

Small
Market
Radio
Newsletter
Inc.

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VOLUME X - Issue #33 - January 7, 1993

OVER \$6.1-MILLION SALES - That's the combined sales of the 451 stations that ran "Hometown Shopping, Just Makes Sense", voiced by Tom Bodett of "Motel 6" fame.

The figures were released in a year end statement from the series' creators and distributors, Radio Concepts, Inc., St. Cloud, Minnesota.

Radio Concepts used the release also to announce the signing of Bodett for a second run of ads to promote hometown shopping. 1993 price is \$567.00. Information: (612) 656 9259. FAX is 656 0626.

FREE ADS FOR A MONTH - That's what's happening this month on the newest radio station in the country's #1 market, New York. The facility is that occupied for 57 years by W N E W, the station generally credited with inventing the music and news which has dominated the radio dial since the early 1950s. W N E W's facilities were purchased recently by Bloomberg Limited Partnership, a provider of business information to 20,000 clients. For weeks, the trade press has told readers the station would be business news, but, when the ownership and call letters (to W B B R) changed, New York had its 3rd all-news radio station. It'll be a direct competitor of New York's #1 biller, W I N S, and #5 biller W C B S. For the first month, advertisers, chosen from among Bloomberg Limited Partnership information customers, will get their ads at no charge. Incidentally, W N E W's longtime adult standards format has been picked up by the New York Times' AM station, now known as W Q E W. They're charging for ads on W Q E W.

N.A.B. 1993 HALL OF FAME AWARD goes to the Grand Old Opry, the longest running program on radio - 67 years on W S M, Nashville, Tennessee. The award will be made during a luncheon at this spring's N.A.B. convention in Las Vegas (4-18/22).

RED FACE! EMPTY PURSE! W V J S/W S T O, Owensboro, Kentucky, runs one of the country's finest cable TV originations. During the Christmas season, Ellen Kolodziej did a piece about purse stealing from a shopping center. Her purse was stolen during the telecast. (U.S.A. Today 12-22-'92)

1746 Rosewood Street - Seguin, Texas 78155 - (210) 379-7549 - FAX (210) 372-2905

At the F.C.C.

The Commission has proposed requiring licensees of commercial AM, FM, and TV stations to report whether, at the time of the license renewal, their stations are on the air or have discontinued operations.

The rule: Stations may discontinue operations for up to 30 days without authority from the Commission. Licensees are required, however, to notify the Commission of limited or discontinued operations not later than the 10th day of such operation. The licensee is required to request additional time if station operations are not resumed within 30 days. Licensees must turn in their licenses to the F.C.C. when discontinuance is permanent.

The Commission points out that these regulations have not been universally followed. Many stations have discontinued service without notifying the F.C.C.

LICENSE REVOKED/FACILITIES REASSIGNED:

NEW YORK (Glens Falls) - Normandy Broadcasting Co. 95.9 24w 940' revoked. Facilities reassigned to Lawrence N. Brandt.

AMENDMENTS TO THE FM TABLE (Requests):

KANSAS (Silver Lake) 99.3 A as 1st. Req.: New Horizons Edu. Foundation, Concord, NC.

LOUISIANA (Gibbsland) 95.7 A as 1st. Req.: Bienville Parish B'c'g.

MISSOURI (Cuba) 107.3 C3 for 102.1 A. Req.: Lake B'c'g., Inc. (Dixon) 96.5 A as 1st. Req.: Central MO B'c'g. (Gerald) 107.3 C3 as 1st. Req.: Tony Knipp. (Leasburg) 107.3 A as 1st. Req.: Jeff Weinhaus

WISCONSIN (Sheboygan Falls) 106.7 A as 1st. Req.: Julian Jetzer.

FINES:

ARIZONA (Bullhead City) CALIFORNIA (Needles) K B A S K W A Z - \$12,500.00 for violating anti lottery rules. Stations allegedly broadcast ads promoting slot machine contest that was to be held at Nevada casino 3 days in March, 1991.

MICHIGAN (Detroit) W J Z Z - \$6,250.00 - failing to conduct contest as advertised.

NEVADA (Henderson) K M Z Q - \$12,500.00; (Reno) K O L O-TV \$12,500.00 - Anti Lottery Law violations.

TENNESSEE (Knoxville) W Q B B \$6,250.00 - anti-lottery rule violation.

February Opportunities

Tuesday 2-2 - Ground Hog Day	Tuesday 2-23 - Mardi Gras
Sunday, 2-14 Valentine's Day	2-8 / 14 Boy Scout Week
Monday 2-15 - President's Day	2-15 / 2-20 - Crime
Monday 2-22 - Washington Birthday	Prevention Week
	2-20 / 2-27 - Future
	Farmers of America
	(F.F.A. WEEK)

#1 Opportunity of the Month is Valentine's Day. A billion Valentine's Cards are sent (or given). That compares with 2.3-billion Christmas Cards.

"SUPER VALENTINE" - Gene McCoy, K Z O C, Osage City/Emporia, Kansas, invites listeners to sign up at participating area stores to win a special Valentine. President/G.M., Gene McCoy, signs targeted businesses. Each gives a gift and buys a schedule. Winning couple gets prizes from:

card outlet	candy outlet
photographer	womens specialty store
florist	jeweler
restaurant	

In addition to the gifts from the sponsors, the winner also gets overnight accommodations at an area resort hotel. An overnight stay at a "nice" hotel is the #1 "romantic gesture" of 66% of 2-income married couples, according to a recent Roper Poll.

RANCHER DANCE - Gene also runs a promotion in February for businesses doing business with ranchers and farmers. Each outlet buys a schedule of ads. IT also receives a quantity of tickets to distribute to its rancher/farmer customers. Idea: A special treat before heavy spring work begins.

"VALENTINE'S DAY SPECIAL" - Because Valentine's Day comes on a Sunday this year, you may want to sell a special afternoon request and/or dedication program. Sell a combination of pre-Valentine's Day ads and sponsor credits on your Valentine's Day afternoon special.

First Quarter Priority

Check with your customers with co-op. R.A.B. told its members last week that "hundreds of thousands of co-op dollars go unclaimed in plans that expire March 31. For businesses and media (your radio station) it's "USE IT OR LOSE IT." Make sure you and your salespeople "talk co-op" on next call.

\$ale\$ - How to Influence Six Types

If you want to influence people, says Elaine Zuker, learn how they try to influence others by listening to the words and phrases they use. The six styles, according to Zuker:

TELLERS: Words, "explain," "evidence," "logic," "facts," and "data."

Statements: "Let me tell you" and "The facts show."

To influence them provide numbers and statistics to back up what you propose.

COMPELLERS: Words, "authority," "require," "reward," and "need."

Statements: "I'll do 'x' if you do 'y.'" and "We expect to achieve."

To influence: talk about rewards and incentives.

FELLERS: Statements: "The mistake would be" and "We've never done that." Argue your case by naming firms that have already used your idea (or service) with success. Show that your idea is not radical or risky.

WELLERS: Statements: "I know what you mean," "Tell me more about it," and "Let's take a survey." To get them on your side, tell them how you feel and then solicit their support.

SELLERS: Words "Needs," "benefits," "goals."

Statements: "I always tell people how my ideas will benefit them."

Influence sellers by finding out what their goals are and tie your request to one of them.

GELLERS: Words: "Visions," "pride," "loyalty," "standards."

Statement: "We have to climb this mountain." To win over gellers, paint a word picture with metaphors and other figures of speech. Show them how your idea will enhance their future.

"The Seven Secrets of
Influence" cited in
"The Office Professional"

\$ale\$ - Commissions

"There is absolutely no commission
on a sale you almost make."

About This 'n' That

SILENT STATIONS END OF '92 were 387, 35 more than the 352 at the end of '91, according to the "M STREET JOURNAL."

NEW FULL-TIME COUNTRY FORMAT is on the air. Producers are Southborough, Massachusetts based Super Radio (Open House Party and City FM adult contemporary formats). Their Super Country is being put together in co-operation with W S I X (FM), Nashville, Tennessee. Among plusses: programming is in "real-time," time-checks, dayparted music, etc. for each time zone. Information: 508 480 9000.

SMARTcash (tm) SHOPPER INCENTIVE PROGRAM comes in, in small and medium markets at out-of-pocket station expense of between 9.8% and 11.1%. That's according to the SMARTcash program's originator/distributor, Radio Retailing Network (R.R.N.). Information: Tony Niskanen 800 451 3622.

WEEKLY BLUEGRASS MUSIC SPECIAL available on casset (barter). Host is "Big Al" Weakly. Contact: Rex Osborne, W M O V-Radio, Ravenswood, West Virginia - phone: 304 273 2544. Program is now on 40 stations including Class C FMs and a 50 kW AM, Osborne says.

LOTTERY RESULTS from all states having lotteries are available from Accu-Weather, Inc., State College, Pennsylvania. Subscribing stations have choice of reception on a PC or other computer or via FAX or telephone (including 900# access.) Information: 814 234 9601 or FAX 814 234-9601 - ext. 415.

HEADQUARTERS OFFICE MOVED - Regional Repts Corporation has moved to 1100 Chester Avenue, Suite 100, Cleveland, Ohio 44115-1404. Phone and FAX number 216 781 0030. FAX, 216 781 7508.

RADIO TELEPHONE OPERATOR LICENSE STUDY GUIDE is available now from TAB McGraw-Hill.

The guide is written by Thomas LeBlanc. It covers all material that readers need to know in order to pass the newest versions of the F.C.C's. General Radiotelephone Operators examination. New topics covered in this third edition include time zone considerations, comparators, field strength calculations, instrument landing systems, and effective radiated power. To order: write TAB/McGraw Hill, Blue Ridge Summit, PA 17294-0850. Be sure to include order #4075 and a check for \$17.95 for paperback or \$27.95 for hardback. Questions? 717 794 2191.

Management - "Bringing Back A Dying Business"

We have just finished Dave Thomas's book (in Berkley Books paperback) "Dave's Way." We recommend it. Dave's story is fascinating. His views on how to start a business, run a business, and turnaround a business are well worth reading. They apply to any business - not just the restaurant business where Dave has become one of the richest men in the U.S. - thanks to Wendy's. One example: We loosely quote "Dave's Six Steps for Bringing Back a Dying Business."

We selected this list, because, we thought it would be helpful in helping customers who may be undertaking such a mission. We also believe that many of our readers in 1993 will undertake re-building of "dying" radio stations in the current "buyer's market:"

1. Get rid of the dead wood in management. Sometimes, it's just best to clear away the managers so that you can see the problems for what they are. I SHOULD ADD, IF YOU HAVE TO LET PEOPLE GO THESE DAYS, BETTER RUN EVERYTHING BY YOUR LAWYER FIRST.
2. Paint the place. Any business that's on its back is bound to have low morale. You have to let your employees and your customers know that you have confidence and that you intend to be around. Make meaningful improvements early.
3. Get on top of the basic numbers. With computers today, this is actually harder, not easier. You can drown in data in even the simplest businesses these days. The trick is to get the 4 or 5 measures that really make a difference. Concentrate on them every day - at least every week.
4. Promote. Even before you have the business figured out, you can usually promote and advertise your best features - the ones with the best appeal and good profit margins. You may have to lean on these until you have your direction planned out.
5. Figure out the business and focus it. Today, this is called, "carving out a 'niche' in the market."
6. Identify yourself so the customer can't forget you. The key is to pick an attention getting symbol or sign AFTER you focus your business - not before. It has to mean something to people. IT HAS TO BUILD AN IMAGE.

We recommend Dave Thomas's book because he "made it" in a business that already had far too many hamburger outlets. People in radio, where there are surely too many radio stations, can learn a lot from him.

"The Curtain Falls"

On December 31, as SMRNewsletter went into the mail, 69 year old Ed Osborne closed the door on his 38 year career as manager/partner of W B C U, Union, South Carolina.

"No," he says, "this was not a boyhood ambition. I never thought about being on the radio, let alone running and managing a radio station. A college friend, Jimmy Coggins changed that. "I was amazed that anyone could enjoy their job as much as Jimmy did."

At Jimmy's suggestion, Ed took a job at a Columbia station, then known as W M S H. He gave up a job as sports information director at Clemson to take a combination sales/play-by-play sports position. Four years later, Coggins talked him into a partnership on the Union station.

The station, Ed says, was started by a group of local business people. It was not a financial success, Ed says, adding, "the people who started the station here in 1949 were good business people, but without radio experience. There weren't back in those days many people who knew much about running little radio stations profitably."

When he arrived at W B C U, Ed says, "The first month was a \$2,500.00 month. The second month, I built it up to \$2,000.00. I was ready to go into some other line of work. Then, as they usually do, when you're working hard, business started to climb. After 6 months here, I was doing \$8,000.00 to \$10,000.00 a month. That was good business. The payroll, back in those days, was only \$3,000.00 a month."

Ed is not, "one of those 'Golden Days' people." He says, "Radio stations have, over the years, learned a lot about serving their communities. People who are interested in their community get a lot more service from their local station than they did 35 or 40 years ago. There was a lot of "riding the network back then. A lot of time was taken up with things that didn't matter much to the local audience."

Ed's involvement in local and state organizations and the radio station's community conscious programming have won Ed and the station many awards. W B C U has twice been named "Station of the Year" by the South Carolina Broadcasters Association.

Ed's wife, Dot, has served in the W B C U business office, in addition to rearing the couple's two children, now a minister and a professor in higher education. She is somewhat concerned about her and Ed filling "all those hours that we've spent in the radio station and the community. This is a lot more intense business than most others," she believes.

What about 38 year partner, Jimmy Coggins? Though he's some years older than Ed, he apparently has no plans to retire at this time. "I think that's the last thing from his mind," Ed says. He's still running his station, W K D K, Newberry. Jimmy has owned it since 1951. Ed reports, "He still does a three hour program every day."

Ed, who's looking forward to a lot of golf and fellowship with his recently retired friends, has chosen a 30-year old Georgia broadcaster, Art Sutton as manager. Art started his career on the AM station in his hometown of Sylvester at 16. After high school and some college, he did a stint as combo newsman/salesman at W T I F, Tifton, Georgia. He was manager/partner in W M G A, Moultrie and partner in W G F S, Covington, Georgia. W M G A and W G F S both won Georgia Association of Broadcaster "Station of the Year Awards" during Sutton's association with them. For the past year he's managed Sam Thomas's station at Calhoun, Georgia, W J T H.

Ed tells SMRNewsletter, "Art's a find. He 30 years old . That's the same age I was when I came here. He has a record of hard work in the towns where he's been in business. He's enthusiastic about that - and, something else, he's enthusiastic about small town radio. He's not concerned that we're an AM station He'll polish what we've been doing. That will be good for the community, the station, the staff, and me. That's a pretty good way to retire, don't you think?" Ed asks.

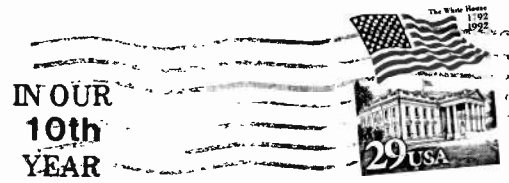
THE LAST WORD

And still another D.A.B. System has been presented to the F.C.C. This one comes from Seattle, Washington from a firm called Digital Satellite Broadcasting Corporation. It says that "some local broadcasters would be able to use the D.S.B.C.system to deliver local programming or existing local signals via satellite," according to "Broadcasting" magazine (12-21-'92).

This publication is concerned that a "new F.C.C." may succumb to the longstanding cry, "Let's create something new - and let's give some newcomers a chance."

Clearly, at this time, there is little need for new media. So many have been created in such a short time, the public, by all accounts is saturated with choices. What is needed, if you listen to the AM or FM dial is improvement of the facilities current broadcasters have available. The F.C.C., under political pressure, has overloaded both the AM and FM dials. D.B.S. should be used to enhance what current broadcasters can do.

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VOLUME X - Issue #34 - January 14, 1993

RETURN TO THE 70s? MAYBE! An F.C.C. Administrative Law Judge has denied a renewal expectancy to an existing station because it did not maintain proper issues/programs lists; kept no program logs; had no public affairs programs; programming was mostly music; non music programming only included news, weather, PSAs, remote fundraisers for multiple sclerosis, Easter Seals, March of Dimes, and Lions. Since the programming, in the judge's view, "fell far short" of the Commission's requirements, and the licensee could only document surveys of 80-community leaders, the station was given to a challenger, who did not propose to work at the station, because the licensee also owns an AM station (elsewhere) and did not propose to divest the AM.

(George R. Borsari, Jr., Attorney
 in Borsari and Paxson Client Letter)

Editor's Note: The judge, Richard Sipple, has thrown out 12 years of deregulation. The station: W Y L R, Glens Falls, NY., a Class A FM. Licensee: Normandy Broadcasting (John Lynch). Challenger: Lawrence Brandt. Appeal expected.

NOVEMBER RADIO SALES WERE UP 3% nationally (vs 3.2% for TV). Figures released by R.A.B. and its counterpart TVB. For radio, the goal was clearly in local business, up 4%. National business was down -4%. In TV, national business was up on affiliates 3%, down on independents - 0.08%. Radio local by region: East +6%, Southeast +8%, Midwest +7%, Southwest + 9%, West - 2%. Radio information is gathered in about 100 markets.

THINGS TECHNICAL - WHERE THEY STAND? N.A.B. hopes "In Band, On Channel" Digital Audio Broadcasting (D.A.B.) tests can begin by late 1993, to allow a market entry to head-off satellite D.A.B. in 1994-1995. ... R.B.D.S. that allows specially equipped FM receivers (home and car) to transmit written messages was on display at the consumer electronics show in Las Vegas. Messages: call letters, emergency messages, traffic and weather, ads.

BIG MONTH FOR SMALL MARKET SALES IN INDIANA. Indianapolis based Ed Roehling has sold WIFF AM/FM, Auburn, IN and 2 LPTVs to WGTC, South Bend, IN; Don Bakehorn and Dave Vitek, WARU AM/FM, Peru, IN and Mark Lamey and Joe Shanley, WNUY, Bluffton, IN.

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At the F.C.C.

NEW STATIONS (Granted):

CALIFORNIA (Middletown) Wine Country Radio 98.7 3 kW 213'
MISSOURI (Malta Bend) Miles J. Carter 97.5 3.42 kW 879'
NORTH CAROLINA (Carolina Beach) Kenneth Noble II 106.7 1.8
kW 253'
TENNESSEE (Goodlettsville) Heidelberg-Stone B'c'g. 97.1 3kW 492'

AMENDMENTS TO THE FM TABLE (Amendments):

KANSAS (Clearwater) 98.7 C2 for A. M.: C.P.
LOUISIANA (LaRose) 100.3 C1 for A. M.: K M Z M
MINNESOTA (Preston) 103.1 C3 for A. M.: K F I L
MISSISSIPPI (Lumberton) 105.3 C1 for C2. M.: W L U N
MISSOURI (Tarkio) 93.5 C3 for A. M.: K T R X

(Proposed):

IDAHO (Ketchum) 104.7 C for A. M.: K Y A A.
TEXAS (Henderson) 99.9 C3 for A. M.: K G R I.

FINES:

CALIFORNIA (San Francisco) K M E L \$25,000.00 - Indecency
(Temecula) K R T M (Edu. FM) \$5,000.00 -
broadcasting "commercial like" messages.
FLORIDA (New Port Richey) W G U L AM/FM - \$15,000 - E.E.O.
GEORGIA (Moultrie) W M G A - \$10,000.00 - Unauthorized
transfer.
NEW YORK (Cortland) W S U C (Edu. FM) \$23,750 - Indecency

INVOLUNTARY TRANSFERS:

NEBRASKA (Crete) K K N B (FM A) to Agnew Broadcasting L.P.,
Debtor in Possession (921130GP)
PENNSYLVANIA (Farrell) W R Q Q-AM (Sharpsville) W H T X (FM-
A) to National Communications Systems, 107 Forest Avenue,
Narbeth, PA 19072 (921211HS/HT)
WASHINGTON (Oak Harbor) K J T T (AM) to Henry Koetje,
Receiver, 3101 300th Avenue, West Oak Harbor, WA 98277
(921116 EC)

Other News:

WEST VIRGINIA BROADCASTERS ASSOCIATION are sponsoring an
Advertiser Seminar in 5 of the state's markets. Seminar
Leader, Sarasota, Florida based, JIM Doyle. Afternoons,
after merchant meetings, Doyle will meet with local radio/TV
sales departments.

SATELLITE PROGRAMMING WITHOUT ADS may soon be a thing of the
past. Unconfirmed report, Jones Satellite will soon air 2
minutes of ads per hour..... Massachusetts based "Super
Country" and "City FM" plan ads in 1994.

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

"CABIN FEVER" - Bill Apple, program director of Lou Vito's W B L L (AM), Bellefontaine, Ohio, tells us of a 1-time only special his station is running this winter. There is a 10-day buildup to a 2 hour Saturday morning special. 60 prizes will be given away. Listeners are invited to be the "# caller." When a caller gets through, he/she is asked a trivia question. A correct answer gets a prize and chance to answer a second question (harder) for a second prize, etc. Listeners answer questions and get prizes until stumped. Then another game and another player comes up.

Advertisers buy a schedule of ads at a promotional price - plus - contribute prizes to "buy in." They get ads and mentions on the "Cabin Fever" broadcast.

Bill points out that it's really winning that matters to many listeners. He points to a 7:10 A.M. game weekday mornings on his station. Listeners are invited to call to win a prize by answering the daily TV trivia question. Questions are about '50s and '60s TV hit series. The prize: a 5-pound bag of potatoes. Winners come to the station to pick up their coupon and then take it to the supermarket sponsor's store. "That's 3 actions to win 5 pounds of potatoes, but, there's never a shortage of players," Bill says.

FOR VALENTINE'S DAY - "WIN AT LOVE" - Award flowers, candy, dinners to "the first person to call" when a song is played whose title includes the word "Love." Stick to hits and your format. (Valentine's Day this year is Sunday, February 14.)

You can make it a profitable promotion by selling a schedule of ads the 10 days before Valentine's day, then co-sponsorship of a Sunday afternoon special on the 14th featuring the "Win At Love Game" and ads/mentions for your promotion sponsors.

"FROM DAN O'DAY'S 'GREAT RADIO PROMOTIONS" - Have listeners send a homemade valentine to their valentine c/o of your station. Judges pick the best one. You display a blowup on a well located billboard also containing this message "K K E D-Radio FM 93 wants you to know that Mary Smith is Bob Michelson's Favorite Valentine." Dan O'Day (213) 478 1972.

WASHINGTON'S BIRTHDAY comes on a Monday this year (2-22). Good time for retailers to "dump" remaining Winter stock. Rock bottom prices e.g. 22¢, \$2.22, \$22.00 etc. Radio copy features lines like, "Cannot tell a lie," "chops prices down," etc. Some stations might want to push 1-day event with Saturday/Sunday/Monday special of one ad for 22¢ with every one bought at regular price.

\$ale\$ - 10 Ways to Lose A Sale

1. Not choosing prospects carefully. Too much energy is wasted on people who aren't ready, willing, or able to buy.
2. Using evasive or deceptive prospecting tactics. If you state your offer truthfully, prospects will usually consider whether they want what you're selling, instead of responding with knee-jerk resistance.
3. Talking too much and not asking questions. Buyer's don't like having to sit through "dog and pony" shows. The sooner you start questioning whether you or your product actually meet the buyer's needs, the more successful you'll be.
4. Being insincere. Too many people fool themselves into thinking they can fool others by acting falsely excited or impressed. Dishonesty glows in the dark. It fosters indelible distrust and ill-will.
5. Focusing on the product too much and forgetting you're dealing with another human being. To many buyers, everyone's product or service may seem similar. Therefore the qualities that differentiate products will center around whether prospects feel there a mutual sense of trust and respect between them and the salesperson.
6. A lack of standards. Buyers say that having a salesperson say "yes" too willingly or too often gives them cause for concern. They wonder if this "yes man" salesperson can actually deliver what is promised.
7. Not being able to say or hear "no." This mistake is mentioned often. Potential buyers, frequently, describe salespeople as "noncommittal" and "evasive" or "annoyingly positive and eager to please." It is hard to distinguish which made buyers more upset when they were told "yes" and were disappointed or when they couldn't get a clear "no" and were left hanging.
8. Convincing and persuading. "The more someone tries to convince me I need what he's selling, the less I need it." "When you try to persuade someone, they automatically resist - often unconsciously."
9. A lack of self-respect. "The tougher business gets, the more desperate the work force gets." Potential buyers liken the resulting attitude to lying or pleading to get the sale. "No one wants to do business with someone who has no dignity."
10. Creating an adversarial relationship. This is the area of greatest concern for both salespeople and potential buyers. "When you know someone wants to get you to do something, the natural reaction is to protect yourself. That's where resistance, suspicion and hostility come from." Change your agenda from "getting someone to buy," to "discovering if there's a mutually acceptable basis for doing business."

