bonuses. Be wary of recognizing accomplishments in front of people who don't have the same opportunities.

Use appropriate methods of reinforcement. People respond to positive and rewarding outcomes. Tie your reward system to performance. Don't let the reward lose value by giving it when it's not deserved.

Show confidence in your employees. If you expect people to achieve, they usually will.

Give thorough praise, not lip service. Praise the person and give specific examples of his or her good work.

Criticize tactfully. Begin and end the criticism on a positive note. Criticize the action, not the person, and avoid the word "you." Criticize in private and limit it to one problem. The goal of criticism is to leave the person with a feeling that he or she has been helped, inspired, supported - not hurt.

One final word: There are drives within people that make them want to do the very best possible job. Tune into them.

Roger E. Flax, Ph.D.
in "Personal Selling Power"

1991 Small Market Station Trading - A Mixed Bag

During the first 10 weeks of 1991 there were by our count 52 small market radio sales - an average of just over 5 per week. That compares with 30, or 3 per week, last year and 100, or 10 per week, in 1988 and 1989.

About 10% of the sales so far this year were repossessions or foreclosures - about the same as a year ago.

After carefully reviewing the station sale announcements in "Broadcasting" and "Radio and Records", it is obvious that the longtime yardsticks e.g. 2 to 2-1/2x gross, 7 or 8 times cash flow, 29% down, balance over 10 years are no longer relevant. There were prices of \$10,000.00 and \$20,000.00 for some Am stations. There was a range of down payments from 0 to 87.5%. About 30% of the sales were for cash - about the same as the first 10 weeks of last year.

We have consistently held that good, cash flowing small market properties still bring very good prices. A case in point - THE small market sale so far this year: Fulltime AM - Class B FM W U S Q at Winchester, Virginia - a two operator market with a city population of about 25,000 - not far from, but outside the Washington metro area. The stations are being sold for \$3.65-million cash. The contract terms indicate the station is billing \$1.3-million a year and cash flowing \$475,000.00 (36.5%). The sales price equals 2.8 x gross, 7.7 x cash flow. Even in challenging economic times, you can't "steal" something as good as those Winchester properties.

The sale of W B U X in rich Bucks County, Pennsylvania, outside of Philadelphia debunks the theory that "AM is dead." The "high dial" AM with 5 kW days and 500 watts at night has been sold for \$1,125,000.00 - almost half of it in cash. The longtime managing partner, George Pleasants, has given Doylestown and the other small communities in Bucks County a first class, community conscious radio service and a consistently good profit.

Almost 20% of this year's announced small market sales took place in Colorado, thanks in large part to a group of Denver area investors who have bought small market properties in 5 communities near ski resorts. They're paying something over \$3-million dollars - about 2/3s of that in cash down payments.

The old real estate line, "your price, my terms," apparently came into play when the owners of daytimer W G R A, Cairo, Georgia, bought their Class A FM competitor, W I G Q. The town population is 9,000. The price \$510,000.00 - \$10,000 down, a 5 year note for \$210,000.00 and a 26 year note for \$290,000.00.

In the lower Midwest, Steve Bellinger and his associates have agreed to pay \$200,000.00 cash for W V L J, a Class A FM in Monticello (population 3,500). Bellinger told SMRNewsletter that the station is doing about \$65,000.00 - "but, it has nice real estate." He also said that the current programming is primarily religious. "We believe that a programming with a broader appeal should create about 3 times that much gross." Bellinger says his main motivation for buying the station is, "to give some of our theories a laboratory. We're going to put our Systemation technology to work there. We're installing a microwave at our headquarters in Decatur. That way, we can run with just 2 people in Monticello to handle sales and community programming. I think that technology is the only way for stations in communities that size to survive and make their owners a profit."

In the Upper Midwest, in North Dakota, "where growth has been 'flat' for years," Alan Henning sold Class C2 K B T O for \$330,000.00 with \$80,000.00 down. The home county has about 10,000 population and retail sales of \$43-million - a good price for a good station in a very small market. North Dakota has for years enjoyed the highest per-capita radio revenues in the country.

While it's harder than it once was - and you might have to go a distance to do it - you can still "double your money" in a short time in the small market radio business. K Z I Q AM/FM, Ridgecrest, California a town of 16,000 with 2 radio operators, was purchased 2-1/2 years ago for \$330,000.00. It's been sold for \$650,000.00. But, on the other hand, a Colorado Class A FM in a fast growing tourist market, purchased 2-1/4 years ago for \$2.3-million has been sold for \$770,000.00.

After buying and selling 7 radio operations during my lifetime, the sales reported the first 10 weeks of this year indicate the following: No 2 deals were alike in pricing or terms. Markets are different. Facilities are different. Buyer and seller capabilities and aspirations are different. Putting a deal together that will work for both buyer and seller just isn't as simple as it used to be - but, nothing else is.