BOY SCOUT WEEK

Almost 5 and a half million Boy Scouts do a "good deed" every day. The recipients are individuals and whole communities. This week is Boy Scout Week. _____ takes this means to say thank you to Boy Scouts and Scout leaders. They know (_____) is a better place in which to live because Scouting is alive, strong and growing here. _____ hopes you'll join them in saluting the Boy Scouts this week.

From 7 to 20, there's a character building, community serving opportunity for boys and young men in the Boy Scouts. This is the 83rd Anniversary of the Boy Scouts of America. _____ extends best wishes and wishes for continued success to Boy Scouts here in (_____). _____ tips their hat to the Boy Scouts and their leaders.

5 and a half million Boy Scouts are sharing the Boy Scout experience designed to build character, train in civic responsibility, and develop personal fitness. _____ knows America and this community are better places in which to live because of the Boy Scouts. To Boy Scouts and their leaders, thank you from _____.

During the 83rd anniversary of the Boy Scouts, _____ pays tribute to them and their leaders. Over the years, the Boy Scouts have touched millions - including athletes, businessmen, actors, political leaders - leaders in every walk of life. This week _____ is proud to salute Boy Scouts and their leaders for their many good deeds.

Boy Scouts everywhere make the world a better place for everyone by doing "a good turn." During Boy Scout Week, _____ says thank you to Boy Scouts for those acts of assistance which touch so many people's lives. _____ salutes the Boy Scout's tradition of "a good deed every day."

_____ extends best wishes to the Boy Scouts and their leaders during the organization's 83rd birthday. For 83 years, it has been the purpose of the Boy Scouts to build responsibility of participating citizenship and to develop personal fitness. _____ knows that this community is a better place in which to live because of the Boy Scouts.

This is Boy Scout Week - the 83rd anniversary. _____ is happy to salute the Boy Scouts and their leaders. The values and skills acquired in the "Boy Scout experience will last a lifetime." The "good deeds" for which the Boy Scouts are famous, make communities better places in which to live. Good luck - and thank you Boy Scouts from _____.

(Boy Scout Week 2-7/13)

Management - Running A Business Better

GIVING MONEY AWAY OR ADVERTISING - "Don't make the mistake of giving money away and calling it advertising. The most classic example of this is program advertising. Ask yourself this question: 'At the last event I attended at which I received a program, did I read it? Did I take it home with me? Do I remember any of the ads contained in the program with possible exception of mine or my competitor? Most important, did I spend a single dollar as a result of any ad in that program? What do you do when one of your best customer's kid asked you to buy an ad? Take the smallest ad they have to offer. It's not advertising. It's a donation."

Jeff Slutsky and Woody
Woodruff in "Streetfighting
- Low Cost Advertising/
Promotion" (Prentice-Hall)

Speak slowly when leaving a message on a telephone answering machine or voice mail. Also, leave your telephone number twice. By repeating the number, the person taking the message will have a better chance of getting the complete number the first time around - and to return your call.

Ann Marie Sabath in
"Sales and Marketing
Management" 12-'92

ABOUT SALESPEOPLE - "A good way to kill a top salesman is to promote him (or her) to assistant sales manager. A viable theory is the Peter Principle: 'In a hierarchy, every employee tends to rise to his level of incompetence (the cream rises until it sours).' A manager is one breed, a salesman is another. Most good salesmen thrive in the field, wither in the office. 'There I was alone,' a true salesman once said, 'with nothing but my golden voice.'"

Robert Townsend in "Up the
Organization" (Harper and
Row)

ABOUT STORES - "A store actually consists of just 2 basic elements: the outside and the inside. And yet as a presentation to the buying public, these elements must present a sense of oneness. What the outside promises, the inside must deliver.

"Run Your Own Store"
Irving Burstiner (Prentice-Hall)

THE DIFFERENCE between a successful career and a mediocre one sometimes consists of leaving about 4 or 5 things a day unsaid.

"Bits and Pieces" (Economic
Press, Fairfield, NJ)

"A Small Market Duopoly"

When Dean Spencer purchased the station he was managing in Bedford, Indiana, he bought "near the top of the market." He adds, "Before I came here, I was employed outside the broadcast business. I genuinely appreciate the satisfactions of being in a business like small market radio and living and raising a family in a small town. However, this is somewhat offset by the hard work that is demanded of an owner-operator, while he's paying for the business."

This was not a shock to Dean. His father, Les Spencer, was the founder and longtime operating partner in the Midwest small market group, Central Broadcasting. W B I W AM/FM were part of that group.

The Bedford market is a good one, but, like most small markets it has its challenges. The W B I W/W Q R K compete with a lot of outside signals for audience. There is little growth. The population is older and household incomes are 13% below the state average. The county has a retail sales outflow of amounting to about 15%. There is an abundance of non radio advertising chains and franchises. When Dean bought W B I W/W Q R K 4 years ago, the published price was in excess of a million dollars. In his words, "When you have that kind of money invested in a small market, everything has to go 'on schedule.'"

Lawrence County lost its single operator status in 1991, 2-1/2 years after Dean bought W B I W. An "80/90" FM went on the air 10 miles away in the same county at Mitchell.

The town population is 4,641. It is best known as the hometown of one of the early astronauts, Gus Grissom. It has 3 small industries: a school bus body works, a cement producer, and a wire manufacturer. In Dean's words, "It is not the county seat. Bedford is. Its retail community is small. When a local man decided to put the station on the air, we told him that we'd co-operate in anyway we could. I did not want to 'drive him into a corner' or destroy the lines of communication."

The station signed on with a religious format. It probably had a lot of listeners. The population of Mitchell and the area is older than average and is in what is often referred to as "the bible belt."

The owner found out quickly that his area couldn't support conventional operation of 4 full-time and 2 part-time people. To stop the losses, the Mitchell station owner, approached Dean about "buying him out." "We paid him what he had in it and stopped his losses."

Dean folded the station into his W B I W/W Q R K operation. W B I W AM is a Class IV programming modern country music with a heavy schedule of news, sports, and talk. W Q R K

a Class A FM, carries Unistar's "AC-II," an older skewing adult contemporary format. A strong community image is attained through local service features, relate lines, and local news. A live announcer inserts service features in morning drive - including local news.

The call letters of the Mitchell FM were changed to W W E G, "The Eagle." "Selecting a format for the station was difficult," Spencer says. "We wanted to develop new audience and new dollars. That's not easy when you've been working a market as long as I have." Spencer decided to buy Satellite Music Network's Traditional Country format, produced by Buck Owens' organization in Phoenix. "It's the most expensive satellite format on the market, but, it promised to do what we wanted - attract an older audience to compliment the younger skewing music we were playing on our AM and other area FMs were playing. It apparently has done that."

Dean has been careful to operate within F.C.C. guidelines. He has a control point at the Bedford studios. The AM announcers operate both W Q R K and W W E G "without problems thanks to the 'Digital D.J.' from Management, Fort Worth, Texas.

A studio and office are maintained in Mitchell, staffed by an announcer/newsman who is designated as manager and a salesperson/play by play man. Both are visible and active in Mitchell. The Bedford sales staff sells all 3 stations.

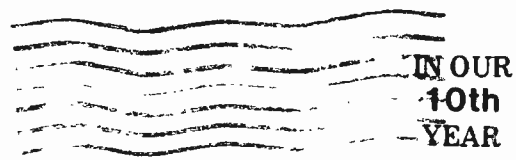
Six months into the operation, Dean says, "The Eagle's" business comes 40% from Mitchell, 30% from Bedford, and 30% elsewhere. He says the new FM has cannibalized the Bedford operation "a little bit." Bedford advertisers spent 2% less on W B I W/W Q R K last year, but, 6 times that much on the "Eagle." You put that together with the Mitchell and other revenue and our new FM is a solidly cash flowing operation that's paying its way. It's good for us - and I think, it's the only way Mitchell would have a radio station."

THE LAST WORD

The F.C.C. is in the process of setting up a new E.B.S. (Emergency Broadcast System). This is long overdo. It is time to bring the system up-to-date technically. It is time to come to grips with the fact that F.C.C's. overcrowding of the radio station marketplace has made it impossible to man most stations in the manner necessary to operate the present system. A new system, with today's economic realities in mind, utilizing a "state of the art" control system outside the station, is what's needed. Let's not rush things. Let's make sure the new E.B.S. system works and is affordable. 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: 1746 ROSEWOOD STREET, SEGUIN, TEXAS 78155 - PHONE: 210 379 7549--FAX: 210 372 2905

1746 Rosewood Street - Seguin, Texas 78155 - (210) 379-7549 - FAX (210) 372-2905

Small
Market
Radio
Newsletter
Inc.



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

VOLUME X - Issue #35 - January 21, 1993

GOOD SIGN? Radio Advertising Bureau says that sign ups for its annual Managing Sales Conference (M.S.C.) in Dallas (February 4-7) are running 20% ahead of last year's attendance. That figure represented a 5 year high and a major comeback for the event. Info: 800 RAB SELL.

THE MARKETPLACE - U.S.A. Today reports "Consumer Confidence" fell the first time in 7 weeks in the Money magazine/ABC News poll. The consumer comfort index fell 2 points to -35 - first drop since the week ended November, 22. Money says consumers are more wary about their financial situation after the holidays. The Index, which rose rapidly after the presidential election, is still 15 points higher than its record low of -50 last February."

RETIRING - E. Harold Munn, Coldwater, Michigan based consulting engineer, has taken what he terms an "of counsel" relationship with his firm. Its new head is Wayne Reese, who has spent 20 years with the firm. Munn says, he will be "on call" for special responsibilities. Remaining with the firm are Virgil Royer, Don Baad, Gordon Swan and adjunct engineers across the country. Chris Reese and Marcia Gruner will continue to handle office responsibilities. Munn started his firm 42 years ago. (Editor's Note: We have been a longtime Munn client and are pleased to number him among our friends. He has many times contributed to SMRNewsletter).

TALK IN THE MORNING - Controversial Morton Downey, Jr., "loud mouth" TV talker, is now on radio. Monday morning, January 18 he debuted on K G B S, Dallas, TX and on nationwide satellite coast-to-coast (6 A to 10 A, Eastern Time). Stations wanting to pick him up can get information by calling 214 526 2580.

RETAILING! WHAT'S IMPORTANT (Source DeLoitte and Touche) through R.A.B.:

	Retailers Think	Consumers Say:
Services	24%	4%
Price Promo/Markdowns	22%	18%
Better Merchandise	17%	9%
Everyday Low Prices	12%	23%
Large Selection	10%	18%
Convenient Location	9%	17%

At the F.C.C.

NEW STATIONS (Granted):

ARKANSAS (Hamburg) Kenneth W. Diebel 99.5 3 kW 328'

AMENDMENTS TO THE FM TABLE (Amended):

FLORIDA (Crestview) 104.7 C1 for C2. M. W A A Z
MINNESOTA (Moose Lake) 107.1 C3. W.: 2-26/3-29
MISSOURI (Louisiana) 102.1 C for A. M.: K J F M
(Canton) 100.9 C3 for 102.3 C3 M.: K B X B.

(Proposed):

WISCONSIN (Iron River) 102.3 C2 as 1st.

FINE:

GEORGIA (Valdosta) W V L D (AM)/W Q P W (FM) - \$15,000.00
E.E.O.

REPORTED SILENT (by the M STREET JOURNAL):

TEXAS (Cameron) K C R M(FM)
VERMONT (Burlington) W D O T(AM)
MONEY SAVING IDEAS:

Write a simple, straight forward personnel policy. See that each of your present employees have it AND give a copy to each applicant BEFORE he/she is hired. The policy statement should include a listing of "fringe benefits: such as earned vacations, sick leave, other excused absence, health insurance (do you pay all or a percentage? How about dependents? What if spouse is already covered by his/her employer?) Are you truly an "equal opportunity employer?" Do you have general rules which cover all employees? A well written personnel policy can save you costly negotiation and expensive legal problems. AFTER YOU HAVE DEVISED YOUR WRITTEN PERSONNEL POLICY, MAKE SURE YOUR ATTORNEY CHECKS IT FOR COMPLIANCE WITH STATE AND FEDERAL LAWS.

Don't hire a salesperson without a written agreement covering the exact terms of his/her employment. Provision for termination should include the method of payment of commissions on unpaid accounts. The agreement should state that commission is paid for servicing accounts. The agreement should state that the salesperson will be owed commission as the advertiser runs and the salesperson is employed by the station. Spell out how you will pay for business run, but, not collected.

EDITOR'S NOTE: We have had several reports, just in recent weeks, about commission disputes with departing salespeople.

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

"FIRST FRIDAY" - In most places it's the biggest retail day of the month. Following the old adage of going "where the ducks are flying," why not take your morning show "on the road" the first Friday morning of the month?

You pick places like a nearby town or one of the business areas in your town, or, maybe the cafeteria or other spot at a local industry. Have your morning person do some "color" on his/her remote location and some brief interviews with merchants, officials, passers by etc. (Make sure they don't run more than 3-minutes maximum).

Lot's of sales opportunities like "all day "First Friday" specials "in area" where show originates, salutes to industry where show originates.

"WAKE UP CALL" - Morning show listeners register to win a "Wake Up Call" from your morning show. Registration blank says "Call me at TIME.". Listener specifies time and lists his/her name, address, phone #, occupation. Gives you a good idea of audience flow. Station makes calls at specified times. Allow 6 rings. Prize can be small one. Perhaps a coffee mug with your morning show host's picture - plus your call letters and frequency. Sell it to a grocery store which also supplies a pound of a featured coffee.

"ALL DAY LONG" - Many stations have run this one to recycle audience from one daypart to another. First, you announce the question in afternoon drive time. You announce the answer in morning drive time. You ask the # caller for the question and the answer in mid-day. The promotion is described in Dan O'Day's "great Radio Promotions and Contests" book. Dan advises, "you'd better have a prize of at least \$50.00 to make this one work." (Price of book: \$34.95. Call 213 478 1972 for information.)

About Your Customers

52% of American households have a pet. 38% of households have a dog, 29% a cat. Pets hit emotional cords with their owners. If you do a promotion around pets or pet stores, you're bound to get participation. The average dog owner spends about 6% of the household food bill on dog food. Average cat owner spends \$1,100 a year (\$21.00 a week) on their cat.

American beverage consumption (Per Year):

Beer 23.7 gallons	Distilled Spirits 1.5 gallons
Wine 2.3 gallons	Soft drinks 45.7 gallons
Coffee - 25 gallons	Milk 25.9 gallons
Fruit Juices 5.5 gallons	

Irwin Pollack's "Selling Smarter" (508) 653 4000

\$ale\$ - The Greatest Challenge

Selling environments often present "up" and "down" attitude situations. For example, it is usually easy to remain positive during peak hours, days, or seasons when the environment is alive and active. It is more difficult when things are inactive. On top of this, when things are active, customers seem easier to satisfy. During slow periods they seem to demand more. Even bosses and supervisors are more difficult when business activity is low. All of this makes it extremely difficult for any salesperson to maintain a positive attitude over an extended period of time. Some experts claim it is the number one challenge!

ELIMINATING THE DOWN PERIODS

In life, it is impossible to be "up" all the time. Everyone, including the most successful salesperson have down days. This exercise assumes 3 things:

1. You are generally a positive person;
2. There are certain things you can do to remain positive;
3. Becoming aware of them can assist you to remain positive.

The action steps listed below help some people maintain their positive attitudes. After reading the list, select the 3 you feel will do the most for you:

- Engage in physical exercise of some sort
- Give yourself more attainable goals
- Try to take life less seriously
- share your positive attitude with others
- Take more week-end or "mini" vacations
- Maintain a better balance between work and leisure.
- Emphasize your grooming more
- Devote more time to seeking inner harmony (go to church, do yoga. or read a good book
- Do more for others
- Seek out those who can provide positive reinforcement for you.

Others:

Sales Training Basics
Elwood N. Chapman (Crisp)

Newest AM Format - Job Radio

It's being "fine tuned" on what was 5 kW black station W E B B, Baltimore. The station also can be heard in Washington, D.C. The new format is "Job Radio," a steady stream of employment opportunities. The call letters of the "flagship station" are W H L P - the longtime call letters of the small market station at Centerville, Tennessee.

Job Radio was created by and is being marketed by a suburban Chicago based firm, Western States Broadcasting. It is expected to go on the satellite for a national audience beginning "around March 1."

Peter Brockett, an officer of the firm, calls "Job Radio more than just a format - it's a concept. Local stations will pick up network programming (national and regional help wanted announcements) from 30 to 40 to 45 minutes per hour. The remaining time is filled by the local station with local help wanted ads. The network will also supply twice hourly employment features e.g. how to start your own business, how to write a resume - features on making a living.

Stations will carry the network from 2 to 24 hours per day and will be compensated for the time. The network will also supply an operating manual and marketing materials. "A station will have 3 revenue sources: income from the network, income from selling local help wanted ads, and sale of other 'spots.' We have 30 target categories that can be turned into regular 'spot' advertisers." Brockett continues, "We'll talk to stations anywhere about running us full-time or part-time. Our phone number is (708) 527 9000." Western States Broadcasting, 1815 W. Diehl, Napierville, IL 60563.

"After Radio"

Don Bruns had spent several years "on the road" as half of a stand up comedy duo. "I was tired of traveling. I decided maybe I could find the same satisfactions on the radio that I'd found in my comedy work. The problem was, I could not live on what jobs on the air paid. I took a radio sales job. It didn't take much time for me to learn that I didn't have it as a salesperson. Like a lot of people who come up short in their job, I opted for a business of my own."

That business turned out to be a production studio. In 11 years, the "Ad Man" has grown from a 1-man business to a staff of 11, operating out of a state-of-the-art technical facility. The company produces custom jingles at \$350.00 and up and sells phone ads on hold. Its clients include Prudential Insurance, Mayco, and a host of others.

Its most unusual business is a custom ad-writing and production service. Stations FAX the copy suggestions and receive a finished ad by return U.P.S. Cost for 12 to 15 ads per month is \$250.00. "We offer a variety. 9 of our 11 staffers double as air talent. Most have a repertoire of character voices.

(Ad Man, Box 1869, Lima, Ohio 45802 - (419) 227 6407)

1 When You Write

1. Don't lose sight of your primary goal: To sell the product or service. Your writing should be more than a flat presentation of the facts. Remember that a copywriter must persuade and motivate. On the other hand, don't let runaway creativity bury the message. The most brilliant efforts will be wasted if your audience can't remember your customer's name. Write to sell.

2. Don't fill your copy with empty overstatements. Too many words like fabulous and extraordinary within a brief space will destroy your credibility. You don't want your audience to dismiss you as a propagandist. Instead, try to convince the audience that your product or service is fabulous. Make them say, "That's really extraordinary."

3. Be accurate. Be sure you get the facts straight. Don't leave yourself open to claims of false advertising by making statements that can't be substantiated. Above all, be truthful. Resist the temptation to distort the facts for any "easy sale."

4. Be specific. Don't use vaporous abstractions or vague approximations when you have a chance to create vivid images with simple, observable details. Would you rather eat a "frozen dessert" or a "raspberry ice?" And try to avoid the notorious "than what?" comparisons for: "Lasts longer!" Than what? "gets the job done faster!" Than what?

5. Be Organized. Your message should progress logically and inexorably from opening line to the closing line. Don't bury essential information in the darkest recesses of your copy or lead off with trivia that turns the listener off. Like an old fashioned short story, your copy should have a beginning, a middle, and an end.

6. Don't offend. Humor is a controversial issue among advertising insiders. A good many experts preach against it, but there's no denying that humor can be an effective tool - if it suits the subject or situation. (You don't want to joke about insurance or funerals.) Sarcasm, cynicism and other extreme forms of individuality are not likely to meet with mass approval. Don't preach. Be of sunny disposition and aim to please.

7. Revise and edit your work. Cut out all dead wood. Every word should pull its weight. Be your own critic. Check your facts, your syntax. Make sure you haven't left anything out.

Richard Bayan
"Words That Sell"
(Contemporary Books)

"The Willingness to Change"

W R N R, originally a 500 watt daytimer on 740 kHz, has been part of what may well have been the most remarkable 16 years in radio's 70 year history.

Rich Wachtel fought a several year battle to get his license. Initially, his station didn't come on until sunrise, but, he says, "we were the first 'hot-top 40' station in the area. We played the most popular records and had fast talking disc jockeys who kept it moving and exciting. Even though we had limited hours, we didn't have FM competition on the format, and the station was an instant success."

By 1983, FM stations were preempting the younger audience for top-40 programming, so Rich moved his station to a mix of "top-40" and "oldies." His disc jockeys were by now, people who really related to the primarily '50s, '60s, early '70s "oldies." By 1985, the "top-40" music programming was taken out of the "mix" and the station became a "pure oldies" station. Another thing happened. The station received 21-watts power during the non-daylight hours. "On 740, the coverage was very good over the immediate area. We got permission to broadcast at night just in time to carry the opening high school football game of the 1985 season. We've been with sports since. Last year we did over 400 live sports events of all kinds - and they were all sold."

By 1990, W R N R had gotten several FM "oldies" station competitors. Rich recounts, "We could feel our audience eroding, and for the first time ever, our business slipped a little bit. I didn't know if it was our audience slippage or the state of the economy. I brought in some outside help in early 1992 because we were still slipping - not a lot, but a little bit." In our consultant's words, "We could sharpen up your 'oldies' format, but, being on AM with all that sports and local news, I don't think it'll work."

"The decision was made to go all talk - a combination of talk shows, news, and play-by-play sports. In the consultant's words, "It's chancy in a town of 15,000, but, I think it will work."

One reason it worked, is that since the beginning, W R N R has invested heavily in local news coverage. It had 2 full-time newspeople when it signed on in 1976 - unusual for a daytime AM "top 40" station. That commitment to news continues 'til this day. "We've won statewide awards for our news coverage 3 of the last 4 years, and sports awards 2 of the last 4 years. Our news commitment grew out of my interest in local government and civic endeavors," Rich says. He's been on the city council for 21 years. His brother Greg, a partner in the station and sales manager, is also a city council member and has a long association with sports in the area.

When he decided to take all the music off his station and go 100% talk, he discussed it only with Greg. "We agreed not to talk about it with the staff, community leaders, or our customers." "We decided," Rich says, "to go forward without looking for controversy. If the decision was wrong, it would be our fault and we'd have to do something else."

A schedule was put together featuring a 2-hour news block in the morning, a half hour at noon, and an hour early evenings (5P.M. to 6 P.M.)

A local talk show was established from 8:30 to 10:00 A.M. At 12:30 P. M. a half hour strip of local shows was set-up. They are in effect infomercials. On Monday, hospital, Tuesday, an attorney, on Wednesday, a financial planner, on Thursday, a program on rehabilitation and sports medicine, and on Friday, a church group sponsors a program on topics like family issues.

Network talk shows were selected from the lineups of N.B.C. "Talk Net," Mutual, Independent Broadcasters Network, and W O R. "We would have taken Rush Limbaugh, but he'd been signed up earlier by a station in another town that 'blocks us out. We signed the Dolans' financial show in that 'slot' and it's been very successful."

Six months into his "no music format," Rich reports, "We didn't lose a customer. Several increased their spending with us. The big story: We have 44 customers on the station that were not on before."

"We have found talk listeners to be loyal and responsive. Our station isn't 'just on,' talk, news, and sports programming involve the listener and provide a special one-to-one communications opportunity that's not available in other types of radio or other media."

"We're 85-miles from Washington, D.C. It's a good place for a talk station. Our local competitor is an AM playing country and a co-owned FM playing rock. We've changed again. But, in radio, you have to be willing to do that."