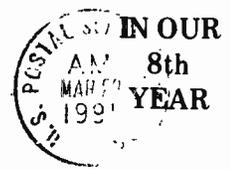
THE LAST WORD

This publication has always been reluctant to make (or even quote) economic forecasts, but, we'll share these two items with you. An economic "think tank" believes that the recession is almost over because "people are getting tired of it." And, business at printers has picked up markedly. That we're told is a bellwether of better times.

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Small
Market
Radio
Newsletter
Inc.

275 19th Street - Otsego, Michigan 49078 - (616) 694-9357 - FAX: (616) 692-6789



Bill Taylor
KQSS
P.O. Box 292
Miami

AZ 85539

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

VOLUME VIII - Issue #44 - March 28, 1991

"OVER THE TRANSOM" ORDER! A Newport News, Virginia firm, Media U.S.A., has sent out orders for 84 "spots" per week in behalf of Hi-Tech Systems Corporation. The copy tells listeners to call an 800# to get information about government opportunities e. g. real estate, surplus equipment, jobs. The 800 # instructs callers to make a "900 call" "which will be billed to your phone number." A telephone answering service took SMRNewsletter's call to Media U.S.A., Inc. That call was not returned. The instructions asking stations to "run the spots" and "bill us no more than \$2,000.00," seem a bit irregular.

N.A.B. HAS ASKED THE F.C.C. to reject a Digital Audio Broadcast construction request from Satellite CD Radio, Inc. N.A.B. says, "The commission has just begun to consider what decision should not be made about a future D.A.B. service and what rules should apply."

ABOUT D.A.B. "RADIO WORLD" (3-13-'91) quotes a member of the Radio Operator's Caucus (the big group operators) as saying, "Radio today is an FM game, along with 1A (Clear Channel) AMs. That's all the banks care about." The large group operators are opposed to a D.A.B. system that might give parity to AMs fearing that D.A.B. "would destroy the underpinnings of the industry." W G N in Chicago wants Clear Channel Class I stations satellite to home capability.

N.A.B. WANTS THE F.C.C. to exercise broader federal authority over local zoning restrictions on satellite dishes and broadcast antennas. N.A.B. says overly restrictive local and state standards undermine the rights of radio and TV users and stations.

WARNINGS FOR ALCOHOL ADS legislation has again been introduced by Rep. Joe Kennedy (D-MA) and Sen. Strom Thurmond (R-SC).

SMALL MARKET - BIG FINE - W W G S/W S G Y, Tifton, Georgia have been fined \$10,000.00 for "inadequate E.E.O. efforts." The station had attracted and hired "a few minorities during the license term," but its record "raised significant concerns," the Commission said.

At the F.C.C.

NEW STATIONS (Granted):

ALABAMA (Uniontown) Union B'c'st Assoc. 107.5 1.43 kW 471'
CALIFORNIA (Fresno) Laura Norman 99.3 3 kW 328'
(Independence) Ms. Bennett Kessler 106.3 3 kW 328
FLORIDA (Coral Cove) Coral Cove FM Part. 107.9 3 kW 328'
KENTUCKY (Irvine) Ky. River B'c'g. Co. (WIRV-AM) 106.1 670w
653'
(Marion) Crittenden Co. B'c'g. Co. (WMJL-AM) 102.7
3 kW 328'
OHIO (Delaware) Radio Delaware (WDLR-AM) 107.9 3 kW 328'
SOUTH CAROLINA (Kershaw) Jeffrey Sigmon 106.1 3 kW 328'

AMENDMENTS TO THE FM TABLE (Amended):

ARKANSAS (Clinton) 92.1 C3 for A. M.: K H P Q.
CALIFORNIA (Davis) 104.3 A for 105.5 A. M.: K L C Q.
KANSAS (Columbus) 105.3 C3 for 98.3 A. M.: K O C D.
LOUISIANA (Brusly) 95.1 C2 for 96.3 A. M.: K I E Z.
MISSISSIPPI (Woodville) 107.7 A for 95.9 A.
WASHINGTON (Pasco) 101.3 C3 for A. M.: K G D N C.P.

(Proposed):

LOUISIANA (New Iberia) 93.7 C1 for C2. M.: D.C. Jones C.P.
(Villa Platte) 92.5 A for 93.5 A. M.: K V P I.
TEXAS (Caldwell) 95.1 C2 for A. M.: K H E N C.P.