THE LAST WORD

Chilling is the reaction many SMRNewsletter reader had to our lead story last week (1-14). Dredging up regulations that haven't been in force for over 12 years is scary. Chris Lynch's (Normandy Broadcasting) problems grow out of a hearing in which he tried to get a more powerful FM station at Glens Falls, New York. He may lose what he has. He will certainly lose a lot of money. The F.C.C. Hearing Rooms are no place for any but the very richest among us. Entry is at your own risk.

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Small
Market
Radio
Newsletter
 Inc.



OUR
 10th
 YEAR



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

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

VOLUME X - Issue 36 - January 28, 1993

THEY DON'T UNDERSTAND - That's the crux of an N.A.B. Board resolution passed in Florida last week. The resolution asks the F.C.C. to release a definition of what exactly constitutes indecentcy. (A surprising fact since the board members all pride themselves on being superb communicators.) While it asks taste on the part of station operators in matters like sex, drugs, violence, and indecentcy, it said it wanted the "First Amendment" (free speech) upheld. ... The N.A.B. has endorsed "In Band, On Channel" Digital Radio and it asks that its system be allowed to establish itself before the Commission authorizes "direct satellite to car and home." N.A.B. wants the rules governing broadcast telephone conversations to be rewritten so an announcer could first record the conversation then ask permission before airing. The N.A.B. is again begging for lower fines. The N.A.B. wants duopoly and L.M.A. rules to be changed so a station could acquire "up to 50% of the stations in a market" instead of current "less than 50%." The current rule mandate 7 city grade signals vs. the 6 that would be needed after rule wording was changed.

1992 RADIO REVENUES in 100+ markets which R.A.B. surveys were up 2% overall local +5%, national down -6%, network down - 13.5%. For December, local was up +9%, national was up 2%. Best and worse areas in December: Southwest local was up +17%, Southeast national was off - 9% .

HOWARD STERN EVERYWHERE? MAYBE! Rumors are circulating widely that Infinity Broadcasting is buying into - or maybe buying all of Unistar Networks. If it does it could mean a nationwide audience for Howard Stern, Don Imus, "Greaseman" (Washington, D.C.) and Nixon Watergate personality E. Gordon Liddy.

TOUGH TIMES FOR RADIO TV NEWSPEOPLE - so tough that their trade association, R.T.N.D.A. is operating a 24 hour a day "900 line" which members can call (at 75¢ per minute) to learn of job openings. 900 40-RTNDA.

CHAPTER 11 FILING for W B R J/W E Y Q, Marietta, Ohio and W M Q C, Westover (Morgantown, West Virginia.) Earl Judy paid \$1.5 million cash for them less than 2 years ago. Broker is Ray Rosenblum at 412 963 6311.

1746 Rosewood Street - Seguin, Texas 78155 - (210) 379-7549 - FAX (210) 372-2905

At the F.C.C.

NEW STATIONS (Granted)

CALIFORNIA (Seaside) Dunlin Group 103.9 3 kW 328'
NEW HAMPSHIRE (Gorman) Gladys E. Powell 107.1 6 kW 157'

AMENDMENTS TO THE FM TABLE (Amendments):

IOWA (Grundy Center) 97.7 C3 for A. M.: K G C I.
NEW YORK (Copenhagen) 106.7 C3 for A. M.: W W L F
(Mexico) 103.9 A as 1st. W.: 3-9/4-8.
OREGON (Canyon City) 94.5 A. W: 3-1/3-31.

(Proposed):

MINNESOTA (Starbuck) 97.5 C2 as 1st.
NEW MEXICO (Central) 95.3 C1 for C2. M.: KZTT.
NORTH DAKOTA (Walhalla) 95.3 C2 as 1st.
PENNSYLVANIA (Oliver) 94.9 B1 for A. M.: W X A K

(Requests):

ALABAMA (Valley) 95.3 A for 98.1 A.
GEORGIA (Greenville) 95.7 C3 for A.
(Hogansville) 98.1 C3 for 103.9 A.

FINES:

FLORIDA (Dunnedin) W L V U/(Holiday) W L V U-FM \$18,000.00
E.E.O.
MASSACHUSETTS (Fitchburg) W X L O - \$3500.00---
Broadcasting telephone conversation without 2nd party
permission.
MISSOURI (Florissant) W F N T - \$6,250 - Failure to
disclose full terms of contest.
SOUTH CAROLINA (Barnwell) W B A W - \$5,000.00 - Broadcast of
telephone conversation without 2nd party permission.

REPORTED SILENT (by the M STREET JOURNAL):

CALIFORNIA (Red Bluff) K F X S (FM)
(San Jose) K E E N (AM)
MICHIGAN (Reed City) W D E E (AM)

INVOLUNTARY TRANSFERS:

ALABAMA (Mobile) W A B B (AM) to W A B B, Inc., Debtor in
Possession, 1551 Spring Hill Ave., Mobile, AL 36604
(930111EA)
IDAHO (Nampa) K L C I (FM C) to Idaho Broadcasting Co.,
Debtor in Possession, 7311 Bellerive #1015, Houston, TX
77036 (921216 GQ)

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

PEPSI CRYSTAL CLEAR CARAVAN - Pepsi Cola, Mansfield/Ashland, Ohio kicked off its new product "Pepsi Crystal Clear" using a W N C O mobile unit to lead the caravan of Pepsi trucks around the area.

W N C O's morning man, "Coleman" handled the mic in the station's "Rolling Radio." He passed out Pepsi supplied sample product, t-shirts, and caps..

(The above item was printed in W N C O's new weekly country music tabloid newspaper. It's crammed full of country music stars, lists of current best seller records and videos. The primary purpose is to provide country formatted W N C O-FM promotion and to attract new ad revenue. The paper also promotes Stardust (Satellite Music Network) W N C O-AM and the company's Channel 59, an L.P.T.V. that does a strong schedule of network, film, and local live television shows. Walt Stampfli is president of the communications group.)

PEPSI CRYSTAL CLEAR kicked off its entry in the Winter Haven, Florida area with a 4-hour remote at the big Publix Super Market - plus 36 build up pre event ads.

It was an unusual buy for a soft drink. W H N R AM's target is 50+. George Allen, W H N R's owner, says both Pepsi and Publix called it a "big success."

On Friday afternoon, a station staffer went out to check the remote "link" and wireless mic. No chances were being taken. The equipment check was broadcast live, with the set-up man, saying, right on the air, "We're here at Publix Super Market checking our remote equipment for tomorrow morning's Pepsi Crystal Clear product introduction, etc. etc. etc. including "Testing, 1, 2, 3." The store manager got phone calls as soon as the Friday test was completed. Allen says, "I think we'll do something like this everytime we do a special remote."

"NOT SO NEWLYWED GAME" is being run by Todd Lewis at K H N D, Harvey, South Dakota. The series is a remote on Saturday night from an area supper club. "Marrieds" participate in teams - like TV. There are 5 preliminary sessions, (1-23 through 2-20.) The finals will put the winners of each of the 5 preliminaries into a championship round on 2-27.

Crowds to watch "the contest are good." People pay \$4.00 for a single ticket (\$6.00 for couples) for preliminary rounds, championship round calls for \$5.00 admission (couples \$8.00). Admission includes a complimentary drink and free hors d'ouvres. Station and the supper club are making a small profit on admissions.

Advertisers "buy in" by purchasing an ad schedule and donating a gift for the games.

Sales--Seek Failure

You cannot hole up in the safe zone of behavior where you have beaten the odds of failing. An unwillingness to encounter defeat or run into problems outlaws quantum leaps. Unless you allow yourself to make mistakes, to fail, you will never have the opportunity to test the limits of what you truly are capable of accomplishing.

You must realize that if you're experiencing no difficulties, problems, or pain, you probably have aimed too low. You deliberately destabilize yourself when you break out of the habit patterns that represent the status quo. You create some inner chaos for yourself. So be prepared for the possibility of confusion, anxiety, and failure. That's part of opening yourself up to a methodology that has the potential to deliver exponential performance gains.

Often, it seems things first get worse before they get better. Be prepared for that sort of development. Problems belong in the process. They are part of the equation that produces you. THEY ARE NOT PROOF THAT YOUR AMBITIONS ARE FUTILE OR THAT YOU SHOULD GIVE UP.

At the outset you may feel high because going for the quantum leap is head stuff. But then, the hard reality of "problems" may slap you in the face. Progress often masquerades as trouble.

It's easy to lose faith, because other people may withdraw their support and be critical of your efforts. That, plus your own anxieties and uncertainties, can tempt you to turn on yourself.

This is the critical point in the process - don't give up. Failure belongs here. It's a sign of progress.

The stress will reduce you toward retreat to the "safety" of the status quo, the trap of the familiar. Just remember this: failure does not mean you're defeated.

Actually, the struggle gives you strength. It's like tempering the steel, or the soreness involved in developing muscle. The difficulties are just evidence that you're learning and progressing.

Look for failure - then use it. Don't interpret problems or breakdowns as proof that you should quit. Instead, take them as evidence of your growth and improvement. Failure is a resource. It helps you find the edge of your capacities.

Price Pritchett, Ph.D. in
"You" (Quicksilver Press)

F.F.A. WEEK

Did you know that 25% to 30% of the nation's jobs are in agriculture and agriculture related industries? During Future Farmers of America Week, _____ is proud to join in saluting the F.F.A. Future Farmers of America chapters in your schools are not only continuing to help in developing farming schools - but preparing students, as well, for a future in agriculture related fields.

_____ salutes the F.F.A., changing to serve a changing world.

_____, during National F.F.A. Week, reminds you that agricultural jobs are not just on the farm. Those jobs are also in feed and seed processing plants, equipment, horticulture, food processing, packaging, transportation, pharmaceuticals and veterinary medicine. The agriculture field is more diversified and bigger than ever. It represents 25% to 30% of the nation's jobs. This week, _____ salutes F.F.A. chapters in this area - helping prepare students for a future in agriculture for a changing world.

During National F.F.A. Week, _____ wants you to know that there is a 10% shortfall in people qualified for skilled jobs in agriculture related jobs. That figure comes from the U.S. Department of Agriculture. F.F.A. chapters in this area are working hard to interest young people in agriculture related fields. _____ believes in this important work and commends F.F.A. membership and leaders. The F.F.A. changing in a changing world.

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 for continued success to the F.F.A. - changing to serve a changing world.

_____ believes that skills developed and lessons learned in the 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, make this a better place in which to live. _____ congratulates F.F.A. members and leaders during F.F.A. Week.

_____ reminds you that agriculture is a big, growing business. Agriculture and related industries represent 25% to 30% of the country's jobs. It's the nation's most important business. Building interest and developing skills among our young people is important to the future of agriculture and the nation. That's been the mission of F.F.A. for 65 years. _____ believes F.F.A. is doing its job better than ever. They salute F.F.A. leaders and members during F.F.A. Week.

(Contact your local school system for F.F.A. Week observance in your area).

Management - "How's Business"

Everyday I'm asked, "What's the business climate like around?" "How's radio business around the country?" "Is there still a radio sales turnaround problem?"

As I'm asked those questions, I cannot help but wonder, are they looking to be consoled because these are problems they are having and they want some magical solution from me? People ask out of curiosity, to make conversation, because they are concerned or hoping to hear what they want to hear.

Business does vary from market to market and station to station. I believe three things have a bearing on the success of a radio station: management, attitudes, and necessary turnover in the sales department. When sales are slow or stations are not meeting budget, managements are too quick to blame the economy, the recession or competition - rather than taking a good look at themselves. The place to look is at themselves and the operation of their station.

The 90s present a great opportunity for radio, if radio managements take the time to do things necessary to build a solid team that has a willingness to stay focused. Management must be dedicated to staying focused so they can help those around them stay on track. If radio is going to be a primary advertising medium, we cannot afford to be package oriented sellers, selling short term schedules or let the competitors guide actions.

The quicker we realize the dilemma many businesses are in and understand it, the quicker we can be of value to those businesses. Today's business people don't want to buy an advertising schedule. They are interested in working with people that will help in their efforts to achieve favorable results.

Because of the multiple internal responsibilities many business owners and managers have, they must prioritize their efforts. Unfortunately, many tell me, they often place advertising and marketing on or near the bottom of their "to do lists." This situation is a plus for the salesperson who can earn the respect to be invited to take part in the formulation of ideas and planning. Radio station management should foster a system that enables their salespeople to become part of helping advertisers determine marketing opportunities and business objectives. When this happens, we'll see a lot more long term schedules - larger expenditures. You must field, manage, and continually train salespeople who will be viewed as helpers. These kind of people turn obstacles into opportunities.

Darrell Solberg, D.D.S. Sales
Training, Sioux Falls,
SD 57106 - (605) 361 9923

"Of Counsel"

Earlier this month, Coldwater, Michigan based consulting engineer E. Harold Munn, notified his clients that after 42 years, he is going to move to an of counsel role in his firm.

Wayne Reese is buying the firm, after 20 years employment there. "This firm is the only employer he's ever had. He worked there after high school doing drafting work then weekends while he got his college electrical engineering degree."

Munn's broadcast connection dates back to his junior high school days when he was building equipment as a hobby. By high school he had established a recording studio which did freelance work for clients including Midwest radio stations.

Harold obtained his undergraduate degree at Hillsdale College, Hillsdale, Michigan, where his father was the academic dean. His father, E. Harold Munn, Sr., was three times the presidential candidate of the Prohibitionist Party. Munn did graduate work at Michigan State.

Fresh out of college, he applied for a radio station license at Coldwater, Michigan. During the 18 months he was waiting for a grant, he taught high school physics and math. His then daytime radio station went on the air August 7, 1949. An FM station followed there in November, 1950. An AM-FM combination followed at nearby Sturgis in 1951, and AMs at Hillsdale in 1956 and Ypsilanti in 1959.

Munn's frustrations with the engineering consultants and "the high fees they were charging" is what prompted him to start the engineering firm. "I wanted to put my daytimer on the air full-time. I spent a lot of money for impractical ideas." Munn did the application for full-time himself. "I guess I was my first client," he says.

When Munn put his Coldwater station on the air, there were 1,700 commercial stations in the U.S. Today, there are 9,700. Munn's firm is responsible for a good bit of that growth. It has done applications for new stations or major changes of existing ones numbering over 900. The Munn firm has also been involved in full power and low power TV and cable television. Munn was on the advisory committee that created early TV system standards.

Munn slowly divested himself of his radio stations in the 1960s. The last station sold, was the first one created, W T V B AM/FM, Coldwater, Michigan. "The radio stations were generally good to us, both while we had them and when we sold them." He explains the station sales, saying, "The engineering firm was doing business all over the country - and overseas. It was challenging work. We plowed a lot of

new ground." He participated on the proceedings which gave Class IV stations a blanket raise from 250 watts to 1,000 watts - first daytime, then fulltime; the opening of AM Class 1B channels to more stations in 1959.

Munn's enthusiasm for "plowing new ground" hasn't abated over the years. Within the past year, he and his associates, successfully petitioned the F.C.C. to license a suburban Detroit station on 2 frequencies: 690 day/680 night with 2,500 watts day and night. His firm also did the engineering that has moved daytime (540 kHz), 100 miles from Pocomoke City, Maryland to a Washington D.C. suburb and full-time. "When 80/90 put an FM station into Pocomoke City, it effectively wrote a 'death warrant' for W D M V. By moving it, we've breathed 'new life' into it. It'll serve 25 times more population and bring an ethnic service to its new area, not now available."

Munn believes there's just as much opportunity in broadcasting as there was when he got into it right after World War II. "Entrepreneurial broadcasters have to look for 'niches' and be willing to use some creativity in finding facilities to carry their programming."

Munn believes serious mistakes have been made in the plans for the 1610+ new AM frequencies. "Basic engineering facts of life like ground conductivity has been disregarded. It's another case of Commission policy being set by lawyers and accountants rather than engineers."

Munn's wife, Ellen, handled the financial aspects of the business all the way back to the first radio station and is retiring with him. "We intend to stay active, but, active in the 'fun things' in this business." Sample: technical advisor to an antenna farm being built in Hawaii.

THE LAST WORD

Most people in politics say that the most frustrating thing about holding an office is that there is never enough time to do all the things you'd like. We're sure that Chairman Al Sikes feels that way about his less than 4 year term at the F.C.C. The Al Sikes era, though short, was outstanding for its common sense, honesty, and good taste. Al Sikes was a small market broadcaster for several years. It showed! The industry is forever in his debt.

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IN OUR
10th
YEAR



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SATELLITE D.A.B. COULD DESTROY RADIO, N.A.B. President Ed Fritts told the Louisiana Broadcasters Association last week. He told that group that the U.S. now has 1 radio station for each 22,000 population (vs. Canada 1 to 50,000 and Mexico 1 per 92,000 population). Fritts said his association will put its full weight behind broadcasters and "In band - on channel" D.A.B. furnished by broadcasters vs. satellite to home and car D.A.B.

DIGITAL AUDIO BROADCASTING via cable has gotten a powerful infusion of cash and entertainment clout as Time Warner and Sony Software joined the D.C.R. limited partnership. Cable TV customers will be offered 28 channels until May 1 when the number will increase to 58. Subscribers pay \$6.00 to \$11.00 per month. In addition to the possible monetary rewards, Time-Warner and Sony, the world's 2 largest record companies see cable digital radio as an excellent place to "display" their products. They call radio, with its tight playlists "too restrictive."

\$250,000.00 F.C.C. FINE was meted to Texan T. Kent Atkins. He has 6 stations. 3 of his station have been set for license renewal hearings: K R G N, Amarillo, K L M N, Amarillo, and K E N T, Odessa. ... The Commission says he arbitrarily constructed K L M N, K E N T, and K A M Y. He's accused also of misrepresentation of facts and submitting fraudulent documents. He also holds a CP for K B T T, Bridgeport, Texas, K O J O, Lake Charles, Louisiana. Atkins operates several of these stations under Caprock Educational Media Foundation.

JOE TILTON, originator of the "69¢ Dollar" is back in the station ownership-management ranks. He's reclaiming K A D S, Elk City, Oklahoma. He was a partner-manager there from 1971 to 1986.

LAST CALL! Small Market Radio Newsletter's 4th Annual Management Seminar will be at Drawbridge Inn, 5 miles south of Cincinnati on I-75 (10 minutes free from Greater Cincinnati Airport) Friday afternoon/evening (2-19) and Saturday morning (2-20). Registration is \$219.00 including spouse or extra staff member. Rooms \$55.00. Phone (210) 379 7549 or FAX: (210) 372 2905. We honor VISA and MASTER CARD.

At the F.C.C.

NEW STATION (Granted):

MISSOURI (Gallatin) Missouri Valley B'c'g. 101.7 15 kW 423'

AMENDMENT TO FM TABLE (Amended)

WISCONSIN (Rudolph) 99.3 C3 for A. M.: W I Z D

REPORTED SILENT (by the M STREET JOURNAL):

ARKANSAS (Huntsville) K F A Y (FM-A)

(Lowell) K K I P (AM)

MAINE (Machias) W M C S (AM)/W A L Z (FM-A)

INVOLUNTARY TRANSFERS:

ALABAMA (Birmingham) W A P I (AM) (FM C) to W A P I, Inc.,
Debtor in Possession, 2146 Highland Drive, South,
Birmingham, AL 35205 (930111EJ/K)

IDAHO (Twin Falls) K L I X (AM) (FM C) to Sawtooth Radio
Corporation, P.O. BOX 1259 Twin Falls, ID 83303
(930108EA/EB)

Opinion

"Our station's best client by any measure is the local Coast-to-Coast Hardware/Variety Store with an upstairs Toyland and a full-line furniture store a block away. He has been complaining a lot lately that he is pestered by 6 or 7 other radio stations every week. Some of these stations are from as much as two counties and 60 miles away. Most do not show up in any of the audience surveys. Their areas of influence are such small parts of his marketing pie, they can be best described as 'unmeasurable.'"

"There would be no justification for him to use those stations on a regular basis. He finds them helpful on major promotions when he attempts to expand his market reach. We have regularly urged him to use these station for special events instead of buying print or TV."

"Last week, he told us he solved his problem. No more outside radio. Instead, he'll buy quarter pages in each of several small town weekly newspapers. They'll cost him about \$80.00 a month each. It may not be as effective as periodic radio blitzes, but it'll save him a lot of time. He won't be 'bugged' by all those radio salespeople every week."

The number one complaint of business people (who pay our bills) is that they are called on by too many radio salespeople who come ill prepared, know nothing about retail business, and seem to be focusing on 'what's in it for me' instead of focusing on helping the retail move his goods and services. The Bible says, "as ye sow, so shall ye reap."

George Allen
K L G A, Algona, Iowa

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

NEWS COMMENTARY - He's a cross between Paul Harvey and Red Nickerson. He's Jim Hightower, a one-time Texas state office holder, who's being syndicated by Cutler Productions on a barter basis via a twice a week satellite feed. There are 10 2-minute commentaries weekly. Hightower has obtained a following so diverse that includes Willie Nelson and Norman Lear.

Information: Charlie Quinn, 310-478 2166.

"FUN AND GAMES"

"BIRTHDAY - OLDER/YOUNGER" - On his morning show in Columbia, South Carolina (W M F X), Benji Norton picks a celebrity birthday each morning. Listeners call in to guess whether the "celeb" is older/younger than Benji. Process of elimination. Small prize awarded to winner.
(Radio and Records 1-8-'92)

"FROM THE SAME SOURCE - SPEAK THE WORD" - At W B N Q, Bloomington, Illinois, Scott Robbins puts 2 listeners on the air. The first is told "the word." He then engages the second caller in conversation of 60 seconds or less. If he gets contestant #2 to speak the word during the conversation, both get a prize.

(Editor's Note: The above 2 ideas appeared in Harvey Kojan's A.O.R. column in R. and R. We think the ideas would work on any morning show - regardless of music format).

Looking ahead to March

March accounts for 7.9% of the year's retail business - better than January or February and almost as good as April (8.1%).

March is the best month of the year for the sale of new houses (10.8%) and an average month for resale houses (8.3%).

Special Opportunities in March include:

March 1/7 - Drug Awareness Week	Wednesday 3-17	St. Patrick
March 1/7 - Save Your Vision WK		Day
March 7/13 Girl Scout Week	Saturday 3-20	Agriculture
March 14/20 Agriculture		Appreciation Day
Appreciation Wk.	Sunday 3-21	- First Day Spring

Something to Think About

"I have not failed 10,000 times. I have successfully found 10,000 ways that will not work."

(Thomas Edison)

\$ale\$ - Common Enemies

Ego - Our egos make us think that what we have to say is more important than what the customer has to say, so we memorize product knowledge and dump data on any prospect who will stand still long enough to listen.

Too Much Talk - Because what we have to say is all important, we pitch customers. The best salespeople know that the pay in selling is far greater for asking the right questions, than for knowing the right answers. I have yet to hear of a salesperson listening himself out of a deal.

Poor Listening Habits - Because we talk too much, we listen poorly. If you truly want to listen better, don't talk. Nature abhors a vacuum and someone's words will rush in to fill the void. If they are not yours, they will be those of the customer. The person who talks will monopolize the conversation, while the person who listens will control the conversation.

Assumptions About What's On The Customer's Mind - Because we have been listening poorly, we think we know what the customer should want, rather than what he does want.

Talking About Things That Don't Interest the Customer - A carefully constructed canned pitch will normally contain something like 20 feature benefits and the salesperson will tell the customer all about every one of them. This dumps the whole load on the customer, but customers buy for their reasons - not yours. Customers will usually have only one or two primary buying motives. Talking about other things only distracts, confuses, and bores the customer.

Failing to Determine the Customer's Attitude - A customer can have only one of three attitudes at any given time: acceptance, objection, or indifference. If we know how to determine the customer's attitude accurately, and how to respond appropriately, we will be well on the way to a sale.

Not asking for the order - Our fragile egos tell us that if the customer rejects the offer, it is really a personal rejection. We feel slighted and fail to ask for a commitment of any kind. If you ask, you get. If you don't ask, you don't get. It's just that simple.

Lack of Well-defined Goals And Objectives - If you don't know where you're going, how will you know when you've arrived?

Not Taking Notes - If we don't write down what is important to the customer, we will forget and talk about what we think is important. The strongest memory is weaker than the palest ink.