INVOLUNTARY TRANSFERS:

ARKANSAS (Augusta) K A B K (FM-A) to Harvey Fritts,
Receiver, Box Z, Augusta, AR - 72114 (910130HU)
FLORIDA (Fort Myers Beach) W Z C R (FM A) to Gerald McHale,
Jr., Receiver, 8191 College Parkway, Fort Myers, FL-
33919 (910307GG)
OKLAHOMA (Cordell) K R M K (A-fm) to Richard L. Adams,
Receiver, Box 341, Cordell, OK- 73632 (910207HY).
(Edmond) K T N T (A-fm) to Porter H. Davis,
Receiver, 13 Oakdale Farm Road, Edmond, OK 73013 (910107HH)
OREGON (Seaside) K S W B (AM - 1kW D - 500w N) to Kenneth S.
Eiler, Trustee, Box 53, Seaside, OR-97138 (910313EA)
TENNESSEE (Murfreesboro) W M T S' (AM 5 kW D) to McCreery
B'c'g. Corp., Debtor in Possession, Box 860, Murfreesboro
TN - 37133 (910307EE)
VIRGIN ISLANDS (Charlotte Amalie) W V G N (A-FM) to Erik
Henriksen, Trustee (Address NA) (910312GS)

REPORTED SILENT (by the "M Street Journal"):

CALIFORNIA (Merced) K D A T (FM); TENNESSEE (Brentwood) WYOR
(AM) WISCONSIN (Plymouth) W P L Y (AM) pending sale.

MINDING THE STORE:

Your quarterly F.C.C. "Issues/Programs List" is due in your
public file this week (by 4-5).

TALK TALK:

Sally Jesse Raphael is leaving A.B.C. Talkradio 5-31. Too
many TV, public appearance and family commitments. She's
been on radio 30 years. ... N.B.C. axed Neil Meyers let
go. E.F.M. will drop stations that don't take all 3
hours of Rush Limbaugh show. Deadline: August. He has hired a
consultant to put him on TV in addition to radio.

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

"FAMILY FORTUNE" - It's been run and sponsored since the late '70s on W L A Y, Muscle Shoals, Alabama. Each morning the sir name for that day's game is announced with the amount of money in the "Family Fortune" jackpot. Listeners are told, "if your name is ### or you have a friend or relative with that last name, be sure to be listening between 4 and 5 this afternoon.

Between 4 and 5 P.M., the first and last name and address of the person selected that day is announced. He/she must call the station. If he/she does call within the prescribed time and knows the amount in the "Family Fortune" jackpot, he/she wins that amount. If he/she doesn't know, he/she gets a consolation prize and the jackpot is raised.

"BLOOD DRAW" - David Rodgers, who owns and operates W M C B/W C B K, Martinsville, Indiana, couples a good service to his communities and gets some often un-tapped revenue sources. His stations broadcast 6 hour afternoon remotes from "Blood Draws." They are sold to doctors, lawyers, hospitals, industries, etc.

"SMALL BUSINESS IDEAS" - Carl Cobb at Dave Winegardner's K B T N, Neosho, Missouri, has made a real drive to put small businesses on the station to "build the base:" Sales include:

"SCHOOL LUNCH MENUS" broadcast at 6:35 AM and 7:35 AM are sold 2 sponsors to a broadcast. Each appears twice a week and is billed a flat \$37.50 per month - minimum agreement is 4 months. Revenue is \$375.00 per month (or \$17.86 per day.)

"TRADEWINDS", a classified ad show open to non commercial buy, sell, rent and trade ads is a mid-morning fixture on the station. The station now takes 10 to 15 second "love" commercial ads like the daily newspaper does. In January, 25 advertisers bought the commercial "classifieds" which run with and interspersed with the called in and mailed in non commercial ads. The 25 such advertisers run in January at \$47.50 per month each - \$1,187.50 revenue (\$43.98 per day on the 6 day a week - 10 minute program).

"WEATHER TELEPHONE" - When the single sponsor cancelled, Carl decided to sell it on a per day basis. Advertiser gets message every other hour on station saying, "For the latest weather forecast anytime - call ###-#### - brought to you today and every --- by -----." Advertiser also gets mentioned on the recorded phone message. Advertiser pays a flat \$40.00 per month - (\$280.00 per month.) Income is just under \$10.00 a day and no 30 or 60 second avails are used on the satellite programmed station.

\$ale\$ - Overcoming Price Problems

Any experienced salesperson knows that price objections are usually just masks that hide the buyer's real reason for reluctance. Here are some ways to overcome price objections:

- 1.) Employ the "buy now, save later" argument. Remind the buyer that prices are always rising.
- 2.) Break the total price into smaller portions e.g. so much a month instead of the total cost for a year, 13 weeks, or 26 weeks.
- 3.) Question the competitor's lower price. Where does the competitor make up the profit loss: inferior production, announcers, less service?
- 4.) Anticipate the price objection before it comes e.g. build an impressive list of customer benefits in your presentation.
- 5.) In your presentation admit that your price is higher and explain why with customer benefits.
- 6.) If possible offer the prospect 2 or 3 price options (plans). Lay the 2 or 3 in front of him/her and allow him/her to select "what fits."
- 7.) Include in your presentation the superior benefits delivered by YOU and your station.

6 ways to beat boredom ("burnout")

- 1.) Listen to everyone you meet. If you are interested in people, life will never seem flat or dull.
- 2.) Act enthusiastic. You'll soon find that you feel enthusiastic.
- 3.) Make sure your job challenges all your powers. This goes for hobbies too.
- 4.) Keep busy. Authorities agree that one-hundred percent rest is rarely a solution for fatigue. When you are active, you have little chance to become bored.
- 5.) Keep your mind alive. Reading is a fine antidote to boredom and tension. It will build your fund of knowledge while siphoning off the fatigue.
- 6.) Join the do-it-yourself movement. You can't be bored while creating something.