Hank Trisler, The Trisler
Company, San Jose, CA in
"Personal Selling Power"

About This 'n' That

"A COUNTRY VALENTINE", a 3-hour Valentine's Day special is being offered via satellite on a barter basis. Show spotlights artist like Reba McEntire, Clint Black, Garth Brooks, Alabama, Vince Gill, Travis Tritt, Wynonna. Call Rene Cassis at Unistar - 212 373 4977.

STILL MORE FULL-TIME SATELLITE FORMATS - Satellite Music Network is debuting "Hot A.C." Listener target is 18-44 without hard rock. Core artist: Michael Bolton, Amy Grant, Phil Collins, Genesis, Mariah Carey, Bonnie Raitt, and Rod Stewart. Information: Patricia Evans, S.M.N., 214 991 9200.

AND FROM BUSINESS RADIO NETWORK - sports 24 hours a day on "American Sports Network (A.S.N.) Talent includes Joe Namath, Rick Talley, Larry Norris. Live coverage will include N.H.L. All-Star Game and Stanley Cup Series. Network officials say you can carry 100% or "cherry pick." Information: Joe Speck, 800 800 9963.

NEW REVENUE SOURCE - Many of SMRNewsletter's subscribers report limited at best availability of Compact Discs (C.Ds.) in their towns. A St. Paul based company is offering direct response, on-air music shopping for radio listeners via a toll free number. At the same time it provides a steady revenue stream for stations. Participating stations get a percentage of all sales made by the firm in the station's area. Information: Kyle Jackson, Radio Music Source, 612 659 3739.

PRO SPORTS! WHO FOLLOWS?

Sport	Men	Women	Total
N.F.L. Football	76%	49%	62%
Baseball	47%	38%	42%
Basketball	39%	26%	32%
Tennis	20%	23%	22%
Golf	22%	14%	19%

(Simmons Market Research)

TIMES ARE CHANGING - Shopping used to be the nation's #1 pastime, but, dining out is now the nation's top indulgence. A recent National Retail Federation study shows:

22% are low-interest shoppers; 17% of the population are downright disgruntled about shopping;
20% of shoppers identify themselves as brand bargain hunters;
19% are quality/service enthusiasts;
17% are disenchanting shoppers.

(Brand Week 1-25-'93)

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

The Commission continues to find that applicants for renewal of broadcast station licenses have violated the Commission E.E.O. Rules. Remember, non discrimination is not enough. You must, if not exempt, have an affirmative program of recruitment for every hiring opportunity. The F.C.C. recently admonished a licensee for hiring 14 full-time employees over the duration of its last license without following its formal program of seeking out qualified minority applicants, even though 4 or 5 of the 14 "emergency hires" were black. Remember, you must have a program, follow it, and have documentation of who applied, how they heard of the opening, and of what race and which sex they were. Even a station that has an exceptional ratio of minority employees may be sanctioned if the program is deficient, non-existent, or not followed or needed documentation is lacking. NOW IS THE TIME TO REVIEW AND REVISE YOUR E.E.O. PROGRAM.

"Minding the Store" - Lottery Fines

W Q B B, Knoxville, Tennessee, has been fined \$6,250.00 for broadcasting ads for the Kentucky State Lottery. The station is licensed to a community in Tennessee, which does not have a state conducted lottery. Although the station added the words "lottery is legal in Kentucky, illegal in Tennessee" to the ads, this was not sufficient because the U.S. Code specifically prohibits broadcasting advertising of state conducted lotteries by stations licensed in a state that does not conduct such a lottery.

A Detroit station, W J Z Z, received a Notice of Apparent Liability in the sum of \$6,250.00 for failing to award a prize to the winner of a contest. The station claimed that it did not award the prize to the individual in question because someone else had already won. The station's records failed to show anyone as having won the prize.

A television station, K O L O-TV, Reno, Nevada, was fined \$12,500.00 for broadcasting a commercial stating "Bonanza Casino, the friendliest casino in town." The Commission ruled that the word "casino" is promotional of a lottery and may be used in a broadcast only when the word is part of the legal name of a multi-purpose establishment. Because the commercials did not specifically promote non-gambling activities of the casino, the Commission determined that the use of the word "casino" promoted gambling and was therefore in violation of the law. The Commission further stated that the slogan "the friendliest casino in town" even if used as a servicemark type of slogan, must still comply with the law and must be used only to promote non-gambling aspects of the establishment.

Brad Carey, Hardy and Carey
Attorneys, Metairie,
Louisiana

"Coming Back"

In 1989, A combination of a weak retailing economy and the arrival of Wal Mart a year earlier rendered vacant 23 of McPherson, Kansas' 130 downtown stores. "That's almost 1 in 5 and it was frightening," Jerry Davies, owner-operator of the local radio stations says. Davies brought K N G L/ K B B E in 1985.

Three years later, Davies says, "There is 1 vacant store on the main street and another soon to be vacated for reasons generally unrelated to Wal Mart or other business conditions." How did it happen? Davies and other community leaders got together to formulate a plan to attract new businesses that could survive in the 1990s in a rural Kansas town of 7,700 people. "We got help from the state community development people and the business schools in the state university system."

The most prestigious business brought downtown is a Sherwin Williams decorating center. Other businesses include a candy store, small bakery, book store and like small businesses (total of 6) which are clustered into what formerly was a large drug store and fountain operation.

Downtown now also has antique shops, gift shops, a deli, and other small businesses. "These are not big advertisers yet," Davies says, "but they're a lot better advertisers than vacant stores. I think we saved downtown, because, we acted quickly."

Davies' says his radio stations are operating within the Wal Mart reality. "When I bought the stations in 1985, sales were being conducted here and in about 5 other towns. We've expanded our activity into 6 other towns. Wal Mart has built an affinity with the people in those 6 towns which we're capitalizing on. We're having to go further, work harder and longer, but, we're making it."

"This is not a station that has 'good old days' to look back on. It was built by Ken Carble, then owner-publisher of the local daily newspaper. He built the AM in 1949 to protect his newspaper from aggressive broadcast competition. In 1974 an FM station was built for the same reason." Davies says of the FM, "I'm told he chose a Class A rather than an available C, because the higher powered FM signal would go further than his newspaper's circulation. He saw no value in that."

The station was built 2 miles from town. "so it wouldn't overshadow the presence of the newspaper offices downtown. Despite its 'low pressure' advertising effort, radio offered a good local program service, directed by Claude Hughes, a young engineer in 1949, hired to build the station and keep it on the air. Claude gave up management of the station in the 1970s, but, continues to serve as the station's senior salesman.

Eight years after buying K N G L/K B B E, Davies has put together a diversified communications group. It includes the McPherson based weekly shopper, 3 weekly newspapers in small towns located within 35 miles of McPherson, 2 job printing shops, and a very recently acquired Class A FM station at Lindsborg, near Salina. "I believe that these kinds of businesses are selling at historic lows now. I think that's the time to buy - if you believe things will come back. I think they will.

Davies did television news in college and graduate school. He served a tour of duty as public information officer for the Florida Insurance Commission, then held a vice president spot for an insurance trade association. Finally, to get out of the big cities and end his heavy travel schedule, in 1982 he signed on as a vice president of Farmer's Alliance Insurance Company, headquartered at McPherson. When the radio station went up for sale, "some of my friends encouraged me to look into it. I thought first, I'd keep my job at the insurance company, and look after the radio station on a part-time basis. By the time I took it over, I decided I'd better spend full-time at the radio station and keep a part-time association with the insurance company. I formed a p.r.-advertising agency. They're the oldest of my 4 clients."

In 1983, the local newspaper was ordered to sell either its newspaper or radio station. "Obviously, they chose to sell the radio station." The buyers were Joe Engel and Bernie Brown, long time Midwest broadcasters. They brought up the business quickly and realized a good profit when they sold to Davies 18-months later. "We kept what they started going."

Davies is part of a husband-wife team. His wife Diane had served as a personality on stations in Miami, Des Moines, and Kansas City. She does a daily 4 hour program on K B B E and serves as operations manager of the AM and FM. "We are automated on FM on a very limited basis. The audience here is used to a live service. We are glad to continue that tradition.

. THE LAST WORD

We asked Jerry Davies, who is in both the radio and the print advertising business to describe getting each sold. He said, "Print is much easier to sell - you're selling pictures. We take a print ad out to show the customer. He sees it, may make some changes, then buys it. Radio is harder to sell, because, you have to create the pictures. We use a lot of spec copy and recorded spec spots. The secret is for the customer to visualize it and the listener to visualize it."

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IN OUR
10th
YEAR



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 X - Issue #38 - February 11, 1993

N.A.B. BOARD ELECTIONS DOMINATED BY SMALL MARKETS - They've taken 9 of 13 seats so far: #5 - Bill Evans, WQXE, Elizabethtown, KY (KY-WV); #9, Houston Pearce, Radio South, Inc. (AL); #11 Dick McBroom, WONW/WNDH, Napoleon, OH (OH); #15, Bayard Walters, Cromwell Group (TN); #19 J. Douglas Williams, KWOX, Woodward, OK (OK); #21 Paul Hedberg, Hedberg Broadcasting (MN, SD, ND) #25 Harold Greenberg, KMAS, Shelton, WA (WA, OR). Runoffs: #1 Alan Okun, WGFP/WSGQ, Webster, MA (MA) and Donald Steese, WMPL/WOEZ, Milton, PA (PA).

CONVICTED "80/90 CROOK" COMMITS SUICIDE enroute to prison for 17 year prison term. Ralph Savage of the Sonrise Management Corp. died of self inflicted gunshot wounds just after his auto hit a tree near Rocky Mount, NC.

DUOPOLY! HOW MANY? As of December 31, there were 173 filed, 87 granted at 12-31-92. Latest small market announced: Ray Lockhart has bought his 100 kW competitor, KMCX to fold into his KOGA AM/FM (a C) at Ogallala, NE.

POST-HOLIDAY "POSITIVE," according to U.S.A. Today (2-5-'93). The article says, the increases are particularly significant because deep discounts were not widespread as they were in recent years.

PENNSYLVANIA SMALL MARKET GROUP OWNER CARY SIMPSON was awarded 1 of 4 "Radio Ink" magazine awards for his many contributions to the radio industry (he's on the R.A.B. executive committee, etc., etc., etc.) The awards were made during the R.A.B. Managing Sales Conference last week in Dallas.

R.A.B. CERTIFIED SALES MANAGER TESTS will be given the Saturday/Sunday before the N.A.B. in Las Vegas (4-17/19) just before N.A.B. (4-19/22). R.A.B. C.R.S.M. candidates will be able to attend N.A.B. no extra fee. 800 232 3131.

49% OF CANADIAN STATIONS LOSING MONEY compared to 59% in U.S. In Canada there are 1 station for 50,000 population. In U.S., 1 station for each 22,000 people. Source: Neil Aitchison, CFCA/CKKW, Kitchener, Ontario.

SALES OF COUNTRY MUSIC WILL PEAK this year then begin to decline, predicts Denver based programmer Kim Long.

1746 Rosewood Street - Seguin, Texas 78155 - (210) 379-7549 - FAX (210) 372-2905

At the F.C.C.

NEW STATION (Grant):

FLORIDA (Port St. Lucie) Horton Broadcasting 101.3 3 kW 328'

AMENDMENTS TO THE FM TABLE (Amended):

ARKANSAS (Huntsville) 99.5 A for 92.9 A. M.: K F A Y

FLORIDA (Lacrosse) 99.5 A as 1st. W. 3-19/4-19

(Monticello) 101.9 C3 for A. M.: W J P H.

GEORGIA (Douglas) 99.5 C for C1. M.: W D G M

MISSOURI (Greenfield) 107.9 A for 93.5 A. M.: K X B R

(Seligman) 93.3 C1 for C2. M.: KESE

WISCONSIN (Reedsburg) 102.9 A. W.: 2-25/3-28

FIRST COME/FIRST SERVED

ILLINOIS (Canton) A

(Oregon) A

INDIANA (Clinton) A

KANSAS (Liberal) C1

MINNESOTA (Grand Marais) C

(Worthington) A

NORTH CAROLINA (Manteo) C2

(Warrenton) C2

NEBRASKA (South Sioux City) A

SOUTH DAKOTA (Aberdeen) C1

UTAH (Moab) C3

AMENDMENTS TO THE FM TABLE (Proposed):

NEW MEXICO (Silver City) 92.9 C2 for 94.5 A. M.: K S C Q

TENNESSEE (Paris) 94.1 C3 for A. M.: W M U F

INVOLUNTARY TRANSFERS:

MAINE (Bangor) W Z O N (AM) to Neb Communications Debtor in Possession, 50 Columbia St., Bangor, ME 04401 (930120EB)

MICHIGAN (Fenton) W C X I (AM) to Charles Grossman, Receiver, 702

Church, Flint, MI 48502 (930122EB)

Fines:

The Commission in a single release reported 22 radio stations fined as a result of "on site" inspections out of 3 field offices. Fines covered E.B.S., station log maintenance, and unattended operation. Offenses at individual stations were not released:

Denver: CO office: KNUS, Denver, \$13,150; KMUS, Muskogee, OK \$950; KLDI/KRQU, Laramie, WY \$1,900; KLEN, Cheyene, WY \$3,750; KVAY, Lamar, CO \$300; KLMR/KSEC, Lamar, CO \$1300; KKGZ/KSIR, Brush, CO \$2,200; KBNO, Denver, CO \$10,700; KGLL, Denver \$3,450; KSHY, Cheyene, WY \$300; KIMX, Laramie, WY \$2,700; KCUV, Englewood, CO \$3,750; KCDCLongmont, CO \$5,150; KRCC, Colorado Springs, CO \$550; KCBR, city not identified \$1,000; KFTM, Fort Morgan, CO \$3,150.

Houston Office: KDLF, Fort Netches, TX \$12,500; KMFM, not identified \$9,800.

Kansas City Office: KJEZ, Poplar Bluff, MO \$3,750, KTWU, Topeka, KS \$2,800; KOZX, Cabool, MO \$4,250.

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

(From the R.A.B. Small Market Meeting - Dallas - 2-4/2-7):

"SPORTS SCHOLARSHIPS" - At David Kelly's West Point, NE stations, K W P N AM/FM, 7 school teams are covered. The station is awarding a \$100.00 scholarship to each. Selection is made by appropriate school officials. "We are getting good response," Kelly says. "We're seen as giving something back to the schools whose games we are carrying."

"2-MINUTE ADS" Bob Pricer, W T L T (AM) and W C L T (FM),, Newark, OH, is offering clients of the AM talk station 2-minute ads. Pricer is all for Effective Schedules on a music station, "like our FM, but, listeners tune to a favorite talk show on a regular basis. You can get the message across in as little as 1 a day, if the message is scheduled long enough. The problem with ads for service businesses is putting together a valid message. In a 2-minute ad, the advertiser can often do his/her own ad - or - be featured with a station announcer. With 2-1/2 minute station openings, they are easy to schedule." Pricer charges 1.8 times regular minute rate.

"BASEBALL PROMOTION" - Many stations are given tickets to home games for the team their station is carrying. Several are running a series, schedule for spring training. Listeners stop in at baseball sponsors and register for a call from the station. A half inning ahead, listener is asked to call to guess whether the lead off hitter in the next half inning will get a single, double, triple, home run, or nothing. Listeners who call in and predict the lead off man's fortune at bat gets a pair of home game tickets.

"VISITOR'S GUIDE" - In rural Southern Ohio, tourism is growing rapidly. Dan Latham, WBEX/WKKJ, Chillicothe, OH is promoting tourism with a special "Visitor's Guide" of area information and ads for tourist type businesses. It is sold early so the guide can be circulated to area Chamber of Commerces 90 days before the season begins so it can be mailed along with other information for tourists writing. During the season it's available at participating advertisers and tourist information centers.

Another ideas from Dan: One of the elements he uses to retain advertising clients is a monthly newsletter. The newsletter shows a profit, thanks to "business to business" coupons sold on the back.

Worth Quoting ...

"I happen to believe that everything is selling.

Zig Ziglar

\$ale\$ - Remembering Names

According to the late Dale Carnegie, names are the "sweetest and most important sounds in any language." Do you have trouble remembering names? It's a skill that's more than basic to good sales - it's imperative! Here are some suggestions on how to match the name to the face:

Listen - When you're introduced to someone, or when you introduce yourself, listen closely. Repeat the person's name right away: "It's really a pleasure to meet you, Joe." Or, "Ms. Clark, I have something here I think you'll be interested in."

Think - Concentrate on the customer alone in the first few minutes. What makes him or her different from others?

Connect - Use the characteristic and connect it to the person's name in some way. "Ms. Benson with the pale, blue eyes." or "Cal wears cuff links."

Study - Get in the habit of observing people. Take a few minutes every day and just practice people-watching. It will help you pick out distinguishing characteristics.

"Sales Upbeat"
The Encomic Press
Fairfield, New Jersey

Why Advertise Today? (Pick 3 Top Reasons)

- _____ Sell products today
- _____ Build store traffic
- _____ Build store image
- _____ Educate Consumers
- _____ Generate New Customers
- _____ Expand Demographics
- _____ Use Available Co-op Dollars
- _____ Advertise Location
- _____ Support Sales Objectives
- _____ Start People Talking
- _____ Target Advertising Better
- _____ Sell Service Today
- _____ Meet the Competition
- _____ Create A New Position
- _____ Promote New Merchandise
- _____ Reinforce Market Position
- _____ Move Old Inventory
- _____ Increase Names Awareness
- _____ Promote New Store Opening
- _____ Promote Regular Price Merchandise
- _____ Promote Off-Price Merchandise
- _____ Build Employee Morale

Chris Lytle

About Your Customers

Consignment Resale Clothing Store - Entrepreneur Magazine's "168 More Businesses Anyone Can Start and Make Money" says that the average store of this type cost its owner \$17,000 to start and show an average Net Profit Before Taxes of \$28,000.00.

Re-sale boutiques operate on consignment. Instead of going out and buying inventory, resalers take in goods from clients. When the item is sold, the resaler splits with the owner of the garment.

Look over the merchandise. It's more likely than not high quality and only slightly used merchandise that's looking for a new owner.

(Title Above - Bantam)

Auto Parts Retailer - Why are there do-it-yourself auto repair people. 77% do it to save money, 53% also say they enjoy it.

The secret to a successful auto parts operation is having in stock what the customer wants (or ready access to it) and knowledgeable people at the counter. 40% of do-it-yourselfers rely on sales/professional people when they need help. (Other sources of help: manuals and friends.)

(Radio Advertising Bureau)

Carpet and Floor Covering - The buying decision is a shared one. In 55% of cases, the husband and wife share the decision of what to buy and where to buy.

83.4% of buyers are looking for durability, 68.3% soil resistant, color 78.3% ease of cleaning 75.5%, texture style 59.1%.

The comparatively small carpet outlet may have access to the highest quality, most exclusive designs that don't attract enough customers to interest a discounter or "category killer" store.

David Horowitz in "The
Business of Business"
(Harper and Row)

Franchises - What Do They Cost?

	Subway Sandwiches	Domino Pizza	Dairy Queen
Franchise Fee	\$10,000.00	\$1,300.00 to \$3,250.00	\$25,000.00
Estimated Total Investment	\$42,000.00 to \$74,500.00	\$75,000.00 to \$100,000.00	\$350,000.00 to \$500,000.00
Royalty Fee	8% + 2.5% advert'ng.	5.5%	4%

"35 of the Best Businesses
for the '90s" (Perigee)

What Your Customers Are Reading (From "Furniture World") ...

There is a new set of rules, a new set of expectations. For retailers to survive in the '90s, they must adjust to this New Normal. They must develop new ways of managing and directing their businesses to deal with:

Flat population growth, In the last decade the U.S. population grew only about 1% each year.

A flat economy - "Business Week" magazine cuts right to the chase in a headline for their "Business Outlook" feature: "This recovery feels more like purgatory than paradise."

Splintered Markets - At one time in this country, we believed in the "mass market." Today, we have at least 25 particle markets e.g. parents, children, teenagers, fathers, grandparents, the very old, the individual, step-families, the fit, the unfit, Asians, Hispanics, fun-seekers, housewives and on and on. In our view, retailing is a mirror of society. We are seeing increasing diversity and fragmentation in our society, and it is reflected in these particle markets.

Frustrated shoppers - Choices are becoming the curse of the modern age. We are confronted daily with more and more choices. New kinds of stores. New kinds of products. New ways to shop (all day, all night, by phone, by FAX, by computer, by catalog, by subscription.) And this is happening as many consumers feel squeezed - squeezed by time. Squeezed by reduced buying power. Squeezed by more and more demands (the "sandwich generation" of middle-aged "baby boomers" which has kids living at home longer - the "boomerangs" - plus their own aged parents to be concerned about and increasingly step family obligations as well.)

Dramatic Changes in competition - New forms of retailing continue to emerge (category killers, warehouse clubs, deep-discounters.) Shopping centers continue to evolve - or perhaps the word is mutate. Manufacturers and wholesalers continue to experiment with "doing retail." Just identifying all the competitors is a challenge in itself. (Who invited these guys anyway?) Your customer sees all the different ways he or she can buy what you sell. You must recognize your competition the same way your customer does. Otherwise, you will be blindsided when your market moves away from you.

Less spending "at retail" - There's another tough competitor out there for retailers. What is "spending" going for? Increasingly, American consumers are spending on home mortgages, health insurance, tuition, taxes at all levels. There's another dimension to this as well. There is less consumption of things and more spending on experiences. More and more we see people giving "the gift of time" by buying tickets to events, games, gift certificates for special brunches, weekend getaway vacations, hot air balloon rides, music lessons, etc.

Outcalt and Johnson, Retail
Strategists

"Rowing His Own Boat - Against the Tide"

After the 1990 N.A.B. "Radio Show" in Boston, Eric Rhodes, publisher of what is now "Radio Ink," told his readers that the gathering of radio people was, as we recall him saying, downbeat and gloomy. He asked radio people to look up and promised that things would get better.

There was more bad news being exchanged in the corridors and being spread from the platforms than anyone could remember. The word was that over half the deals made in the 1980s had gone sour and the financial community "was out of here."

Believe it or not, this was the N.A.B. meeting at which Chuck Crouse decided to buy his own station. He had gotten into radio in 1957 as an engineer at W E R E, Cleveland, Ohio. By the early '60s, he had left Cleveland for a series of new jobs at small stations in Northern Ohio. Later his career would take him to major posts with major stations in major markets owned by C.B.S. and Westinghouse. He slipped away from his duties at then C.B.S.'s. W E E I to attend "N.A.B. Radio Show" sessions.

He says now, "I wanted to own my own station from almost the first day I was in radio. But, I'd put that on the back burner once I started making good money and doing work I liked. But, that convention got me back on the ownership track - more than 30 years later."

Chuck doesn't remember any of the "bad news circulating at the convention." He says, "I think I was looking for something else - not bad news at the convention."

He remembers very well a panel whose panelists included Mike Rice, a Connecticut small market radio owner-operator and a broker with New England Media. Rice advised his listeners that it would probably take one, maybe two years for a first-time station buyer to "find something that fits." "Don't," he cautioned, "jump at the first station you're offered."

Crouse says, "Rice turned out to be right. Ginny (and I) looked at dozens of stations. "We'd spend a day 'driving the signal.' looking at the market, mixing with local people, before we'd ever look at the station. We didn't want to fall in love with a station plant that didn't cover its market - or, whose market wasn't adequate."

"I spent a lot of time with Mike Rice. He couldn't find us a station that was 'a fit.' He gave me a lot of good advice. I took a lot of his time for which he didn't get a penny. I don't think he minded."

Finally, almost 2 years from the start of his search, Pittsburgh based broker Ray Rosenblum offered Chuck W L M I.

The Class A station at Kane, Pennsylvania was put on the air in 1984 by country star Tanya Tucker's manager, Dannie Heindl. He sold it to Clarion, Pennsylvania broadcaster, Bill Hearst. Crouse became its third owner. A daytime AM station licensed to Kane is currently off the air.

Three months into the operation of his own station, Crouse says, "The station was doing a good job when I got here. It didn't need to be 'turned around.' We're building on what we bought - a professionally programmed satellite station (Satellite Music Network Star Station) that does a great job of covering local news and events."

Chuck says, his small market station is doing fine. He's not suffering from buyer's remorse or homesickness for Boston. He says jokingly, "If I'd heard all that bad news circulating around the 1990 convention, I probably wouldn't be here. I think in life you get what you look for."