" Salesmanship"

Dartnell

4660 Ravenswood Avenue
Chicago, Illinois-60640

About This 'n' That

A PROGRAM APPROPRIATE FOR VETERINARIANS - A 2-minute daily program hosted by actress June Lockhart, will be available beginning April 29. Initially it is being underwritten through July 26 (13 weeks) by Church and Dwight in behalf of Arm and Hammer "Pet Fresh De-odorizer." They get about 20-seconds of commercial time. Stations sell their local ad and co-sponsorship at the beginning of the program. The program is titled "Talking About Pets." Information can be had by calling Celebrity Radio Productions," 800 842 8626.

ABOUT YOUR MORNING SHOW - Program Consultant Jay Albright of the BP Consulting Group, a division of Seattle based Broadcast Programming, advises, "Make certain that station call letters and position statements are always in the foreground; double sell time check in every stop set e.g. "It's 7-15 - 15 past 7 or it's 7-45 - 15 'til 8;" weather information should be included briefly at least once per quarter hour, 2 complete forecasts per hour at regular predictable times and 2 shorter "weather drops" e. g. "sunny today, high of 68, currently a chilly 38." He says that comedy is an extra, if it comes naturally, that's terrific. However when it sounds "forced," it's pathetic. Remember: FUN - not necessarily FUNNY. Relating and localism are a must.

RADIO DOESN'T GET ITS "FAIR SHARE" - The following facts are included in the Interep Radio Store "Radio 2,000" Marketing Plan introductory booklet:

	National Business		Local Business	
	Consumer Media	Share	Consumer Media	Share
	Time	Advertising	Time	Advertising
Print	15%	14.9%	15%	51.5%
Television	49%	27.8%	49%	14.0%
Direct Mail	NA	31.8%	NA	NA
Other	NA	22.6%	NA	22.8%
<u>Radio</u>	<u>36%</u>	<u>2.9%</u>	<u>36%</u>	<u>11.6%</u>

Media expenditures are for 1990 from McCann-Erickson Advertising Agency research.

ABOUT R.A.B. MEMBER SERVICES - There are 5 groups of member services and 34 sub categories. It's an overwhelming menu. The matter was a major topic at an R.A.B. Small Market Committee In January, 1990. Many stations are intimidated by the vast amount of help available from R.A.B. President Warren Potash and the R.A.B. staff have come up with a "user friendly" product to make the bureau's store of information and help more "user friendly." Each member station is getting a video cassette describing the material and how to access it by mail, phone, FAX, or computer. Items on the 90 minute cassette can be easily accessed. The 36 items can be found easily by use of the V.C.R's. timer e.g. stop at 1182 for promotions.

Management - Problem Employees

Good managers take the time and go that extra step to work with everyone - stars or stinkers. While techniques vary, effective managers have learned to:

Listen to understand as much as possible about the person and the problem. Good managers look for causes of problems instead of scapegoats to point a finger at.

Gather sufficient information with which to make intelligent decisions. Good managers make sure documentation exists upon which to base a fair, common-sense course of action.

Think the situation through completely. What options are open to you? How might the problem or situation be best handled? Who else needs to know about the situation?

Weigh and decide. Does the problem employee know what he or she is supposed to do on the job - and how to do it? In many cases very little training is given to new employees.

Check to see what training has been offered or is available. Are materials, facilities, and training adequately prepared for the task? How have most trainees responded?

Reach a decision. What is best for the employee? What is best for the business? The morale of others? If the employee is terminated, either permanently or temporarily, who is next in line to take over? What steps must be taken to avoid possible litigation?

Most people are not motivated to do their best because they believe management doesn't really care about them. Effective managers let their people know what is expected of them, praise them when they do a good job, and put it right on the line when they fail to live up to expectations.

Even when discipline is needed, good managers treat people with respect and dignity. They let faltering employees know they still have confidence in their abilities, and suggest different ways to overcome obstacles.

Dr. Roger Fritz
President, Organization
Development Consultants
Naperville, IL
in "Entrepreneur 4-'91

"The Most Beautiful Place In the World"

29 year old Charlie Bernstein has just begun his second year as general manager of K S K I AM/FM, Sun Valley, Idaho. His previous 6 years in radio were spent in the sales department of legendary news/talk/sports K I R O at Seattle. The career move he says was prompted by the "chance for equity, the opportunity to 'run my own show,' and lifestyle."

He and his wife Julie had often vacationed at Sun Valley, which he describes as "the most beautiful place in the world." When an investment group from Seattle bought the stations, they offered him the management spot in Sun Valley. His wife hired on with the headquarters of a manufacturer there.