THE LAST WORD

We congratulate Gary Fries and his R.A.B. team on last week's "Managing Sales Conference" at Dallas. It was, from all reports, the most successful M.S.C. ever with 1,605 registrations.

We feel compelled to point out one very troubling idea that surfaced in several of the meetings and programs. The idea that stations should put their "talented" sales organizations to work selling other products like printing, signs, and cable "spots."

The first misnomer is that most stations sales staffs are "talented." If they were the 2,000 new stations (with sales staffs) since 1985, should be expanding radio's market share. They are not. Radio's share of the "ad pie" remains stubbornly at just under 7% despite the fact that there are more radio salespeople and 100,000,000 new avails since 1985, (Advertising units: 2,000 stations x 50,000 units per year.)

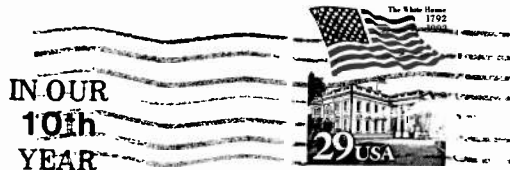
Also, it is likely, that radio salespeople selling printing, signs, "cable spots," etc. would spark a reprisal in which printers, sign makers, cable systems would have their salespeople selling "weak" local stations or "strong" outside stations thus creating an even more crowded and confused radio marketplace.

In an age of specialists, the customers don't want to be called upon by a "drummer" carrying a valise full of "stuff." They want a professional radio marketer who asks good questions, listens to the answers, and then makes enlightened recommendations. Helping make that happen is R.A.B.'s job. It's a big one.. Let's stay focused.

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VOLUME X - Issue #39 - February 19, 1993

BUSINESS FAILURES hit a record 96,836 last year - up 10% from 1991, according to Dunn and Bradstreet. However, failures were down 3.5% in the 4th quarter of 1992, Toughest spots: bankruptcies were up 40% in New York state and 34% in California.

STATION BANKRUPTCY SALES = HIGH PRICES, EASY TERMS - U.S. Bankruptcy Court recently got \$1-million for Class A FM at Dunbar, West Virginia, a Charleston suburb. Terms: 0 down - balance 10 years. Buyer will duopoly with W V S R AM/FM, Charleston. The same judge got \$1.2-million for Class A W V A Q, Morgantown. Price \$1.2-million with 0 down and 12 years to pay. Pittsburgh based broker Ray Rosenblum acted as advisor to the bankruptcy judge.

SMALL MARKET DIAMOND C.R.M.Cs. awarded after tests were administered at R.A.B. M.S.C. in Dallas:

Lori J. Black, K M O K/K R L C, Lewiston, ID; Jay R. Brewer, W T C J (AM), Tell City, IN; Paul J. Cook, K Q K I/K D L R, Morgan City, LA; William J. Cooper, K M O K/K R L C, Lewiston, ID; Louis Cowen, K X K C (FM), New Iberia, LA; Candis Scott, W N C S, Montpelier, VT; Frank Zezza, W C F R AM/FM, Springfield, VT.

QUELLO - HOW LONG? Filling the chairmanship or the other vacant seat on the F.C.C. does not seem to be a priority with the new Clinton administration. Acting Chairman, James Quello is a 1974 appointee (Pres. Gerald Ford). Quello is a Democrat, "who has gotten along by going along." He says, "I hope to keep the thing on a stable course until a permanent chairman can take over," "Broadcasting" says.

A CLASS IV AM POWER HOUSE ON THE PRAIRIE - The owner of K N H N, Kansas City, KS (the Old K C K N) has gotten permission to purchase long financially troubled K S E K, Pittsburg, KS and to build a 3rd station on 1350 kHz facilities at Amoret, Missouri. The Kansas City, Kansas station will feed the other 2 synchronized transmitters its talk/news programming via satellite. There are a couple of 2 station AM synchronized operations in the Western United States. This is the first time it has been tried with 3 stations.

At the F.C.C.

NEW STATIONS (Granted):

LOUISIANA (Richwood) Russ Robinson 100.9 6 kW 328'
MINNESOTA (Sleepy Eye) Brown County B'c'g. 107.3 1.5 kW 528'
MISSOURI (Gallatin) Missouri Valley B'c'g. 101.7 15 kW 423'

AMENDMENTS TO THE FM TABLE (Amended):

ARIZONA (Sun City) 106.3 C2 for A. M.: K O N C
KENTUCKY (Hyden) 97.9 A for 92.3 A. M.: W Z Q Q
(Jackson) 106.5 A for 97.7 A M. W J S N
(London) 92.3 C2 for 92.5 A. M.: W Y G E.
NEW MEXICO (Grants) 92.7 C2 for 100.9A. M.: K Z N M
92.7 C2 as 4th. W.: 3-26/4-26
NEW YORK (Brighton) 94.1 A as 1st. W.: 3-23/4-22
(Lakewood) 106.9 B1 as 1st. W. 3-23/4-22
(Norwood) 96.1 A as 1st. W.: 3-26/4-26
PENNSYLVANIA (Clarendon) 104.3 A for 106.9 A. (Unoccupied)
WASHINGTON (Leavenworth) 96.1 A as 1st. W.: 3-26/4-26
(Yakima) 99.7 C3 for 99.3 A. M.: K Z T A

(Proposed):

DELAWARE (Bethany Beach) 95.9 B1 for A. M.: W W T R
IDAHO (Rupert) 92.5 C for A. M.: K N A Q C.P.
LOUISIANA (Blanchard) 102.1 C3 as 1st.
(Buras Triumph) 103.5 A for 94.1 A
(Galliano) 94.3 C2 for C3. M.: K B A U

REPORTED SILENT (by the M STREET JOURNAL):

OKLAHOMA (Pawhuska) K X V Q (AM) because of fire.
PENNSYLVANIA (Olyphant) W W A X (AM)
TEXAS (Cleveland) K L E V (AM)

FINE:

MISSISSIPPI (Jackson) J.C. Maxwell Group - \$7,500.00.
Broadcasting ads on non commercial station.

INVOLUNTARY TRANSFERS:

NORTH CAROLINA (Mount Airy) W S Y D (AM) to Catherine
Carruthers, Trustee in Bankruptcy, 380 Stratford Road,
Winston-Salem, NC 27103 (930115EF)
TEXAS (Denton) K D Z R (FM) to Paul W. Robinson, Receiver.
(930201HI)

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

"SPRING CLEANING" - Beginning March 11, invite listeners to be "the # caller when you hear the birdie sing."
Listeners are signed up for a special prize to be awarded on the first day of spring (Sunday afternoon, March 21).

The prize: a "Spring House Cleaning" done by a local cleaning service. You might give away a prize to everyone who "gets in to register," e.g. a broom supplied by an area association of the blind.

"STUMP THE STAFF" - Joel Swanson reports "Stump the Staff" continues to be very popular on K T R F, Thief River Falls, MN. Listeners call in with a question, any question. The station staff answers the question. If it can't (is stumped), the station awards a certificate for a free pizza.

"I JUST CAN'T WAIT GOLF TOURNAMENT" - W F R A, Franklin, PA is unearthing some plus money. It is staging a mid-March golf tournament. 76 players are paying \$20.00 to play. (Total income \$1,520.00). Prizes are being donated in exchange for publicity at the event and before and after.

About Retail Advertising

"From the retailer's point of view, advertising helps him/her bring in customers. But, advertising is also a customer service:

It reminds the customer of his/her needs;

It describes the things available to fill those needs;

It tells the customer where he/she can buy what he/she needs;

It advises him/her as to the time when he/she can purchase advantageously.

"Retailing Principles and Practices" by Richard Meyer Haines (Gregg)

About Your Competition

VIDEO RECORDERS are now in 40% of all U.S. homes. People are watching commercial-free movies or recording programs and "fast forwarding" through the commercials.

CABLE TV VIEWERS have an average of 40 "station choices" vs. 4 just 15 years ago.

Irwin Pollack's "Selling Smarter"

\$ale\$ - 10 Rules for Success

1. Believe that you have already succeeded before you even begin the task. Act, dress, and speak not for who you are now, but for who you want to be.
2. Replace negative statements with positive phrases. Tell yourself, "I am a good person." "I am a success." Practice that before going to bed and upon waking in the morning.
3. Take responsibility for your actions and your life. Never allow yourself to blame others for your lack of success. Even though an event might be caused by someone else, and is out of your control, control your own reaction to the event.
4. Think positively about all of your accomplishments, no matter how small they may appear to others. They are your building blocks of success.
5. Formulate a mission statement and keep it with you at all times.
6. Remind yourself of great success stories and the difficulties those people had in accomplishing their goals. Such examples as Helen Keller and Winston Churchill remind us that our problems and tribulations are small fish in a great sea.
7. When taking on a new project ask yourself "What is the worst thing that can happen?"
8. Allow yourself to make mistakes. It is an essential growth component.
9. Strive to be the best you can, not the best there is. You may find, however, that one leads to the other.
10. No one was born a great doctor, lawyer or salesman. We all come into the world as babies. We all become what what we are based on the choices we make. YOU CAN CHOOSE SUCCESS.

Howard Rackover
Rackover Consultants, Inc.
New York, New York in
"Personal Selling Power"

Management - Fines

A few weeks ago, I was discussing the general state of affairs of the broadcast business with another communications attorney. The conversation drifted to the outrageous fines that the Commission has been leveling recently.

As a practical matter, the way the deregulation of the 1980s was accomplished has led to far more complex requirements in the 1990s. In many instances, the Commission removed the rules but retained the policy. For example, radio stations used to be required to have their frequency checked on a periodic basis by an outside source. The station would pay a nominal fee to an outside engineer who would read the frequency and send the station a postcard indicating to the station that its frequency was in tolerance. As part of deregulation, the Commission abolished the requirement for either the periodic readings or the use of an outside source and, instead, indicated that it was up to the licensee to make check at sufficient intervals to ensure that it was operating on frequency. When is the last time you actually conducted a frequency check and entered the results in a log? Penalty for failure to stay within tolerance - \$12,500.00.

The trend is all toward enforcement. You can erase from your dictionaries such words as "market forces" and "deregulation". First, the Commission has a \$65-million budgetary shortfall. N.A.B. president Ed Fritts said recently, that there is a significant indication that the Commission is using the forfeiture process to make up the budgetary shortfall. The staff has already been advised that unless they can find more money, they will have to start furloughs. Secondly, regardless of the political parties, the bureaucracy of the Commission remains essentially unchanged. The analysts, staff attorneys, field inspectors, and staff engineers of the 1970s are now the bureau chiefs, branch chiefs, engineers in charge, and judges. It is a simple fact of life that in the next few years there will be more regulations, more government control, more inspections, and more forfeitures. Incidentally, Congress just extended the statute of limitations on F.C.C. violations from 1 year to 3 years.

There are positive steps you can take. Inspect your station(s) or have your station(s) inspected (not by the F.C.C.) for rule compliance. Order a copy of the Commission's Rules. I would bet that less than 1 out of 100 broadcast stations now operating has a current set of the Commission's Rules. Identify areas of questionable operation and correct deficiencies. Look at all facets of your operation, for instance, do you have full E.B.S. monitoring equipment at remote control locations? Are your remote units all properly licensed? Does your remote control system comply with the requirements, etc., etc., etc?

George Borsari, Jr.
Borsari and Paxon
Washington, D.C.

Running A business Better

IS HE/SHE THE "REAL THING?" A reputable media rep, working for a reputable company, will sell off the published rate card. Ethical reps will let you schedule your ads to best advantage, and if a "package" is available to you, it will be available to everyone. They will prove their statements with facts and figures. They will present you with options and explain their differences. They will be business people themselves, so they won't take up any more of your time than is necessary. They will come across as sincere and honest, and if they say they will do something, it will get done, and done on time. They may occasionally offer to take you to lunch, but they are quite likely to talk a little business while you are eating.

(Sandra Linville Dean in
"How to Advertise Your
Small Business"(Enterprise)

CHECK YOUR PRICES -Too often farm stores are high on what they should be low on and low on what they can be high on. Mix mark-ups to deliver the margin you need while maintaining an image of reasonable prices. More merchandise is sold by perception than reality.

Jack Rice in "Farm Store"

THE SUCCESSFUL RETAILER:

1. Must be strongly motivated and want to get ahead;
2. prizes independence;
3. has the ability to "read"customers - to determine and supply needs;
4. gets along well with people;
5. has a sympathetic ear and tries to understand others and their situations;
6. has a sense of fairness;
7. has the ability to adapt to change;
8. is inquisitive,,imaginative, innovative, perceptive, and decisive;
9. is able to inspire and direct employees;
10. is willing to serve the people with whom he or she deals and the community as well.

Irving Burstiner, Ph.D. in
"Run Your Own Store"
(Prentice Hall)

ONE OF THE OLDEST AND SIMPLEST 'FORMULAS' for writing an ad bears the letters which make up the title of a popular opera
A I D A - four steps to a good ad (any medium):

- A - Get the prospect's Attention.
- I - Get the prospect Interested in your product or service by promising benefits.
- D - Demonstrate the facts pointing out how the product or service will deliver the promised benefits.
- A - Ask for action, for the order, for the sale.

(Harry Spitzer and E.
Richard Schwartz in
"Inside Retail Sales
Promotion and Advertising"
(Harper and Rowe)

"Duopoly In the Making"

Jackson County, Ohio (population 30,600) has had two radio operations since the early 1950s at Jackson, population 7,000, the county seat and business center and Wellston, 6,000. Lew Davis has owned and operated W Y P C / W K O V (FM) since 1971.

Davis, thanks to the new rules, has just purchased his competitor's FM, a 3 kw, broadcasting country music, to operate in conjunction with his AM only formatted AM and his Adult Contemporary 25 kW FM. "It's not going to give us anything like a monopoly," he says, "Pointing to the fact that the competing local AM will remain on the air with a gospel format and the fact that there are stations in each of the surrounding areas. An FM C.P. is waiting to go on the air at McArthur (1920) 10 miles north of Jackson and Wellston.

The current owners (1-1/2 years) of Davis radio competition, is owner of a variety of small local businesses, including a 4-screen movie theatre. Davis owns the other Jackson theatre - a 2-screen. "It's a funny thing how this FM duopoly got underway. He approached me about buying my theatre. As it turned out, he wanted my theatre - I wanted his FM station."

Although Jackson and Wellston look very isolated, it turns out that there are 9 radio stations which put a city grade signal into W K O V (FM) city grade contour, "We only needed 7 to be eligible to do a duopoly for their FM. We would have needed 15+ to have been able to acquire his AM.

His plans are to have two sales staff. One will sell the 25 kW FM A.C. station and the adult standards AM (AM Only), as they are doing now. The second sales staff will sell the Country FM station. "The FM stations are competitors now. I don't want either one of them to be relegated to second place by the people selling them."

Davis anticipates that there will be 5 salespeople, an overall sales manager and 2 salespeople selling each of the 2 operations. In addition, there'll be 1 office manager and 5 operators, 1 operating all 3 stations 24 hours a day. Davis will make the 12th member of the staff. "There's no 'fat' here," Davis says. "It's tight, but it will work."

Davis is operating his 3-station duopoly in the town where he was born and raised - and got his start in broadcasting. "Like a lot of small town folks, I broke in part-time at the local station. Left for a degree in agriculture economics and had a succession of "good jobs" in major agri-business companies. He also spent 4 years as farm director of the state farm bureau's radio station and had his own state farm network.

Davis says, "I knew I was making a big financial sacrifice when I came home to buy my own station. It turned out to be a bigger sacrifice than I had anticipated. First, I took a 'big hit' when fire destroyed my entire operation in 1979. We were not covered by insurance at replacement cost, but at depreciated cost. By the time I worked my way out from under that loss, the station lost its tower and a great deal of equipment when it was struck by tornado strength winds in 1983. You'd never imagine making it through 2 business tragedies of that size, but you do."

"Up to now," he says, "I can't say we've made a lot of money. In addition to the living with which the station provides, most of the surplus money has gone back into the business. That's not all bad. That's what most of the other business people around here do."

About the decision to buy the competing FM station, Davis says, "Since 1953, there have been 2 radio operations in what would have been a good 1 station market. The new F.C.C. rules allow us to correct that situation."

Davis plans to offer his listeners 3 distinctive stations serving all of the major adult age cells: Adult contemporary music for young adults, country for the middle age group, and AM only for mature adults. His news service will be shared by all 3 stations. He will continue to offer a strong lineup of promotions: Easter Egg Hunts in each of the communities his stations serve, a Shop at Home promotion at Christmastime, and a summer trade promotion. Last summer, it was a "Cycle Search," a listeners search for the keys to (and ownership of) a motorcycle.

Davis sees the future of "small town radio" as companies that offer the marketplace "full service". "We have come to the point where everybody is better off with one strong company providing three stations, rather than three weak companies trying to provide three stations."

THE LAST WORD

"U.S.A. Today" reports that the National Federation of Independent Business has surveyed 2,300 small businesses nationwide. The business plans:

- 24% will raise prices (vs. 16% surveyed in October);
- 22% will increase inventories vs. 11% planning inventory reductions;
- 33% will buy new equipment - up 3% from October;
- 16% plan new hiring (up 3% from October - only 7% plan staff cuts.

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Small
Market
Radio
Newsletter
Inc.

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

VOLUME X - Issue #40 - February 25, 1993

SHAKE UP AT UNISTAR - Washington area based "Radio Business Report" says that there's a major shakeup at Unistar Networks. Nick Verbitsky is leaving the chairman's office. He'll be a consultant for 2 years. He's being replaced by Mel Karmazin, president of the Infinity Broadcasting station group, employers of Howard Stern, the Greaseman (Washington, D.C.) etc. Bill Hogan will head day-to-day operations. The report says that Infinity will be paid a management fee - plus - a results incentive of Unistar equity. The deal, they say, was arranged by the two companies' lead bank.

INDECENCY FINE - \$33,750.00 at W L U P-AM, Chicago (Scott Ginsberg's Evergreen Media owner). Incidents were on the Steve and Garry Show, 1-13-'91 at 5:30 PM and Kevin Matthews Show - 11:35 AM on 3-4-'91. F.C.C. order says, "The broadcasts described sexual activities and organs in patently offensive terms and were indecent." They aired at times when children may have been in audience."

N.A.B. AND A GROUP of broadcast owners and **trade groups** has filed a "Friend of the Court" brief at the F.C.C. asking that prohibition against advertising out of state lotteries in states without lotteries be removed. Argument: such prohibitions infringe on "commercial speech" which is protected by the Constitution."

FIRST EVER R.A.B. CERTIFIED SALES MANAGERS, who took and passed the test at recent R.A.B. Managing Sales Conference: From small markets: Dennis Bee, KBBZ, Whitefish, MT; Stan Beinstein, WEOK, Poughkeepsie, NY; Bill Cooper, KRLC, Lewiston, ID; Terry Duffie, WKMX, Enterprise, AL; Kerry Fink, WLET, Gainesville, GA; Michael Harris, WEOK, Poughkeepsie, NY; Al Homme, KATL, Miles City, MT; Rebecca Hunn, WCLG, Morgantown, WV; Steve Kaspar, KWRE, Warrenton, MO; Dan Latham, WBEX, Chillicothe, OH.

CORRECTIONS AND CLARIFICATIONS (Items on Page 1 - 2-18-'93) In West Virginia, W K K W (FM), Clarksburg was bought by West Virginia Radio Corp, John Raese, president, owner of W V A Q, Morgantown. ... Lisa Freeman, co owner with husband Rob, of K S E K says, "The station had a bad history before we bought it in March, 1992, but has been profitable since 3 months after we bought it - selling at profit to expand in FM."

1746 Rosewood Street - Seguin, Texas 78155 - (210) 379-7549 - FAX (210) 372-2905

At the F.C.C.

NEW STATIONS (Granted):

CALIFORNIA (Patterson) J.B. Broadcasting 97.1 145w 164'
GEORGIA (Brunswick) CGB, Inc. 104.1 6 kW 328'
INDIANA (Clarksville) Clarksville Radio 93.1 3 kW 328'
(Princeton) 100.5 Randolph V. Bell 100.5 3 kW 328'
TEXAS (Temple) Progressive Communications 101.7 3 kW 282.3'

AMENDMENTS TO THE FM TABLE (Amended);

LOUISIANA (Thibodaux) 106.3 C3 for A. M.: K X O R
TEXAS (Amarillo) 105.7 C3 for A. M: K A E Z

(Proposed):

MISSOURI (Kennett) Add 104.3 A as 3rd.
NEW YORK (Rosendale) 102.5 A. M. Non-commercial WFNP
OREGON (Coos Bay) Add 103.1 A.
VIRGINIA (Remington) 104.5 A as 1st.
WYOMING (Cheyenne) Add 104.9 A.

LICENSE REVOKED:

FLORIDA (Coleman) W F R K (AM) for being off the air without notifying the Commission.

REPORTED SILENT (by the M STREET JOURNAL):

ALABAMA (Daleville) W T K N (AM)
NORTH CAROLINA (Rose Hill) W E G G (AM) for repairs

SMAALL MARKET DUOPOLIES PENDING:

GEORGIA (Gainesville) WGGA (AM-14) by 5 kW AM WDUN
KENTUCKY (Richmond) W E K Y (AM) by W K X O AM/FM (Berea)

About Inspections:

Last Friday, one of our subscribers was inspected by the F.C.C. The inspector checked:

Public Inspection File (back to last renewal)
Checked operator licenses and designation of chief operator (posted on control room wall and xmtr location. On AM station, directional paramaters were checked to make sure they were correct with station authorization. Meters, alarm, and power were checked at both studio and xmtr site.
Had on duty operator take readings. Compared operator's readings with what he (inspector) had observed.
Asked whether FM power was being read by direct or indirect method.
Checked tower lighting.
Checked frequency.

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

"CHILD SAFETY REMOTE" - National Missing Children's Day is Tuesday, May 25th. Now is the time to enlist a local or area law enforcement group in joining you in a special public event that's sure to draw a good crowd and generate a lot of good will for you and the sponsors you tie-in.

During an all day remote, fingerprints and photos of children are taken to assist in finding them in the event of an abduction. Short seminars (off the air) might be included.

Do a pre-sell plus all day remote.

(Irwin Pollack's "Book of Promotions" \$99.00
508 653 4000

"MUSIC MENU" - In conjunction with your favorite local drive-through fast food restaurant, put together the (call letters/business name) Music Menu giveaway. A printed menu insert, picked up at the restaurant or stuffed in every bag of food over a 2-week period, contains a list of the special songs that will air each of the selected hours for the next month. When the listener hears the "song of the day from the ----/K K K K Music Menu", they win a prize if they are first to call.

Broadcast Programming, Inc.
"Radio Now"

FROM THE SAME SOURCE - A REMINDER not to forget your "at work listeners." Ask your 9A to 5P audience to send their business cards and listen during weekdays to hear their names and prizes. It could be lunch for 4 at a local hot spot or donuts for tomorrow's coffee break. Simplicity is the key. Winners will tell their friends.

Editor's Note: This type promotion was widespread several years ago, being run by many SMRNewsletter subscribers. It has been dropped at many station for no better reason than, "It was working. We let it drop - for no real reason."

A GOOD IDEA - New Hampshire's new governor will soon launch a monthly mid-morning talk show with "800#" on a network of radio stations covering the state. There will be 6 minutes of time for local sale on each broadcast. The governor's "press" secretary, a former broadcast newsman, Jim Ribers, is setting the series up.

\$ale\$ - Getting to First Base

If you don't get to first base with a prospective customer, the game is over before it begins. Here are 4 tips that will help you get off on the right foot with a customer:

Send friendly, non-verbal signals. A warm smile, solid eye contact, good posture, grooming, and the way you walk are all examples of non-verbal signals. Most important of all is your attitude. When greeting a prospect make sure your non-verbal signals are appropriate before you say anything. Project confidence.

Use a verbal greeting that is sincere, warm and natural. What you say and how you say it will help both you and your prospect relax. Conversation of a light nature will help break the ice with your prospect.

Demonstrate an immediate desire to help. Act more like a consultant or advisor than a person selling something. This means asking questions and listening carefully to what your prospect says. The better the communications now, the easier it will be for you to get to second base later.