He describes the change in stations with this story: "Shortly after I got here, I took a phone call asking for the manager, sales manager, or the program director." He says, he answered, "That's me. I'm all of them."

The permanent population of the Sun Valley area is about 15,000. In the winter season (mid-December to mid-March) and the summer season (mid-June to mid September) it swells to about 50,000 on an average day. Skiing and other winter sports bring the tourists in winter. Summers, it's a combination of 3 "great" golf courses, tennis, mountain bike riding and fishing. Always, the scenery.

Bernstein says that his stations do 75% of their business during the tourist months - 25% during the other 6 months. That translates to months that are 1/3 in the off season of the "in season" months. Bernstein says, "That requires careful money management. Obviously, you can't double the staff during the good months or pare it in the "off months."

Bernstein runs with a staff of 9 (including himself) and a pool of 7 part-timers. His Class IV AM/Class A FM operate 24 hours a day. The stations are separately programmed with an adult contemporary format on FM and an adult standards format on AM. The FM is live assist employing reel-to-reel tapes (supplied by B.P.I.) and C.Ds. It's locally blended. The AM is on satellite - Unistar "AM Only." "The idea is to be adult with the FM reaching 25 to 49 year olds and the AM 50+." Both stations carry local features and in-season tourist information."

The business "mix" on the stations: AM/FM combo sales = 30%, 5% is AM-only, and 55% is FM only business. FM advertisers pay an additional 20% to run an equal schedule on AM. His FM only competitor a 2 year old Class A does a rock format which, he says, attracts a younger audience than the K S K I combo. "I think both of us are doing all right," Bernstein says. "But there's another FM in the works here." Of the possible third entry into the market, he says, "If they want a great place to live, they won't be disappointed."

But, if they're looking for a good business opportunity, I just can't believe a third radio operation here is one."

The good "in season" months at K S K I AM/FM are dependent on the stations attracting the attention of tourists in sizable numbers. "Remember, 90% of the business we do is direct - advertisers who count the customers and monitor results," Bernstein says.. "We have a billboard 30 miles south of town which most motorists pass on their way here. We'd have more, but, Idaho has tough restrictions in billboard placement. We also buy a good bit of signage at the airport to get to the tourists who fly in and advertise in about 5 tourist print vehicles." Most important, in Bernstein's view, is the station's visible participation in 6 major "in season" events.

Bernstein says he has moved the station away from advertiser tie-in promotions. "The problem is that you have to keep playing 'can you top this' - every promotion has to be more exciting and expensive than the last, or, every 'deal' has to be better than the last. A steady diet of promotions equals increasing expenses and decreasing rates. I just don't think you can build a business that way." Bernstein's tact, "We sell advertising."

THE LAST WORD

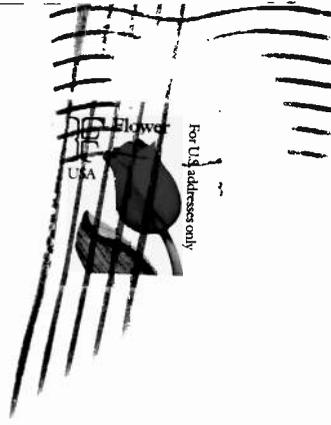
A thoughtful letter (via FAX) from Jerry Papenfuss, the chairman of the N.A.B. Small Market Radio Committee:

"On Tuesday (March 19), I was in Washington at the White House for a briefing on the "Points of Light Foundation" (Among others attending, N.A.B. board members from small markets: Walter May, Dick Novik, Houston Pearce, and LeRoy Schneck, and Doug Williams).

"I feel very positive about this program because I know that every successful broadcaster understands how important volunteerism and community service is to a small market radio station. I truly believe that volunteerism and community service by many citizens is essential for any small community. I see the 'points of light' concept helping us promote these virtues in our community."

"At our stations (The Result Group in Minnesota), we are going to put more emphasis on recognizing individual volunteers. We intend to sell a series of announcements during National Volunteer Week saluting the efforts of outstanding volunteers (April 21 through April 27). Afterwords, we will start a volunteer of the week program. I know there are many business and professional people in each of our markets who share my enthusiasm for this."

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Small
Market
Radio
Newsletter
Inc.

Bill Taylor
KQSS
P.O. Box 292
Miami AZ 85539

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

VOLUME VIII - Issue #45 - April 4, 1991

R.A.B. PRESIDENT WARREN POTASH HAS RESIGNED, citing "unforseen personal problems." He will leave "sometime this year." Large market group operators Rick Buckley, Paul Fiddick, and Gary Edens will act as a search committee. Additionally, New York based "Head Hunter" Joe Sullivan has been hired as recruiting firm. George Hyde who came to R.A.B. with Potash 2 years and 2 months ago was thought to be Potash's "heir apparent." It is not known now if he is a candidate. He was "away from his office" the week of 4-1/4-5, after the Potash announcement.

NEW IDEA OUT OF TEXAS - Dick Wootton of Conroe, Texas is assessing interest in for what he calls an 80% affiliate owned satellite network (like S.M.N. and Unistar). Wootton's plan would have stations put up \$295.00 as a sign up fee and stock interest in the network. Monthly charges would be \$295.00. Wootton has for the past year been operating an "unwired" network of stations in 10 southern states. That hasn't worked, he says, "because we couldn't compete with the low spot prices of the satellite networks." Wootton's phone # (409) 760-4373.

GIVING NEW ENGLAND ECONOMY A "NUDGE" - "The Wall Street Journal" (3-29-'91) reports that a coalition of New England ad agencies and media have formed the "Comeback Coalition." A campaign of "feel good" ads aimed at encouraging residents to get back out of the house and start spending money again will start May 27 for 13 weeks. Theme: "New England: Buy Smart, Buy Now."

JIM WILLIAMS WASHINGTON D.C. SAVES TRAINING dates have been changed from 4-12/13 to 4-26/27. Info.: (805) 643 8835.

NEW 69¢ DOLLAR TWIST is being debuted at N.A.B. Radio Retailing Network booth #1040. No cash from advertisers. Immediate cash to station. Tested so far in 12 markets across U.S., according to R.R.N. president, Tony Niskanen.

ONE OF THE MOST POPULAR N.A.B. CONVENTION FEATURES started at last fall's Boston convention will be repeated: the Radio Networking Lounge in Room P-1 of the East Exhibit Hall. ... Rooms still available. Call L.V. Convention Hotline direct (702) 383 9100 (M/F 8A to 5P Pacific Time).

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 (Centre) Cherokee B'c'g. Corp. 105.9 3 kW 328'
ARIZONA (Paradise Valley) Scottsdale Talking Machine 105.9
3 kW 328'
ARKANSAS (Texarkana) Jo-Al B'c'g., Inc. 104.7 3kW 328'
(Wrightsville) Wrightsville Comm. 107.7 3 kW 328'
FLORIDA (Englewood) Sandpiper B'c'g. Co. 105.7 3 kW 328'
KANSAS (Augusta) Gregory Steckline 104.5 3.7 kW 420'
MINNESOTA (Duluth) Minn. Public Radio 97.3 40 kW 548'
PENNSYLVANIA (State College) Advance B'c'st. Technology
94.5 813w 628'

AMENDMENT TO THE FM TABLE (Amended):

CALIFORNIA (Johannesburg) 103.9 B1 for A. M.: K R A J.

REPORTED SILENT (by the "M Street Journal"):

ALAMBAMA (Pepperell) W T X N (AM-D); FLORIDA (Coleman) W F R
K (AM-D); MINNESOTA (Staples) K NS P (AM-D); TEXAS (Post) K
P O S (AM-D) K N K C (FM-A) (pending sale).

REVISED TO DATE F. C. C. RULES are available now from Fair
Press Service (800) 347 4FPS (Washington area: (202)
463-7323. Volume 1, Parts 0-19 \$25.00 - Volume 4, Parts
70-79 \$24.00.

FINES! WHAT HAPPENS THE "SECOND TIME AROUND?" Jo-Mor
Communications, licensee of K J M E, Denver, Colorado was
fined \$1,000.00 in February, 1990 for "Operating in excess of
authorized output power." On March 20, 1991, the F.C.C.
Denver office found the station again "operating in excess
of authorized output power." This time the fine was
\$5,000.00.

THE SLOW PACE OF STATION CONSTRUCTION should impact the
costs for services such as tower maintenance and erection.
The F.C.C. field offices are pressing hard on the matter of
visibility for tower paint, compliance with lighting
requirements in the station licenses, etc. In some cases,
comparison with an official aviation orange paint chip
reveals that towers have not been painted with the proper
color for the best visibility. Some have even been painted
red and white when "bargain" paint jobs have been purchased.
Stations should be shopping now for the best prices from
reputable tower servicing contractors.

(E. Harold Munn, Consulting Engineers based in
Coldwater, Michigan).

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

"WELCOME HOME" - Kevin Doran, W LE A/W C K R, Hornell, New York, bought a quantity of window stickers featuring a picture of an American flag and the words "WELCOME HOME - Thanks for a Job Well Done." Source: U.S. Tape and Label of St. Louis (314) 423-4411. The stickers were telemarketed. Ads ran on the stations, advising listeners where they could pick up the free stickers. 42 businesses bought into the effort at an average \$95.00 each (about \$4,000.00 total). Kevin has earmarked a portion of the sales for the stations' participation in a community welcome home event, planned for later in the year.

Looking forward to May - special opportunities include: The Kentucky Derby (Saturday 5-4); Indy 500 (Sunday, 5-26); Memorial Day (Monday 5-27). It's Home Decorating Month, Photo Month. Be Kind to Animals Week is 5-5/5-11.

May is also Foot Health Month, Better Hearing Month, Mental Health Month, Arthritis Month, High Blood Pressure Month, Physical Fitness Month, Sight Saving Month and Older American Month. Hospital Week is 5-5/5-11 and Nursing Home Week is 5-12/19. Many small market stations have combined these observances into "Health Fairs, Senior Fairs," etc.