Discover customer needs. Unless you discover the needs of a prospect, you can't satisfy them. The effective use of questions will allow prospects to share their problems. If you can help solve the problem, you will probably make the sale. If you can't honestly satisfy any need or solve the problem, say so. Your time and that of the prospect is valuable and your honesty will be respected.

It is important to qualify a potential customer early. A true prospect is someone who:

Has need for what you sell;

The authority to buy it;

The money to pay for it.

It is foolish for you to run around the bases only to be put out at home because you didn't qualify the prospect in the first place.

"Sales Training Basics"
by Elwood N. Chapman
(Crisp Publications)

About Retailing - Stew Leonard's "Excellent Way"

Stew Leonard's supermarket in Norwalk, Connecticut, has been mentioned in dozens of business books, including "In Search of Excellence." It is by all accounts the highest grossing food store per square foot in the U. S. It generates \$3,030.00 for each of its 33,000 square feet (vs. national average of about \$200.00 per square foot per year.)

Peter Glen in his book, "It's Not My Department" (Berkley) gives an interesting description of the Leonard operation. When we read it, we decided our readers, most of whom call on supermarkets and all of whom patronize them, will find these facts about the Leonard store interesting:

- There is a 6,000-pound rock that you have to walk around to get into the store. These words are chiseled on the rock:

"Rule #1 - The customer is always right.

Rule #2 - If the customer is ever found wrong,
Reread Rule #1."

- The store is designed with only one continuous aisle, which takes you from the entrance to the cashiers. You can go forward and backward in this aisle. You are comfortably guided past every item in the store.

- There are 800 items in the store. Most supermarkets stock 25,000 items. That's 31 times the number carried at Leonard's. Glen says those awesome numbers at other stores "confuse the customer and (the store) loses sales because of it."

- The shopping carts at Leonard's are "very, very large."

- Two robot cows that moo at you from a bridge above your head.

- an immense sign across the entrance to the bakery that says, "WELCOME! WE'RE GLAD YOU CAME!"

- a photographer roams the store with a Polaroid Camera, looking for babies. When he sees one, he gets permission from the baby's mother, snaps a picture, and hands the picture to the mother.

- A suggestion box for both customer and staff. It is emptied every morning. Every suggestion is answered by eleven A.M. Sometimes those answers are hand-delivered to customers with a dozen cookies fresh from Stew Leonard's bakery department. About 50 suggestions a day come from employees (vs. a national average among firms with suggestions boxes of .14 per person per year.)

- checks "bounced" by customers are posted on a display board under a sign which says, "WE LEARNED THE HARD WAY."

- ADVERTISING is not about groceries, but, "MERRY CHRISTMAS TO ALL OUR CUSTOMERS, "CONGRATULATIONS TO NORWALK HIGH SCHOOL GRADUATES."

Looking for Generation "X"

A couple of "heavy weight" department store consultants advised a packed Sunday morning audience at R.A.B.'s. sales conference in Dallas (2-4/6-'93) If you want more department store business: learn to build relationships with "core" customers via database marketing and immediately develop a relationship marketing strategy to target "Generation X." What is "Generation X?" It is the sons and daughters of the "Boomers" - born between 1961 and 1981 - currently 12 to 32 years old.

This group, 46 million nationwide, is the second largest population group. They are known for their lack of brand loyalty. Paul LeBlang, Ph.D. has credentials that include being former vice president-marketing, Saks 5th Avenue. Fred Newell's credentials include several years as C.E.O. of the Rhodes department store chain in the Southwest.

Their message was "mass marketing" is over for the department store, a line of business built on the premise of having "something for everybody." The end of mass marketing has come about by their finding out that the most loyal 10% of their customers account for 43% of volume. Conversely, up to 40% of their customer base can be responsible for as little as 7% of their business.

Marketing vs. Selling - The Difference

The current "buzz" is that in the current and likely future environment, there will be little success for salespeople. Only marketers will survive and flourish.

At the recent R.A.B. "Managing Sales Conference," George Hyde and Mike Mahone, the station's traveling training team, identified the two:

Selling = "What we have to sell" - Most often it is decided on price. The price is based on supply and demand.

Marketing = understanding the customer's business. Recommending what you have available to help solve a problem and realize an opportunity.

Selling is based on "My Stuff." Marketing is based on "your problem or opportunity."

A marketer never supplies a solution until he/she hears the question.

How customers plan their ad (marketing efforts TODAY);

1. Identify target prospects.
2. Build top of mind awareness among them.
3. Sell something today.

"The Best Kind of Training"

Jerry Isenhart traveled the width and breadth of the U.S. as an installer-troubleshooter for I.G.M. in the late 1960s. "The industry was going through a major change back then. The idea that any station could offer a professional sounding station, operated by skeleton staff was foreign to most radio operators."

"There were only a few companies in the business. We might still be simulcasting our AM programming 100% on our FMs, if automation hadn't come along."

Although he was only 25 when he got the chance to buy K O Z I, a Class IV AM in Chelan, Washington, his years of travelling for I.G.M. provided a great background. "I had seen the best and the very worst radio stations in the country. When I went to Chelan, I knew what to do. More important, I knew what not to do."

"I don't care how well you do, there are days that get you down. I have kept handy the summary of my first month here - over 20 years ago. Whenever I get feeling bad, I get out those figures: A full month's billing equaled \$3,300.00. The average rate was \$1.10. Safeway was the best customer on the station. Their rate in the early '70s was 67.5-cents per ad." Currently, he says, the average rate is \$10.00 and billing runs about \$500,000.00 a year.

Jerry says, he's been careful about expanding. "We've always had a small, but very good, well paid staff. We haven't pushed the margins to the limit. What we do is run a first rate operation. We added FM here in 1981. We bought K U L E, Ephrata - 60 miles from here still later. I think too many people in this business start on their second operation before they've fully developed their first station."

Jerry speaks with a lot of pride about the 3,500 square foot facility that houses K O Z I AM/FM. "You won't find anything any nicer in any small town in America," he says. "No, the building is not a necessity. But, for us, having good surroundings in which to do good work is a must."

Jerry's station is only 35 miles from his hometown. After spending most of his career there, does he have any regrets? "I wouldn't say I regret it, but, I don't know whether serving as mayor was a good - or bad decision."

He goes on to say that he served as Chelan's mayor from 1985 to 1988. Personal problems prompted his resignation a year before his terms would have been completed.

"I had been on the city commission for several years, when I decided to run for mayor. I stepped right into the center of the #1 controversy in modern times here. The federal government's E.P.A. (Environmental Protection Agency) had shut down all buildings in this area. It was a 'no growth' policy - about half the people were for it, the other half against it. I came out for growth and we were successful in overturning the 'no building edict.' I know that I'll be proven right over time, but, there are a lot of people against what I did."

Isenhardt insists that his term as mayor was not detrimental to the radio station. "I gathered everybody together before I announced. I told them not to extend me any favors when it came to the campaign, or, after I got into office. That part worked out all-right."

"About serving as mayor or in a similar position," he says, "I think that the responsibility of running a radio station is such that it's hard to devote the time to a political office that it deserves. Either the station or the office will suffer. No, I can't recommend it. But," he continues, "that's not going to keep somebody who really wants to do it out of it. Be ready to do what you think is right. Expect it to cause you some pain initially. But, the pain will pass."

THE LAST WORD

It is interesting that both the late Edward R. Murrow and the very current Charles Osgood became very famous and very well known through their time on TV, but both favored radio for the satisfaction it gave them as broadcast journalists. Murrow often told friends, "I'm really sorry that TV came along. I believe that radio is by far the best medium of communication."

Charles Osgood has limited his TV assignments to remain a major "player" on C.B.S. Radio. He was this year's R.A.B. keynoter in Dallas. Where he said; "No other medium can match the warmth, the presence, and the imagination potential of radio and its relationship to its listeners. Be proud of RADIO and fulfill your potential as Radio broadcasters. Don't sell it cheap and keep your standards high in choosing what you'll sell on your station."

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Small
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IN OUR
10th
YEAR



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Barbara J. Doll - Circulation

VOLUME X - Issue #41 - March 4, 1993

NETWORK RADIO SPOT GLUT is a real possibility with the announcement that Jones Satellite Network will start selling network ads on its 5 current formats and 2 new ones: a young country format and all-sports. Jones ads sales are expected to start late '93. In '94, City FM (an A.C. format) and Super Country expect to start selling ads. The new players are coming into the market in spite of what is reported to be a "bank ordered takeover" of Unistar operations by Infinity Broadcasting and Westwood One's report of a 1992 loss of \$24-million.

EXPECT MORE F.C.C. FIELD INSPECTIONS - Commission expects to hire more inspectors in the words of an F.C.C. source, "To increase station compliance - not raise funds via fines."

MIDWEST GROUP OPERATORS David Shepherd, based in Moberly, Missouri and Dean Sorenson, Sorenson Stations in the Upper Midwest, have been selected by N.A.B. to share sales and management techniques with Czeck broadcasters in a 2-week visit there this summer.

YOU CANNOT IDENTIFY YOUR STATION AS "HOME TOWN RADIO" - That's a registered service mark issued by the U.S. Patent and Trademark Office to Orr and Earls Broadcasting, Inc., Branson, Missouri, operators of stations in Branson and in Pigeon Forge/Gatlinburg, Tennessee. ... Rod Orr, O. and E's. president ordered Dick Billings to quit using the slogan at his station, K W R T, Boonville, Missouri. Orr submitted a document showing his firm had service marked the phrase in 1988. Billings was surprised, as was your editor, who used the phrase on W M S T, Mount Sterling, Kentucky in the early 1960s. We "stole it somewhere," so we're sure it was in use earlier than that.

SMALL MARKET GROUP OPERATOR CAUCUS, founded in the mid-'80s by Jerrel Shepherd met recently. Principal concerns: Duopoly opportunities and possibilities in direct from satellite broadcasting. Consensus: business is coming back.

RADIO ON "U.S.A. TODAY" FRONT PAGE - It's Radio Data System, coming to market this month. Radios display alphanumeric messages from stations on front panel. Adds \$10.00 to \$50.00 to set cost. Installation at station: \$2,400.00

At the F..C.

NEW STATIONS (Granted):

CALIFORNIA (Joshua Tree) Desert Willow B'c'g. 92.1 6 kW 328'
GEORGIA (Unadilla) Dallas Tarkenton 99.9 6kw 328'
PENNSYLVANIA (Clarendon) Cary and Betty Simpson 106.9 4.7 kW 371'
WEST VIRGINIA (Ravenswood) Osborne Enterprises 93.1 3.3 kW 446'
WISCONSIN (Seymour) Brooker B'c'g. 104.3 2.55 kW 356'

AMENDMENTS TO THE FM TABLE (Requests):

FLORIDA (Marco) 98.9 A for 92.7 A
91.7 (Non Comm.)
(Punta Gorda) 92.9 C1 for C2 - community/license
to Charlotte Harbor (Reqs. - Intermart
B'c'g. and Naples B'c's'g.)
ILLINOIS (Fairbury) 107.7 A as 1st. Req.: McLean Co. B'c'g.
MISSISSIPPI (Durant) 93.7 A. Req.: Radio Cleveland, Inc.

FINES (Relating to Towers - Part 17 and Broadcast - Part 73)

MISSOURI (Excelsior Springs) K E X S - \$375.00
TEXAS (Brownsville) K B O R (AM)/K T J N (FM) \$20,000.00
(Houston) K C O H (AM) \$5,650.00

REPORTED SILENT (by the M STREET JOURNAL):

NEBRASKA (Lincoln) K F M Q (AM) for repairs; NORTH CAROLINA
(Raeford) W H I L; TENNESSEE (Trenton) W T N E (AM);
VERMONT (Rutland) W H W B (AM)/W Y O Y (FM)

INVOLUNTARY TRANSFERS:

ARIZONA (Oracle) K L Q B (FM) to Golden State B'c'g. Corp.,
Debtor in Possession, Box 35367, Tucson, AZ 85740 (930216 EB)
(South Tucson) K M R R (AM) to Golden State B'c'g.
Corp., (See above) (930216EA)

FILING REQUIREMENT - ANNUAL MISCONDUCT SURVEY:

Broadcasters should conduct annual surveys of all employees to ensure they meet F.C.C. conduct standards. The results should be filed on the anniversary of the station's renewal date.

To demonstrate a good faith effort, the following questions should be asked of all employees: "Since last reporting to management, has an adverse finding been made or final action been taken by any court or administrative body in a civil or criminal proceeding relating to any of the following:

1.) Any felony; 2.) broadcast related antitrust or unfair competition; 3.) criminal violations involving false statements or dishonesty; 4.) misrepresentation to any other governmental unit resulting in civil or criminal violations or discrimination?"

Pepper and Corazzini,
Communications Attorneys
in Kentucky Broadcasters Assn..
-2 - Member Letter

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

"SMALL MARKET SEMINAR WINNER" - Attendees at SMRNewsletter's annual February Seminar (in Cincinnati this year) chose a promotion presented by Rex Osborne, W M O V, Ravenswood, West Virginia.

Osborne stressed the idea that promotions in very small stations like his have to be kept easy and simple. 10 days before each of 10 holidays, Rex takes a portable tape machine to the 3rd grade class of a nearby school. Each youngster in the class is asked to tell the radio audience "What Valentine's Day means to me." They are played back on the air with an ad before and after each.

The same kind of schedule is carried:

Easter	Mother's Day	Father's Day
4th/July (+)	Halloween	Thanksgiving
Christmas		

Osborne says each holiday promotion brings in \$600.00 - \$6,000.00 a year. He says, each taping takes about an hour.

"REAL ESTATE SHOWCASE" is a schedule of ads running Friday evening at 7 to Sunday afternoon at 3 on W D L C/W T S X Port Jervis, New York. Each ad features a house being offered by a local real estate agency.

Packages run from \$128.00 (21 ads) to \$186.00 (31 ads) to \$254.00 (43 ads). Buyer chooses a schedule on either AM or FM. Second station can be scheduled at a 10% discount. Bob Wein says he'll share information at (914) 856 4757.

"NOT AN AUCTION" - Blair Trask, has come up with a unique, bonus money source. "Dial A Deal" is broadcast weekday mornings from 8:05 to 8:30. A W Z Z B salesperson trades merchandise for ads (retail for open rate). The merchandise is offered to listeners at a discount of 20% to 50% straight out. If it doesn't sell at the asking price, it's brought back at a later date, or sold on the station's 2 hour Saturday morning auction.

Charlie Jenkins, the Seymour, Indiana AM station's president says "Dial A deal" and the Saturday "Auction" are running very successfully. "I think they're helping each other and they sure prove that a lot of people still listen to AM radio."

April Opportunities

April Fool's Day, Thursday, April 1; Daylight Saving Time begins Sunday, April 4; Easter Sunday, April 11; Earth Day, Thursday, April 22; Secretary Week, April 18/24.

\$ale\$ - What Customers Really Buy

Current wisdom has it that prospects are looking for vendors with marketing skills - not "old time" sales skills. We agree. We believe in the current business environment the successful stance of a station representative is that of marketer. The real skill is, asking good questions, listening carefully to the answers, then making sensible suggestions aimed at helping the customer get what he/she wants. This works if you understand what people really buy. We suggest that any salesperson who wants to become a marketer buy Jay Conrad Levinson's book, "Guerrilla Marketing Excellence," available in paperback (publisher: Houghton-Mifflin).

A sample of the solid material in Levinson's book: "To increase your enlightenment of what makes marketing work, you must know first and forever what customers really buy."

Levinson's List

They buy benefits not features. That's obvious.
They buy promises you make. So, make them with care.
They buy the promises they want personally fulfilled.
They buy your credibility, or don't buy if you lack it.
They buy solutions to their problems.
They buy you, your employees (or co-workers), your service department.
They buy wealth, success, security, love, acceptance.
They buy your reputation and good name.
They buy other people's opinions of your business.
They buy expectations based upon your marketing.
They buy believable claims, not simply honest claims.
They buy hope for their own and their business's future.
They buy brand names over strange ones.
They buy the consistency they've seen you exhibit.
They buy the stature of the media in which you market.
They buy value - which is not the same as price.
They buy selection- and often the best of your selection.
They buy freedom from risk - (granted by your warranty).
They buy acceptance by others of your (goods) and services.
They buy certainty. Nobody reserved flights at Kittyhawk.
They buy convenience in buying, paying, and lots more.
They buy respect for their own ideas and personality.
They buy identity, as conveyed by your marketing.
They buy clarity. If they don't understand they don't buy.
They buy style - the kind that fits their own style.
They buy neatness and assume that's how you do business.
They buy honesty. One dishonest word means no sale.
They buy comfort - offerings that fit their comfort zone.
They buy success - your success that can lead to theirs.
They buy good taste - and know it from bad taste.

We believe the list above is invaluable in marketing (selling) what you have and helping your customers sell what they have.

About Ratings

Looking good in Arbitron's County-by-County Reports or getting mentioned in "the book" of the market in which you are near, is not paramount to most small market station's success. However, making a good showing is better than making a bad showing or no showing at all.

Arbitron will survey the entire nation beginning in April and winding up in mid-June. This spring surveying will make up much of what is said about your station in next year's (1994) Arbitron County-by-County Reports. It also will be available through A.I.D. runs (Arbitron Information on Demand.) A.I.Ds. runs are often used by agencies in the decision making process of placing ad monies in non-metropolitan markets.

We strongly urge you to return the facilities form(s) mailed to you by Arbitron. Make sure they are accurately and completely filled out and returned by the deadline on the form.

Don't make the mistake of believing that "everybody knows who we are." Make sure your call letters (W W W W) and dial position (AM- 930) are given clearly and correctly at the beginning and end of each "stop set." Make sure positioning statements are meaningful to the audience. What's in this for the listener? Slogans and station nicknames should be used with care. Over 75% of diary keepers report listening to stations by their call letters.

Jay Albright, senior consultant with Seattle based B.P.I. recommends that promotions and contests be kept simple, interesting, and fun to players and non-players. (No more than 3% of the audience will ever play a radio game or enter a radio contest). Jay also says, do not run more than 1 major contest and at most 2 minor contests at 1-time.

Are the people who do shows, news, sports and production disciplined - following the station policy? It takes teamwork to build a great small market station. As in other endeavors, the station is no stronger than "its weakest link."

Many householders and businesses are doing spring housecleaning at this time. How about doing that with your programming? Use the "Zero-based" approach. Examine everything on your schedule. Is it on the air "because it's always been there," or conversely, have things that got good response been dropped just because somebody stopped doing them? Is it a good time to revive them?

Finally, are you satisfied with the technical quality of your station? Is it competitive with other stations that intrude into your marketplace?

You May Want to Check

FAX PRESS is a fresh source of revenue, its creator, Rick Murphy says. FAX PRESS delivers a morning summary of local business and other news to stores, professional, government offices via fax.

Rick says it's a "profit center" as well as radio station promotion piece. There's room for 2 to 4 display business-to-business ads that should gross \$1,500.00 or more per month against a \$400.00 start up cost and a monthly cost of \$500.00. "We have a system here that will help a station do this with a minimum time investment," Rick says. Information 602 855 1051.

NOT FOR EVERYBODY, BUT, there is a sign making/selling franchise called SIGN PRO that stations are getting into. Start up cost is as little as \$40,000.00. Rod Harsell. says he and his associates developed the sign business to "go along with our radio station business (K L C Y/ K Y S S, Missoula, Montana). We've found radio and signs to be very synergistic." He can be reached in Missoula, Montana at 406 728 9300.

"TIME CAPSULE" is a syndicated feature which captures the voices and sounds that made history on the date it is aired. There's an optional contest tie-in. It fits with A.C., Oldies, Country, Information stations. It's a cash deal (not barter), but, the price makes sense in most small markets. Information: Dick Teimer, 800 822 7785 (Time Capsule, Inc.)

IN EARLY STAGES - A longtime SMRNewsletter subscriber, Jim Henderson and a group of California investors are doing a feasibility study looking toward forming a full-time satellite delivered adult contemporary station format. Stations would pay no affiliation fees and would actually get compensated for carrying network commercials - "a minimum of \$10,000.00 per year."

Henderson says, he and his associates are looking for expressions of interest from stations in all size markets. The following should be sent to:

James Henderson
85 Creekside Drive
Half Moon Bay, CA 94019

Deadline for responding:
March 31, 1993

Yes, I would like to be part of a feasibility study for a new nationwide satellite delivered network. I understand that such participation does not obligate me.

Name _____

Station _____

Address _____

Phone _____

RATES

Now that the country is coming out of the long period of recession, many radio station operators will wrestle with the task of raising rates. We have heard little about rate increases in small markets for at least 3 years. Obviously, the cost of doing business has risen during that time e.g. the rise in the minimum wage to \$4.25 per hour.

In setting your rate, the first thing to take into consideration is that the average radio station carries 50,000 paid units per year (spots and paid programs). (I wish I had learned that a lot earlier in my broadcast career).

During the past 10 years, we have checked this with dozens of stations all over the country, in a variety of markets, and with all kinds of rate cards. Strange as it may seem, you don't bill more by selling more - you bill more by selling at a higher per unit average.

If your station is a full-time station, broadcasting a typical 18 hours a day, you have a total inventory of 1,512 units per week (12 per hour). If you are 63% sold out - 7 days a week, 18 hours a day, you will broadcast 50,000 paid units per year.

If you want to do \$500,000.00 a year, you have to average \$10.00 a unit. If you're satisfied with half that (\$250,000.00 a year,) you'll have to average \$5.00. To do a million-\$, you'll have to average \$20.00.

The importance of protecting the average unit rate is best illustrated by a consulting job I did a couple of years ago. The station owner called me to look at his operation. The problem: the gross and the cash flow had deteriorated over a 3-year period.

What we found: The station was doing a large percentage of its business on multiple sign up location promotions. To make the promotions "more attractive," the cost of prizes was going up by a small percentage (probably 10% a year) and the number of ads in the packages was being increased by about 10%

Our suggestion: Back away from the "promotion of the month club." Instead sell pure advertising MOST OF THE TIME. The idea was to change the salespeople's stance from being sellers of promotions to being genuine resources for their customers.

Secondly, the bookkeeper's daily routine included counting the number of paid units and dividing them into the gross of both the AM and the FM stations. Every day management knows exactly how the stations are doing as far as meeting

the annual budget. We suggest breaking the budget down into small pieces: 1 week = 1,000 units (a little margin for safety) = 143 units a day at an average of \$-.-.

Over the years, we have found that stations are much too concerned about rate increases. The customers are subject to them every day e.g. professional fees, freight charges, insurance, etc., etc., etc. Most of the station problems come from stressing price per unit rather than dollars necessary to purchase a plan. What one unit (spot) costs is of no real importance to the customer unless the radio salesperson makes it an issue.

From our experience, customers are not advertising people, let alone radio people. Saying, "You're going to get 50 'spots'" doesn't mean as much as saying, "You'll be on every hour and a half from Wednesday morning to 3 PM Saturday." That's 45 ads vs. 50. I'll bet you'll get more for the 45 than you would the 50. When you offer a unit every hour and a half, you're presenting something he/she can VISUALIZE.

Radio station operators probably make a mistake by raising rates "10% across-the-board." The better way, several of our subscribers say, is to see what's selling best. If 15-second ads are selling best, raise them perhaps 15%. If 30-second units are not as much in demand, raise them 7.5%. You may have so little demand for 60-second units, that a 5% increase might be appropriate.

Some of our subscribers tell us also that they've learned not to make a rate increase a significant event. Typically, 30 days in advance they notify customers that "W W W W is changing its rates effective (DATE). Your new rate will be \$-.-. Enclosed is a copy of our new rate schedule. If you have any questions please call me (MANAGER) or talk to your sales representative (NAME)." These station managements point out quite correctly that the utility company or the Xerox supplier doesn't send somebody by to apologize for raising prices.

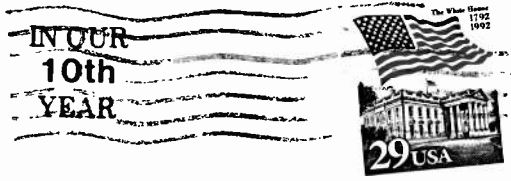
The real value of a radio station is the real rate it gets for its time because that's what produces the gross one unit at a time which produces the cash flow.

THE LAST WORD

At our recent seminar in Cincinnati, one young manager asked, "How do we fight the dollar-a-holler spots being peddled in our town by out of town stations? We included much of the above in our answer - plus - the real fact the rate you can get for your station is tied to the stations perceived value. Number one element: Your salespeople's ability to make themselves A RESOURCE to the customer.

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: 1746 ROSEWOOD STREET, SEGUIN, TEXAS 78155 - PHONE: 210 379 7549 - FAX: 210 372 2905

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

VOLUME X - Issue #42 - March 11, 1993

1746 Rosewood Street - Seguin, Texas 78155 - (210) 379-7549 - FAX (210) 372-2905

THE MARKETPLACE - RETAIL BUSINESS up in February: J.C. Penney +4.7%, Sears +2.2%, K-Mart +1.1%. Retailers say things would have been better had it not been for very bad weather in most parts of the country. Surprise! For the first time in a long time, maybe forever, Wal-Mart same store sales were unchanged from the year before, according to "U.S.A. Today" 3-5-'93. Retailers generally are expecting a very good spring. ... National Home Builders Association met in Las Vegas last month. Survey: 53% predicted good to excellent economic outlook for 1993 - up from last year's 29%, Wall Street Journal says.

RADIO BUSINESS - R.A.B. says local business in the markets it surveys was up 7% in January - national was down -3%. Combination of both +5%. Local business best in the Southwest - up +18% - worst in Southeast up +3%. National best in Southwest +16%, worst in Southeast -11%.

RADIO BROADCAST DATA SYSTEM (R.B.D.S.) will be explored in a panel at N.A.B. (Las Vegas (4-18/22) The system allows a station to broadcast an alphanumeric signal along with its audio.

16 of 44 CRYSTAL AWARD FINALISTS for 1993 are small market stations. 10 of 44 will be chosen as this years winners. The small market finalists:

- | | |
|------------------------------|----------------------------|
| K G U M-AM, Agana, Guam | K O J M AM Havre, MT |
| K N N N FM Central Valley CA | W D S N FM DuBois, PA |
| W T C M FM Traverse City, MI | WXXL FM Altamonte Spr. FL |
| W S M C FM Collegedale, TN | K W O A AM Worthington, MN |
| K Z Z Y FM Devils Lake, ND | W E S B AM, Bradford, Pa |
| W G R E FM Greencastle, IN | W J L S FM Beckley WV |
| W L N G AM/FM Sag Harbor, NY | W T C H AM Shawano, WI |
| W T T R AM Westminister, MD | W V O D FM Manteo, NC |

HISTORY REPEATED! K T U I, Sullivan, MO last week broadcast 2 ballgames simultaneously - 1 on its right stereo channel, the other on the left. Good response, Sam Scott says. Idea first done on K S H N, Libery TX (SMRN 12-3-'92)

NEW MONTHLY PUBLICATION - 8 pages on engineering for non-engineers. Editor: George Whitaker. \$30.00 a year. Call 800 572 8394. Tell him I told you to ask for sample.

At the F.C.C.

AMENDMENTS TO THE FM TABLE (Amended):

MONTANA (Columbia Falls) 95.9 C2 for A. M.: C.P.
TEXAS (Brenham) 94.1 C3 for A. M.: K U L F
(Cameron) 94.3 A for 101.3 A. M.: K J K S C.P.
(Centerville) 105.9 A for 103.1 A.
(Ganado) 104.5 C3 as 1st. W.: 4-16/5-16
(Hearne) 101.3 A for 94.3 A. M.: K H R N
(Point Comfort) 94.1 C2. W.: 4-16/5-16
(Seadrift) 105.1 A. W.: 4-16/5-16

(Proposed):

CALIFORNIA (Oakhurst) 103.1 A for 107.1 A M.: K A A T
COLORADO (Glenwood Springs) 106.5 A as 2nd.
MINNESOTA (Tracy) 105.1 C3 for A. M.: K A R L C.P.

INVOLUNTARY TRANSFER:

TEXAS (Hutto) K R G T (FM) to John Kyser, Receiver, 101 East
9th St., Suite 900, Austin, TX 78702 (930203GN)

FINES:

PENNSYLVANIA (Mechanicsburg) W T P A (FM) \$5,000.00 -
Failing to conduct contest as described.

Also at the Commission

THE F.C.C. HAS RECEIVED COMMENTS from the National
Association of Broadcasters asking it to delete any station
off the air for 6 months. This, N.A.B. tells the F.C.C.
would cut FM band clutter.

INTEGRATION CRITERIA STAND at the F.C.C., pending the
outcome, turning down an appeal in behalf of Susan Bechtel,
wife of Washington communication attorney Gene Bechtel.
Mrs. Bechtel was 1 of 4 applicants for an FM station at
Selbyville, Delaware. The winner was chosen primarily
because it had said that it proposed integration into local
management of its principal, a minority who would take up
local residence. Bechtel argued that good management could
be hired and that in many cases stations are sold in a short
time to new owners who do not integrate themselves into the
station day-to-day operation. In turning down the Bechtel
argument, the Commission continues to hold that
owner-operators are preferable to non owner-operators as
licensees.

INDECENT PROGRAMMING O.K. 8 P.M. to 6 A.M., pending further
argument in Court - probably this fall.

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

"FARM FIELD DAYS" - Each year in June, W R C R, Rushville, Indiana and their local County Agent's Office stage this one day event. The event takes place on a farm where modern farming techniques are in use.

About 250 farmers attend the event. Lunch is served. W R C R broadcasts from the farm throughout the day. Farmers and farm experts are interviewed along with agri-business people who sponsor the broadcast.

"FANTASY FOURSOME" - It's running on a big station in a big town - but, it should work just as well on a small market station.

On each of its 2 afternoon drive-time sports shows, 2 members of the foursome are named e.g. "Jack Nicklaus and Gary Player." The other 2 are given on the other sports show. On the following morning, on the morning drive-time sports show, the sportscaster asks the listeners to, "name yesterday's Fantasy Foursome. If you have them correctly and are the # caller, you'll win -----." How about 18 holes of golf at an area golf course?

"NEW FROM R.M.H. SALES - DICK HUBBELL (The "Wild Card" originator) - "Your State Date" is a series of 102 different scripts featuring an intriguing, little known fact about 1 of the 50 states. The tie-in with the vacation by car group - or - people who just dream of "hitting the road" is obvious.

The complete script set - and - 1-year rights to use the trade-marked "State Date" title is \$79.00. Individual scripts may be used as often as station wishes for 1 full year. Full information can be had by writing:

Dick Hubbell
RMH Sales
Box 44
St. Charles; IL 60174

About Your Customers' Customers

They want the store to tell them who and what the store is.

Now that so many women are in the workforce, they no longer choose shopping as a leisure activity.

Members of the next generation - the 16-29 year old "baby busters" feel they are often treated as second class citizens by retailers. They shop more often and enjoy shopping more than the average consumer does.

(R.A.B. Radio Sales Today)

\$ale\$ - Timeless Sales Advice

1. Force yourself to act enthusiastic, and you'll become enthusiastic. "Make a high and holy resolve that you double the amount of enthusiasm that you have been putting into your work and into your life. If you carry out that resolve, you will probably double your income, and double your happiness.

How can you begin? There is just one rule: To become enthusiastic, act enthusiastic.

2. Remember the one sentence uttered by Walter LeMar Talbot. "After all, this business of selling narrows down to one thing, just one thing, seeing the people. Show me any man of ordinary ability who will go out and earnestly tell his story to 4 or 5 people every day, and I will show you a man who just can't help making good!"
3. If you want to overcome fear and develop courage and self confidence rapidly, join a good course in public speaking where you make a talk at every meeting. When you lose your fear of public speaking to an audience, you lose your fear of talking to individuals, no matter how big or important they are.
4. One of the greatest satisfactions in life comes from getting things done and knowing you have done them to the best of your ability. If you are having trouble getting yourself organized, if you want to increase your ability to think, and do things in the order of their importance, remember, there is only one way. Take more time to think and do things in the order of their importance. Set aside one day as self organization day, or a definite period each week. The whole secret of freedom from anxiety over not having time lies not in working more hours, but in the proper planning of hours.

Frank Bettger in
"How I Raised Myself from
Failure to Success in
Selling"
(Prentice Hall)

\$ale\$ - Are You Guilty?

Most sales representatives call regularly on only 60% of the prospects on their "lists," according to Cahners Advertising Research, Boston. Just 16% of the reps surveyed called on their entire list. RESULT: ADVERTISING SALESPEOPLE UNWITTINGLY CUT THEIR EARNING POTENTIAL BY 40% OR MORE.

Irwin Pollack's "Selling
Smarter/RADIO"

EASTER GREETINGS

Happy Easter from your friends at _____ This is a very special time that gives them a special opportunity to let you know how much they value your friendship and patronage. Thank You and Happy Easter from _____.

If you're traveling this holiday weekend, _____ reminds you that you're sharing the road with many other Easter travelers. Many are not familiar with this area or our roads. _____ says, watch out for those other drivers. Be alert. Drive with extra care and have a happy Easter.

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

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

_____ reminds you that there are special services this weekend at churches in this area. They believe church attendance gives the Easter holiday special meaning. Best wishes for the Easter holiday to you and your loved ones from _____.

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

Fads come and fads go, but the old values endure. _____ hopes that you and your family are enjoying an old fashioned Easter holiday with family and good friends. _____ extends best wishes for a happy Easter.

Churches in this area will be having special Easter services. _____ hopes you'll join them in observing the true meaning of the Easter season by attending church. Best wishes for a joyous, blessed Easter season from _____.

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

If your Easter weekend plans include a trip, _____ hopes you'll make it a safe trip. They remind you to start early and drive carefully. _____ wishes you and your loved ones a safe, happy Easter.

"Broadcasters and the Banks" , , , , ,

One of the attendees at our recent Small Market Radio Seminar (Cincinnati 2-19 and 20) was Ed Roehling, a station broker dealing primarily in small and medium market properties - primarily in Indiana. He made a revealing presentation which included some current information on radio broadcasting and banks.

"In looking for money to fund a broadcast property," he advises, "look to local or home town banks. These banks, while many times are affiliates or branches of major banks, often have authority to make radio station loans." (For acquisition and station improvements.)

Roehling says, that while there are "different strokes for different folks," he finds the following pretty standard from bank-to-bank:

1. Bank wants to know who you are - who they are lending to today. They want experience and a "good track record." Will the key players be willing to sign personally?
2. They are vitally interested in how the loan will be repaid.
3. You will be asked how the bank can exit from the loan if it goes bad?
4. You will be asked for a plan to keep sales up and expenses down. Can you find other sources of income if there's a drop in current revenues. Can expenses be cut if sales slip?
5. They will understand that 2 stations will be easier to sell than one. They will be more interested in doubled up situations (Duopolies or L.M.As.)
6. The bank will look at how a station is doing now and will be interested in the availability of a more lucrative format.
7. Is the station or the stations involved full fledged players? Does the signal (or signals) cover the marketplace?
8. The bank will want to see balance sheets of the properties involved and the principals.
9. A serious consideration: Is the timing right?
10. Bank currently lends to 4-times cash flow. Borrowing more will require the pledge of additional property and/or the personal guarantees of people with strong personal balance sheets.

Mr. Roehling can be reached at 317 788-3319

"Good and Bad"

Norman Champion calls Durango, Colorado the 8th best small town in the U.S. in his book "The 100 Best Small Towns in America." Harold Green, owner-operator of K I Q X, a 100,000 watt FM station there says, "I quite agree. Like most folks here, I think we should have been #1." (Elko, Nevada was). Green hastens to add, "Durango is surely among the toughest, most competitive advertising small markets in the country."

The city of 12,430 is home to an AM/FM combination (half owned by former president Gerald Ford), a "stand alone AM, and Green's FM. Several translators bring "city grade" signals in from stations in area towns in Arizona, New Mexico, and Utah, "The Four Corners Area."

In addition to the radio station activity, there is a daily newspaper, 2 shoppers, 2 "Yellow Pages," a full-power VHF television station (satellite), and a cable system selling ads. "That's a lot of media in a county of 33-thousand and \$260-million retail sales. I figure, the local merchants are being called on by 40 advertising salespeople regularly."

Green brings to the station, which he bought in 1986, 49 years experience. He got his First Class engineering license at 15 years of age, working after school and weekends at a radio station in Asheville, North Carolina. His career included top management posts with A.B.C.-Capital Cities, N.B.C., and Field. He bought the Durango property "to enjoy the good life." He bought when multiples were high and just before the "energy bust" hit the Durango area.

"I was 60 when I came here, and wouldn't have come, if I'd known what was ahead. But. that would have been unfortunate. This has been one of the most challenging situations in my life. We'll be profitable this year. There's a lot of satisfaction in that."

The latest entry into the Durango media assortment is 30 channels of digital music programming, supplied by the local T.C.I cable system. Subscribers pay \$9.00 per month to add the audio service to their cable service. "It is showing up in many stores which formerly played the radio. The retailers like it because there are no commercials on it and the ASCAP and BMI fees are included in the fee the store/office pays the cable system."

Green, who has seen change after change in the radio business, sees this as signaling another one: "I think it's the end of the radio jukebox doing nothing but 'riding' the satellite or automation system." Green worked 2 years to secure exclusive rights to the new Denver major league baseball team. "I think the baseball will make up for the listeners we're bound to lose in those stores listening to the cable music channels," he says.

Another Green innovation: A Local Marketing agreement with 1 of the town's 2 shoppers. "We call it the Marvelous Media Mix. Typically, a customer might buy 24 inches in the shopper in combination with 24 radio ads for \$375.00. There are probably some radio people who would frown on such an arrangement. What's important to us is, the customer likes it - because it works."

The K I Q X sales effort is carried on by 2 salespeople, Green and his wife "and great business partner", Carolyn. Green would like to add 1 or 2 more salespeople, but, "as you know, they're hard to find."

Green claims he had over 50 men serve in his sales effort in the past 6-1/2 years. "I may be wrong, but, I think men's egos are too fragile to take the kind of rejection that salespeople face in market so overpopulated with media.

Green reports his community is making a "wonderful comeback" with the former energy and mining industries being replaced by a combination of higher education, government, light industry, tourism, and retirement. He closes our telephone conversation by saying, "Tell your readers this is a great place to vacation - and live. It's great for anything but starting another ad media."

THE LAST WORD

F.C.C. officials have warned state broadcast association officers that efforts to block satellite DAB are doomed to failure - and radio stations must learn to live with the coming technology.

An article in "Radio and Records" quotes F.C.C. Mass Media Bureau Chief Roy Stewart as saying, "While you may feel DAB may have an adverse impact on your ability to operate in the marketplace, the Commission is mandated by the Communications Act to implement new technology. We never guaranteed anybody they wouldn't have to deal with competing technology."

We believe it is prudent that the F.C.C. advance with caution. Mr. Stewart is going around telling broadcaster audiences now "80/90 was probably a mistake." We don't want him to say the same thing when satellite to home and auto radio is licensed as haphazardly as the "80/90" program was set up and administered. Most charitably, "80/90" is a sorry mess that could have been avoided by more careful study and common sense. Let's not make the same mistake again. The consequences are too serious.

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Small
Market
Radio
Newsletter
Inc.



IN OUR
10th
YEAR



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KQSS
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Miami

AZ 85539

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Barbara J. Doll - Circulation



VOLUME X - Issue #43 - March 18, 1993

E.I.A. AND N.A.B. TO CO OPERATE ON D.A.B. - The two associations, Electronic Industries Association - radio manufacturers and National Association of Broadcasters - radio broadcasters have agreed to work together to develop technical standards for an in-band, on-channel digital audio radio (DAR) system. The announcement was made last week (3-9). The agreement includes funding procedures.

ABOUT BROADCASTING 2 EVENTS SIMULTANEOUSLY (2 reports in SMRNewsletter 12-3-'92 and 3-11-'93), Bud Price calls from W K X Q, Rushville, IL to say that he believes such broadcasts are illegal. "The F.C.C. told me several years ago that it was illegal because it was not compatible with 'mono' receivers."

GOVERNMENT SUBSIDIZED TV AND RADIO ADS would be available to U.S. House and Senate candidates under a campaign reform bill introduced by Sen. David Boren (D-OK). Candidates would have to agree to spending limits to get public funding. (advertising Age 3-8-'93)

SUCCESS ISN'T FREE - It's reported that Rush Limbaugh's radio show will soon become a cash + barter proposition with stations paying \$250.00 to \$2,500.00 per month cash in addition to carrying the network spots. Some stations in small markets are already paying some cash.

WATCH FOR THIS - A telephone book, based in Texas and calling itself "The Indiana Yellow Pages" is sending businesses what looks like a bill, but on close inspection isn't. Idea would seem to "trick" businesses into paying for advertising they haven't o.k'd. Probably working other states.

STILL ROOM FOR R.A.B. CERTIFIED SALES MANAGER prep/test before N.A.B. convention, Las Vegas (4-17/19). Cost is \$525.00 including N.A.B. Registration (4-19-22.) Info: 800 R A B-S E L L.

SMALL MARKET RADIO ASSOCIATION - Idea being promoted by Don Sabatke, W T T N, Watertown, WI. Phone 414 261 1580 if "you're interested in an association limited to stations in towns of 25,000 and under."

At the F.C.C.

NEW STATIONS (Granted):

CONNECTICUT (Pawcatuck) SaltAire Communications 107.7
3 kW 328'
GEORGIA (Dahlonega) Kevin Croom 104.3 3 kW 328'
LOUISIANA (Baker) BEBE-F Broadcasting Corporation 107.3 3 kW
328'
NORTH CAROLINA (Southern Pines) Greene B'c'g., Inc. 102.5 3
kW 328'
SOUTH CAROLINA (Blackville) Dallas Tarkenton 97.9 6 kW 328'
TEXAS (Longview) Capitol City B'c'g. 97.3 3 kW 328'

C.P. CANCELLED AND FORFEITED - CALL LETTERS DELETED:

ARKANSAS (Wilson) K O S E (FM-A) (Pollack B'c'g. Co.)

AMENDMENTS TO THE FM TABLE (Amended):

TEXAS (Corpus Christi) 94.7 C2 for A. Denied.
(Three Rivers) 94.5 C2 as 1st. W.: 4-20/5-20
(Hempstead) 105.3 C3 for A. M.: K E Z B C.P.

(Proposed):

CALIFORNIA (Crescent North) 97.9 C for C3. M.: K P O D.
TEXAS (Temple) 101.7 C3 for A. M.: Progressive Comm. C.P.
VIRGINIA (South Hill) 98.9 C3 for A. M.: W S H V.

INVOLUNTARY TRANSFERS:

NEW HAMPSHIRE (Concord) W J Y Y (FM) (Hillsboro) W R C I
(FM) to Empire Radio Partners, Debtor-in-Possession,
5 Radnor Center, Suite 454, 100 Watson Ford Road, Radnor,
PA 19087 (930120HD/HE)
TENNESSEE (Manchester) W W T N (FM C) to John C. McLemore,
Trustee in Bankruptcy (930224GN)

REMINDER:

In keeping with the concept that it is better, easier, and
much cheaper to maintain a machine, rather than fix it after
it's been broken, radio station ownerships need to be
concerned about the next round of license renewals. For
example it is important to be punctilious in complying with
reporting requirements:

- Annual Employment Reports (Form 395) due May 31 each year.
- Annual Ownership Report (Form 323 or letter certifying
continuing accuracy of last report filed - annually on
anniversary date of renewal.
Contracts including but not limited to contracts relating to
ownership or control, are due within 30 days of execution.
(Note that filing the Annual Ownership Report does not
necessarily satisfy this requirement.)
- License Renewal - check on dates applicable in your state.

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

Country Radio Seminar Winners - 6th Year

Small Market (Markets 150+)

- #1 - "BORN TO LEARN" (Roger Lewis, Operations Manager, K X I A (FM), Marshalltown, Iowa. The first new baby of the year, born at the local hospital, gets his/her first year college tuition at Iowa State University paid. The scholarship is funded by a "zero coupon" bond, which will mature in 18-years (cost \$700.00). There are other prizes as well including paint, carpet, draperies for the youngster's room, a bicycle (when he/she is 6 years old). Co-sponsors buy a schedule of ads and give a gift.
2. EXIT POLL (K R R V, Alexandria, Louisiana, Judy Skarst, President and General Manager).

The 3 busiest highway exit ramps in the city were selected. On the Monday, Tuesday, and Wednesday of the week before the November election, K R R V listeners were urged to vote in the "Exit Poll." They voted, when driving off the exit ramps by shining their headlights for George Bush, turning their windshield wipers on for Bill Clinton, or flashing their emergency lights for Ross Perot. K R R V staff members took turns "recording the votes" over a 3 day period (Thursday, Friday, Saturday). Dr. Skarst says hundreds of motorists registered their votes. The final tally, announced on the station, after the polls closed on election day, was almost exactly the same as the actual vote in the community.

Promotion was limited to on air announcements and a brief message on the marquee in front of the station studios.

3. "FROEHLICH HAUS" W B D C, Huntingburg/Jasper, Indiana - Charlie Wayne, Program Director.

The station entered 2 floats, connected by cellular phone, in the town's Strassenfest Parade, held in conjunction with the town's August event. Judges were posted on the W B D C float in the front of the Parade. Prize givers were on the float at the end of the parade.

W B D C listeners were asked to decorate their homes for the parade with: the W B D C call letters, the Coors' Beer and Domino Pizza trade marks (co-sponsors). The cleverest decorated house got a Domino Pizza Party for 24 and a supply of Coor's non alcoholic beer (to avoid legal problems.) There were smaller prizes for all participants (souvenir items from Domino's and Coors). There were 17 entries along the 1-1/2 mile parade route - about 1 per block.

\$ale\$ - Persuasive Selling

To become a more persuasive seller, consider the following:

Don't make sales calls with a "do or die" attitude. An overzealous attitude will come across as a sort of "false eagerness."

Know your product.

Control your selling environment as much as possible. If you think you could be more successful with a specific customer away from his office or store, invite him to lunch. Also, make sure you have sufficient time to make a complete presentation.

Personalize your presentation to fit the particular prospect. When discussing the product and its advantages, use examples that are applicable to the customer. This will get your customer mentally involved with your presentation.

Be a good listener. Don't ignore trivial comments. Be alert to detect the small concerns the buyer may have about what you're selling.

Maintain control. When salespeople lose favorable control of a sales call, they frequently lose the sale.

Don't force customers into a corner by expecting a yes or no answer. Avoid phrasing your questions so that they result in negative responses.

Avoid the use of "danger words" that tend to scare customers. For example, avoid using the term "contract." Instead use less formidable terms like "agreement." Ask the customer to "o.k. this" instead of "sign here."

"Specialty Salesman"

About Your Customers - Furniture Stores

Furniture stores' business went up in the last half of 1992 after a 4-1/2 year slump. Lower interest rates, which have boosted home sales, are providing a ripple effect for the furniture business.

Payments on a \$100,000.00 home at 7.5% instead of 9.5% 30 year loan are \$140.00 a month less.

The '90s furniture sales upsurge will feature items like ready-to-assemble furniture.

- H. and R. Block

H. and R. Block joins the list of cards offering premiums. The deal: a \$5.00 rebate on Block's tax-preparation service for every \$500.00 charge on the card. Terms: \$9.00 annual fee - 15.9% variable interest rate.

"U. S. A. Today"

Management - Running A Business Better

YOUR FAVORITE SALESPERSON -- the one you go back to time and again for a suit of clothes, do-it-yourself supplies, or insurance needs? You don't think of him as someone with something to sell, do you? You think of this person as a friend, someone who helps and advises you - someone who looks out for your interests. Do your customers and prospects think of you and your salespeople as someone with something to sell - or as a trustworthy friend who is anxious to help them in every way possible?

"Sales Upbeat", Economics
Press, Fairfield, NJ

1992 "THE NAME OF THE GAME, VALUE" -Philadelphia patent attorneys Dechert, Price and Rhoads, have just finished their annual check of trademarks registered with the U.S. Patent and Trademark Office. Names containing the word "Value" and "Valu" were up 40% from 1991. Use of the word "quality" was down 4%. "Basic" was up 52%. "tradition" up 24% and "country" up 32%. "America" and "American" stayed strong while "Euro" continued its "slow fade." Environmental sounding names dropped in favor. "Clear" soared 77% and "crystal" rose 43%.