May is 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. It's the #1 month for the sale of Lawn and garden items, real estate, florists.

"MOTHER'S DAY" - The week before Mother's Day, W H B N, Harrodsburg, Kentucky, run announcements advising listeners to call ### #### between 6 P.M. and 8 P.M. on Thursday to record their Mother's Day greetings, "then you and Mom be listening Sunday Noon to 3:00 P. M. to hear your greeting on the air." Bob Martin tells us he sells a Mother's Day ad schedule and co-sponsorship of the program as a package. Has run for many years.

"MAKE MOM A MILLIONAIRE FOR A DAY" - As a prize for your Mother's Day promotion, Ron Voss, K Y T C, Northwood, Iowa suggests you can give away one day's interest on a million dollars. At today's common insured rates (7.7%) that is \$210.96.

"Person who say it cannot be done should not get in the way of person doing it."

May be a Chinese Proverb
"Communications Briefs"

\$ales - Selling Emotionally - 52 Ways

1. Sit to the client's left. (The left eye images go to the right side of the brain - the emotional side).
2. Walk with confidence.
3. Don't knock on the client's door - walk in.
4. Stand tall with good posture. Don't slump.
5. Walk briskly.
6. Have a firm handshake.
7. Keep your voice deep.
8. Think of something funny so you smile naturally.
9. Don't wait to be asked to be seated - take a seat.
10. Show enthusiasm.
11. Use touch to connect with the client.
12. Use stories throughout the presentation.
13. Have animated expressions.
14. Put inflection in your voice.
15. Use short sentences with simple, descriptive words that appeal to the emotions.
16. Use the word "you" often.
17. Say, "How do you feel about that?" not "What do you think about that?"
18. Think energizing thoughts.
19. Project energy (physical, mental, emotional) to the client.
20. Laugh.
21. Build strong emotional rapport with the client.
22. Leave the "sales circle" periodically.
23. Send the client birthday cards, cartoons, etc.
24. Give sincere compliments.
25. Change the subject if you get in a rut.
26. Always find something to like about the client.
27. Think and feel, "I like you," while talking to the client.

28. Make the client feel good about himself/herself and his/her prior decisions.
29. Show you care about the client and their business.
30. Nod your head "yes" occasionally.
31. Respond to what the client says with interest.
32. Take the client to lunch to get out of the logical, business setting.
33. Get the client to talk about his/her family.
34. Make them laugh.
35. Put "spunk" in your voice.
36. Use the client's name often.
37. Respond to what the client says with interested comments.
38. Send a small, inexpensive but appropriate gift.
39. Notice changes in the client's business, appearance, etc.
40. Remember to continue to show interest in the people and events he/she has told you of in the past.
41. Be relaxed.
42. Be natural.
43. Direct your presentation to the client's "hot button."
44. Always add benefit statements to the facts in your presentation.
45. Talk about his business - not yours.
46. Talk a little faster than normal.
47. Vary the speed of your speech occasionally.
48. Use visual aids (these appeal to the emotional side).
49. Wear colorful clothes with pizzazz - but still professional.
50. Think positive --- the client will feel it.
51. Use open body language.
52. Get excited when the client is interested - relax if he/she starts to feel pressured.

Pam Lontos, Sales and
Motivation
Box 2874
Laguna Hills, CA-92654

About This 'n' That

ABOUT COLLECTIONS - The most important thing to remember in managing receivables, says the consulting/accounting firm of Arthur Andersen and Company is not to wait until they become a problem. Make collecting receivables a primary part of your daily activity. If you keep a collection system going on a consistent basis, your receivables will be more easily collected and your cash position will improve. ... Discounts and penalties can be difficult to manage. Headaches are certain to result when customers take the discount after 15 days or don't include the interest charge when making late payments. An alternative: jump into action as soon as a payment is late. ... Develop a direct relationship with the person responsible for paying the bills: the owner, the bookkeeper, etc. Make regular phone calls and when possible an in-person visit. Contacts then regarding past-due accounts are not made with strangers. They are more likely to get a positive response.

ABOUT SALES QUOTAS - Besides monthly billing goals, each salesperson should have activity goals, according to Sioux Falls, South Dakota based sales trainer Darrell Solberg:

- Average number of face to face quality sales calls per day.
- Minimum number of "Client Needs Analysis calls per week.
- Minimum number of written presentations per week.
- Minimum number of 52 week presentations per week.
- Minimum number of demo tapes/spec copy per week.
- Minimum number of upsell presentations per week.

ABOUT CUSTOM CLIENT JINGLES - Skeeter Dodd is now representing "53 Productions." He promises national quality custom jingles produced and overnighted to your station in 5 days at \$700.00 flat - 1 or more. Info: 800 624 0018.

ABOUT PROGRAMMING - There no longer seems to be a bias against women on the air. A panel of big market program directors at last month's Country Radio Seminar in Nashville said that women seem to attract just as good audiences as males. The number of disc jockey applicants is heavily weighted to males - 20 or 30 times more men than women apply. The consensus of those attending the session: a \$100.00 prize seems to have almost as much impact as a \$1,000.00 prize. Best action: Instead of giving away 1 x \$1,000.00 prize - give away 10 x \$100.00 prizes. Listeners want to hear the name of the song and the artists, but few "big" stations identify them - and - while 75% of the participants believe (based on research) that listeners don't like talk over the intros of records - only 1/8th of the stations represented in the room don't talk over the "intros"..... Consensus: After a "stop set" or other programming, the first song played must be recognizable to your station (the song should tell listeners who you are and what you are) and it should have energy and motion.

"It's What You Make It"

The latest census shows that Somerset in south-Central Kentucky has 12,000 population within its city limits and "perhaps 6,000 more in the un-incorporated areas around it." A nice size for a small market, but, the town is home to 2 AM/FM combinations, a stand-alone FM, and a religious programmed FM that "does a lot of enhanced underwriting among the local business, and a "stand alone" 1 kW daytimer at 1480 kHz.

The daytimer is the subject of this article. Although similar stations in similar situations are falling into receivership or "going silent" in record numbers, W T L O remains consistently profitable and, according to both Birch and Arbitron county studies enjoys a large, viable audience. Jim Brown, the major stockholder and manager of W T L O says, "I read all that bad news about AM stations, particularly daytimers with a lot of competition, but, the bad news hasn't reached here."

Of his station, Brown says,, "There really isn't any secret. We don't dwell on the fact that we're 'only an AM daytimer.' This station has been on the air for 34 years and, I've been in the market for 35 years. The station and I have longevity with the listeners and the advertisers."

Jim passed up the opportunity to add nighttime hours. "The power level was just too low. We tested it. What we could cover wouldn't justify the added overhead," he says. He also tried unsuccessfully to add FM to his operation. "That was before the daytimer preference. We found the frequencies and lost out both times - making it possible for 2 competitors to come into the market. A lot of daytimers can tell you the same kind of story."

Jim places a lot of the credit for his station's success to 2 old-time "block programming ideas." Although W T L O operates on satellite (with a heavy emphasis on localization), he breaks away from Satellite Music Network's "Star Station," he has a live 6 to 9 morning show that features local news, farm features, and the top-30 country songs (no oldies, previews) - "just the top 30," he says. On Sunday mornings, the station plays southern gospel, hosted by a "fixture" in the area. Jim says, those features bring extra listeners to the station. "In a small market you have to broadcast - not narrow-cast." The station enjoys an excellent local news reputation.

Although Jim doesn't mention it, he is probably "the key" to W T L O's "against the odds" viability. He started his radio career at the town's original station, W S F C in 1956. Upon finishing college, he went to work there full-time, rising quickly through the ranks to manager in the mid-1960s. When the out-of-town group owner sold to another

group owner, Jim decided it was time to put himself into an "equity - be your own boss" position. With the help of 5 local business and professional people he bought the struggling daytimer in town for \$250,000.00. "That sounds unbelievable now, but back in 1974, sellers of radio stations had 'franchise' for sale and if you wouldn't pay a high price, somebody else would."

Jim's high profile in the business community and the town's civic life served him well in his new venture. "We made money from the beginning," he says.

Over the years Jim has served as president of the chamber, Rotary, the Country Club, etc. "I've worked hard in a lot of things, not because it helped the business, but because I like doing that sort of thing." He was instrumental in forming the town's performing arts commission. "This town has evolved from a small farm town to a diversified small manufacturing, education, and government complex center. The people who've moved here need the kind of entertainment the performing arts commission brings to town." After over a quarter of a century of station managing and civic involvement, Jim says, "I draw the line on one thing - no fund raising. I don't believe asking for donations from people to whom your selling advertising is compatible."

About Somerset, Jim says, "We are over radioed. Everybody is not doing well. Remember, there's a big daily newspaper, other print, a cable system selling ads, and 6 radio stations. To everybody's credit," he says, "There's very little 'trade' and a pretty good level of 'rate integrity. This would be a nightmare if that wasn't true."

About running a daytimer in an overcrowded market, Jim says, "You have to remember what you are - and not dwell in what you're not."

THE LAST WORD

We are sorry that "unforeseen personal matters" have prompted R.A.B. President Warren Potash to leave R.A.B. "sometime this year." His "no nonsense, lean and mean" management style attracted a lot of undeserved bad "press" initially. Much of that could be traced to unsuccessful candidates for the "top job." Two years later, we believe, there is general agreement that he's improved R.A.B's. member service and the marketing of the radio medium. Sure, there's a lot more that needs to be done, but, he's made a real difference - something his successors can build on. We don't think Warren or the folks who chose him could have asked for more. 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 - PHONE: (616) 694 9357 - FAX: 616 692 6789.