"Brandweek" magazine
3-1-'93

TIP OFFS TO BOGUS WORKERS' COMP CLAIMS - Beware of employees who:

1. Misses first doctor's visit;
2. Can't describe the pain;
3. Delays reporting the injury;
4. Reports Friday's injuries on Monday;
5. First reports the injury to a legal or regulatory agency;
6. Reports the injury after missing work;
7. Changes doctors frequently.

Norred and Associates, Atlanta
in "Selling Smarter/RADIO"

RETAILER RADIO COMMERCIALS - "Commercials must be more informative, simpler and less 'hypey.' STOP TALKING DOWN TO CONSUMERS."

Retail Consultants Paul
Leblang and Fred Newell
R.A.B. - "M. S. C."

STOP WORRYING - "Keep busy...Don't Fuss About Trifles ... Cooperate with the Inevitable ... Use the Law of Averages to Outlaw Your Worries and Don't give anything more Stress than it Deserves."

Dale Carnegie quoted in KTRF/
KSNR, Thief River Falls,
MN Client Letter

EARTH DAY - 4-22

_____ asks you to join them in observing Earth Day. From the Earth we take oxygen to breath. Of course, we have less oxygen these days because pollution ruins it and we have fewer plants to restore it. You can help by planting shrubbery and flowers and trees around your home.

_____ reminds you that by doing this you'll not only be adding beauty - but restoring oxygen too.

As part of the observance of Earth Day, _____ asks you the following question: How many times in your life have you seen someone cut down a tree? How many times have you seen someone plant a tree? The odds are that you've seen more trees cut down than planted. Plant a tree. It takes only a little time - but _____ says, trees live a long time.

If we don't have the earth - we don't have a place to live. _____ reminds you we're observing Earth Day so that you and others will remember that simple, but important fact. Do your part in cleaning things up. Smoke, gaseous fumes, litter, trash - these things are choking the earth. _____ says do your part in cleaning things up.

As we observe Earth Day, _____ reminds you that future generations - our children and grandchildren may not be able to survive because we didn't get concerned enough to do something about cleaning things up. Look around you. Do your part - and support those who support the environment. A message made possible by _____.

As we observe Earth Day, _____ reminds you that if we wait for the other person to start the fight, the fight may never get started. That's why _____ calls your attention to the need for all of us to make a contribution. Start by demanding clean air and clean water. Start by making sure your cars don't pollute. Take care of trash so it doesn't leave a mess. An Earth Day message from _____.

As we observe Earth Day, _____ reminds you that preserving the earth is done by one person at a time. Like the guy who picks up a piece of litter every day - or, the family that leaves its campsite like they found it. Or, the woman who plants flowers and trees to help restore oxygen to the air. Yes, it all starts with one person. This message made possible by _____.

Smoke, gaseous fumes, litter, trash - all of these things are choking the Earth. During Earth Day, _____ reminds you that it's time to get concerned enough to do something about cleaning things up. Start where you live. Support environmentally friendly businesses and lawmakers. _____ reminds you we have only one earth. It deserves our care.

"Recommended Reading"

It's all about the kind of places where you and I have spent most of our lives, raised our families, and pursued our life's work. The book describes 100 towns of 5,000 to 15,000 population. It interviews a cross section of mostly town leaders. The towns are spread from coast-to-coast and border-to-border. Author Norman Crampton, calls the towns he profiles, "The 100 Best Small Towns in America."

Crampton sets the stage for his 392 page visit across small-town America by reporting "The 1990 Census contained no real surprises for small-town America. Many of the rural lights have dimmed and some have flickered out, a long term trend that is well understood, if not well accepted. When the old family homestead is gone and good jobs are elsewhere, people move away. In 1950, 44% of the U.S. population still lived on farms or in small towns, by 1990, that segment was down to 23%.

Ask small-towners what their place contributes to the national economy and they'll tell you with a mixture of pride and sadness: "our kids."

Some of Crampton's "best" small towns grew a lot e.g. Plymouth, New Hampshire 45% during the '80s. Elko, Nevada 40% and Glenwood Springs, Colorado 32% during the decade of the '80s. Some lost population: Brewton, Alabama -13%, Douglas, Wyoming - 16% and Lander, Wyoming - 23%. But, the 18 towns, out of 100, did well enough to make the list, despite their population losses.

He judged small towns by the following criteria:

Per capita income because "incomes defines strength;"
Percentage of non-white population "reflecting the same diversity as the nation;"
Age Group 24/34 - "The acquirers of goods and services and recruits for local leadership;"
Physicians Per 100,000 population;
Low level of serious crime per-capita;
Percentage of Population 16+ Years Education - "a broad indicator of the type employment available,"
Local Government Expenditures for Public Education - "Investment in 'human capital.'"

He also picks as "best" towns that are county seats (permanence); a newspaper (preferably a daily); A college or university; In an area that could be called "scenic," access to a city where one can find goods and services, not available locally, and diversions.

The Top 10 (out of 100):

- | | | |
|--------------|-------------------------|-------------------|
| 1. Elko, NV | 4. Lebanon, NH | 8. Durango, CO |
| 2. Essex, CT | 5. Lander, WY | 9. Lewisburg, PA |
| 3. Page, AZ | 6. Ukiah, CA | 10. Culpepper, VA |
| | 7. Glenwood Springs, CO | |

Several small market radio people submitted to interviews with Crampton about their towns, their selves, their stations:

Jeff Smith, W R P Q, Baraboo, WI, "Even though we may not always agree with what is happening at City Hall, the town has done very well."

Jerry Hanszen, K G A S, Carthage, TX, "We're a very tight knit group of people, just like a big family, many of us are kin to each other."

Dick Munro, W C V L/W I M C, Crawfordsville, IN, "We had an accident here at 8:45 this morning. Somebody called us and tipped us off about it. I went out, got the information, had it on the air within 30 minutes. I doubt that it will be on any other radio or TV station in the world. It's something that happened here."

Roger Robinson, K F M V, Franklin, Louisiana, "We have about six titles as the cleanest town in Louisiana."

Rich Wachtel, W R N R, Martinsburg, WV, "This is my 20th year on the city council. We've been named the top small market news and sports station in West Virginia by AP in 1989 and 1990. And our competition does a good job in news and sports also."

Walter May, W P K E/W D H R and Mayor, Pikeville, KY, "We are obsessive about keeping our city clean. If we see litter in your yard, we'll go in and get it out."

Bob McKune, "The Morning Mayor"/former station owner, Rolla, MO, "We still have a lot of politicians who walk the neighborhoods and knock on doors. We talk Democratic, we register Democratic, but we're voting Republican."

Cheryl Higgins, K S O K, Winfield, KS, "spearheaded a fund drive to built a memorial to Kansas' 758 Vietnam War casualties. A big city newspaperman saw little chance of success for the \$100,000 project in a town of 11,900 people. "He was surprised by our naive attitude."

Tom Robson, K A W L AM/FM, York, NE, "You think that happiness is seeing the town in the rear view mirror." He went off to jobs with AP, radio and TV stations in such places as Omaha and Baltimore. He bought the station where he started. "As parents, we realized our children were growing up with such a lack of space and freedom."

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VOLUME X - Issue #44 - March 25, 1993

ADS ON MINNESOTA PUBLIC RADIO have sparked a complaint to the F.C.C. from the Minnesota Broadcasters Association. The "ads" on the non commercial stations say (in part): "Nearly all of the music you hear on Minnesota Public Radio is available on CD or tape, and as a service to our listeners you can now order CDs and tapes from the Public Radio Music Source by calling 800 75 MUSIC. Minnesota Broadcasters Association executive director, Jim Wychor, told the F.C.C. in a complaint letter, "These commercials are no different than the K-Tel music commercials broadcast on many commercial radio stations. The "ads" are reportedly broadcast about once an hour on M.P.R.'s 20 non commercial stations. M.P.R., reportedly takes a commission based on how many sales its stations make."

3 N.A.B. RUNOFFS COMPLETED - Elected Richard A. Ferguson, President, New City Communications; Jerry Lee, W E A Z AM/FM, Philadelphia; Matt Mills, Paxson Broadcasting, Orlando.

ABOUT YOUR MARKETPLACE - As Kmart fights intense price pressure, particularly in the Northeast where Wal Mart is making its early appearance, its ads are saying it will beat anyone's prices - advertised or not. Kmart is spending less on ads this year with broadcast flat and fewer pages in its inserts. (BrandWeek 3-15-93)

FORMER F.C.C. CHAIRMAN Al Sikes is going to work for the Hearst broadcasting and publishing empire. His main job, evaluating new communications technologies. (Wall Street Journal 3-19-'93)

YOUR EDITOR LOOKS FORWARD TO SPEAKING TO AND RENEWING LONGTIME FRIENDSHIPS WITH Indiana and Kentucky Broadcasters 4-7-'93 at French Lick Springs, Indiana.

TEMPORARY PARTNERS - When that big Eastern storm hit Athens, Tennessee Saturday 3-13, it took both W L A R (AM) and competing W Y X I (AM) off the air. W Y X I's staff went to W J S Q (FM) and offered their help in broadcasting news and emergency messages. Their offer was accepted. When the two AMs had their power restored, McMinn County heard a unique coverage served up by the two competing operations. They also worked with stations W Y G O, Madisonville, W C L E, Cleveland and W B I N, Benton, Tennessee

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

At the F.C.C.

NEW STATIONS (Granted):

FLORIDA (Dade City) Dade City Broadcasting 96.1 3.8 kW 394'
HAWAII (Poipu) Lu Ann Lane and Wm. Lane 95.9 1.13 kW 738'
IOWA (Burlington) John Prichard 103.1 25 kW 328'
MONTANA (Kalispell) Cloud Nine B'c'g. 106.3 3 kW 328'

AMENDMENTS TO THE FM TABLE (Amended):

KANSAS (Olathe) 92.3 A. M.: K C C V.
(Silver Lake) 92.5 A as 1st. W.: 5-3/6-1
(Topeka) 99.3 A for 92.5 A. M.: C.P.
MISSOURI (California) 94.3 C2 for A. M.: K Z M O.
(Rolla) 106.3 A for 94.3 A. M.: K Q M X.
OREGON (Seaside) 98.1 A for 94.5 A. M.: K Q E M.
TEXAS (Jourdanton) 95.7 A as 1st. W.: 5-3/6-1.
WASHINGTON (Camas) 94.7 C2 for C3. M.: K M U Z.

(Proposed):

HAWAII (Kealahou) 101.5 C1 for C3. M.: K A O Y C.P.
IDAHO (American Falls) 104.1 C1 for A. M.: K O U U.
TENNESSEE (Colonial Heights) 104.1 C3 for A. M.: C.P.

REPORTED SILENT (by the M STREET JOURNAL):

GEORGIA (Gordon) W B N M TEXAS (Hutto) K R G T (FM A)
INDIANA (Decatur) W A D M (AM) (Marshall) KMHT AM/FM A
MISSISSIPPI (Laurel) W M X I (FM A) (New Boston) K T K X (FM)A

INVOLUNTARY TRANSFERS:

KENTUCKY (Lexington) W V L K AM/FM (C) to Don W. Stephens,
Rehabilitator, Kentucky Department of Insurance (930304GG/GH)

NEW JERSEY (Bridgewater) W B R W (AM) to Lewis J.
Pepperman, Trustee c/o Stark and Stark (930303EA)

FINES:

GEORGIA (Cleveland) W G G A-FM - \$17,500.00 - failure to
maintain a meaningful management and staff present at main
studio location and to provide local toll free telephone
service to residents of the community of license.

NEW HAMPSHIRE (Manchester) W K B R (AM) - \$8,000.00 - un
authorized transfer of control.

MISSOURI (Florissant) K H T K (FM) - \$2,500.00 for
repeatedly airing a fraudulent solicitation for funds to
replace its tower. It is a current hits station in Suburban
St. Louis.

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

"SECRETARIES WEEK" (April 18/24) - Paul Tinkle, W C M T, Martin, Tennessee, ran a simple, but "very successful" "Secretaries Week" promotion last year. His major co-sponsor was a local travel agency which donated the major award: a trip for two via Amtrak to New Orleans, 300 miles distant. Additionally, 25 businesses were included by buying a small ad schedule and donating a gift valued at a minimum of \$30.00.

Employed women nominated themselves for the grand prize or one of the smaller prizes by submitting "their resumes", showing why they should be selected for the "paid vacation." A local temporary help agency provided a substitute at work for the vacationing career girl.

"INCOME TAX DEADLINE" - In most areas, the post office will remain open until midnight on Thursday, April 15, the last day for filing income tax returns without penalty. Several stations across the country have gotten a lot of attention by setting up a 7 to Midnight remote in front of the Post Office that night. Coffee and other refreshments are typically served.

"AUTO RACES" - W T C H, Shawano, Wisconsin, broadcasts from an area auto race track 30 minutes before the race program begins. The program features interviews with drivers, a preview of the night's programming and other racing news/talk. In addition to being broadcast live on the station, it is transmitted over the track's public address system. Half the broadcast is sponsored by a beer distributor (who has the track concession). The other half is sponsored by a body shop, a bar, and an auto parts store.

About Your Customers - The Bicycle Dealer

Almost 1 in 5 adults owns a "purchased new" bicycle (18%). The median age of bicycle owners is 35 years - 5 years less than the median age of all adults.

It's a truism in most business that a small percentage of all customers account for a large percentage of sales. In the bicycle business, the 10% who are Enthusiasts (ride 207 miles a month) and Moving Up Riders (ride 82.6 miles a month average) account for 83% of all new bicycle owners who spend \$400.00 or more for a bicycle. And, the Enthusiasts influence the purchase patterns of others. Over 70% of this group gave advice on the purchase of a bike to a friend or neighbor - 40% to a business associate.

Key: sell the bicycle purchaser on a brand. Shoppers with a brand in mind before they entered a store bought that brand 80 times out of 100.

"American Demographics" 5-'91

\$ale\$ - The Customer Is Not Always Right

The customer is always right may apply to customer service, but it doesn't apply to sales. All sales tactics based on this false presumption are harmful and will cause you to fail.

The idea that the salesperson, in order to make the sale, should always agree with whatever the customer says or believes is so illogical that it's silly. Think how ridiculous this idea would sound if it were applied to any other profession.

What if your doctor looked you over, rubbed his chin, and asked, "What do you think is wrong with you? What kind of medicine should I prescribe?" You would worry about his qualifications and what he might do to you.

How would you feel about an auto mechanic who said, "I don't know what to do about your car. I've never heard a car sound like that! What do you think is wrong with it?"

You'd undoubtedly feel much more confident if he said, "If I don't know how to fix your car, I won't take the job."

The same principle applies in selling. Customers are seldom right and usually don't expect to be right. If they already knew all the answers, they probably wouldn't spend their time talking with a salesperson.

You have an excellent chance of making any sale if you convince the customer that you know what is best and that you will do things the way they should be done.

Why not just accommodate your customers, and do things their way? Many salespeople will jump at the chance to please customers by making any changes, even needless or counterproductive ones. The really good salesperson, however, will say, "No, that is not how it should be done. If we can't do it right, let's not do it. I want this to help you. If we can't do it so I can, let's not do it at all. My reputation - and my station's reputation are on the line."

Customers want salespeople who know what is best to help them meet their needs, and have the integrity to do what is best. If you can communicate those two facts about yourself to your customers, you can sell them almost anything."

Lloyd Allard, New Orleans
based speaker and
author of "Selling by
Lloyd Allard" in
"Personal Selling Power"

Management - Bad Attitudes In the Workplace

NOT MY JOB - Your job is to cooperate whenever possible.
Being a team player gains you respect.

NEED MORE MONEY - Who doesn't? Can you show what you're
doing to help the business?

WASTES COMPANY TIME - Try doing what your paid to do first -
then a little more.

PROMISES - If you agree to do a special project, make sure
you not only complete it, but also finish on time - or
better yet - BEFORE.

NEED MORE HELP - Are you constantly asking for assistance
when - with a little more effort - you could do it
yourself? Do you offer to help others?

ALWAYS COMPLAINING AND DISAGREEABLE - People who are never
happy and seem to constantly vocalize their discontent
are unwelcome in any business. A genuine upbeat attitude
is always appreciated.

CLOCK WATCHERS' SYNDROME - Those who are always the last to
work and first to leave should find a more involving line
of work.

DOUBLE TROUBLE MAKER - These people are always causing
friction in the organization and - what's worse - cause
others' productivity to decrease.

SUPPORTS RUMOR MILL - Listening to the grapevine is one
thing. Studies show that the rumor mill is 80% accurate,
but contributing to it can be dangerous to your own
welfare.

Robert Half International,
consultants, reprinted
in "Radio and Records"

In reading Robert Half Organization's list of 9 Worst Attitudes
in the Workplace, how many do you spot in your workplace.
Each can be dismissed as "human nature," but, in the current
marketplace, there is no room for "us against us". A
business to be successful has to develop an "us against
them" attitude to flourish. If there's an attitude problem
in your organization, good business calls for changing that
attitude. If that doesn't work, you have to remove the
person/persons responsible. Each conduct listed eats away
at the productivity of a business.

There was a time when you could getaway with "overlooking"
some of the things on the list. You may well have had some
productivity you could afford to waste. Is that possible
now? Fact, the ads you run on your radio station compete
for attention with 4,800 other messages your listeners
receive by other means daily - over 3 times as many as 20
years ago.

Radio Station Value Update

The first and foremost consideration has to deal with a station's cash flow. Cash flow in the broadcast industry is the sum of a station's net profit - plus - depreciation - plus - interest payments.. It also includes board fees and any management or employee perks which would normally be considered excessive.

"CURRENTLY, SMALL MARKET STATIONS ARE SELLING BETWEEN 5 and 7 times CASH FLOW," according to Indianapolis based broker, Ed Roehling (317) 889 1025.

On the basis of billings, small market FM stations currently sell at 1.4 to 1.5 times billings unless the station is perceived to have a lot of room for improvement and growth. AM stand-alone operations (with companion FMs) are lucky to bring 1-times billing.

The following is a check-list for sellers and buyers, supplied by Roehling:

1. Is it cash flowing? How Much?
2. What is the billing?
3. Is the station getting its fair share of the radio market?
4. Is there room for growth?
5. Is the market itself growing, stagnant, or status quo?
6. What is the market perception of the station?
7. What is the competition?
8. Is it, or can it be a full-fledged "player" in its marketplace? How are its power and coverage limitations (or superiorities)?
9. What are the possibilities of an L.M.A. or Duopoly?
10. What about station equipment? Is it adequate or out of date? Is major upgrading needed? Taller Tower? New transmitter? Other?
11. What about real estate? Owned? Leased? How does it impact on station profitability?

Some thoughts from your editor

The bad news may not be as bad as many people believe. When 2x to 2-1/2x times gross was widespread in 1983 (see SMRNewsletter 6-9-'83), the previous 5-years, the average inflation rate was 7%. A seller then could look forward to being paid during the last year of a 10-year note in 30¢ dollars. The past 5 years, inflation has averaged 3% - so, that last year, if inflation stays in check, the owner will be getting paid in 70¢ dollars. By our figures, a 1.4-times gross deal in a 3% inflation economy is worth about 1/3 more than 2.5-times gross in a 7% inflation economy. On the other side of the "coin," the buyer will be paying in "closer to real money," so current prices aren't as big a bargain as they might look at first glance.

1After the Fire"

It was a very cold night in early December when fire struck the studios of W T C W (AM)/W X K Q(FM) at Whitesburg in eastern Kentucky. Angel Adams was the lone person on duty at the stations' rural location - next to an oil distributor's bulk plant.

Greg Yaden, who has managed the Whitesburg stations for most of the past 20 years, said, "The fire struck so quickly and furiously that there was no chance to salvage anything. By the time we got back on the air, 3-1/2 days later, from a 3-room trailer a couple of miles away, it was like starting a new radio station."

The stations had lost all of their studio equipment, their records, copy and contract files. "Everything was gone but our 'good will.' That's something you take for granted. You shouldn't."

When Greg got back on the air, he did so with equipment loaned to him by area stations. "Stations from all over the area called, asking, what do you need? They then brought it over. Even my in town radio competitor loaned us equipment and gave us a hand installing it. The local newspaper loaned us some office furniture. Listeners brought by their personal record collections. It was something."

Without a satellite dish, the station was in danger of really upsetting its University of Kentucky fans. That fan disappointment was averted when a Class C station, some miles distant, granted Greg permission to rebroadcast its signal to receive the games.

The Whitesburg stations do business with an average 200 to 250 customers a month. Greg divided them into 3 categories:

1. The 'steadies" who sponsors newscasts and other program features, Yaden knew well. Some of those sponsorships pre-dated Yaden's association with W T C W/W X K Q. "I knew what they were running."
2. To get copy, Yaden called some customers who would have a copy in their files. I called other stations carrying schedules for our customers and got copies of the tapes being run.
3. Finally, from memory, I called other customers and found out what their schedule and copy was.

As we talked with Greg Yaden, he, his staff, and his stations were "almost back to normal," but, they were digging out from a record breaking 15-inch snow storm, Yaden had worked long hours because much of his staff was snowed in the rugged mountain area. A storm like this paralyzes mountain areas. There was no hint of "Why me" from Yaden who had a storm "piled on top" of his fire.

Greg says, "A fire in your radio station is just not something you think about. You probably have given more thought to what you do in a nuclear attack." He says, "Frankly I was not prepared for a fire. I hadn't ever thought about it."

If he had it to do over, he says, he'd take these precautions:

1. He would have adequate fireproof filing cabinets to store current records, copy, some music, etc. - the things you need to operate the station;
2. Back ups of current computer storage off premises.
3. An annual inventory, with replacement values brought up-to-date EVERY 12 MONTHS.
4. "When you get back on the air, be careful what you and your air people say. I thought about," he says, "running a positioner, 'The station with the hottest hits.' I'm glad I didn't do it. One of my friends in the insurance business (not our agent) told me that 95% of business fires are purposely set. The wrong thing said on the air, can ruin your reputation. Also, my insurance agent friend pointed out that almost everyone has had a fire - or a close relative or friend who has been a fire victim. A fire is a 'personal thing' to them."
5. "Keep in mind every day that your listener and customer relationships are the most valuable asset your station has in the case of a business disaster. This is the oldest station in this area. It was the first listenable radio signal for many of our listeners and customers. It's what brought us through the aftermath of the fire."

W T C W/W X K Q are part of the Key Broadcasting group of small town stations in Kentucky, Indiana, Illinois and Tennessee. Key's owner is attorney, banker, real estate investor Terry Forcht. He has shown his faith in the future of economically troubled Eastern Kentucky moving the stations from the temporary, 3-room trailer into a brand new 2,000 square foot building.

THE LAST WORD

During the mid-March snow storms, people in small communities, not served by local television, got information, help, and reassurance from their local small market stations. These are special kinds of businesses. Their public deserves special consideration in DAB policy making. 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: 1746 ROSEWOOD STREET, SEGUIN, TEXAS 78155 - PHONE: 210 379 7549 - FAX: 210 372 2905

Small
Market
Radio
Newsletter
Inc.



IN OUR
10th
YEAR



Bill Taylor
KQSS
P.O. Box 292
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AZ 85539

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

VOLUME X - Issue #45 - April 1, 1993

RECORD PERFORMERS FEES are getting a hearing again on Capitol Hill. Eddie Fritts, N.A.B. President told the House Intellectual Property Committee, "There is no reason for Congress to alter its 60-year history of rejecting performance rights. Nothing new has happened since earlier efforts to levy fees for performers were turned back.

N.A.B. WAS ALSO ON CAPITOL HILL LAST WEEK testifying against what could be 5,000% increases for some radio and TV stations with transmitters on government lands. A person close to the issue told us, "The government has a right to more money - but not 5,000%."

FEBRUARY RADIO IN TOP 100 MARKETS UP DOUBLE DIGITS for the first time in almost 3 years. All markets in the R.A.B. survey were up 14% with biggest gains (+22%) reported in the Southwest. Lowest figure was in the West +10% and East +12%. Midwest and Southeast came in +17%.

ABOUT TWO GAMES ON FM AT SAME TIME - Bill Buchanan, KSHN, Liberty, TX writes, "I saw the item in SMRNewsletter from the Rushville, IL station. "After seeing it, I contacted an official at a regional F.C.C. office, He told me there was no rule which prohibits it. He said, "There probably isn't anything on the books about it, because no one has done it. I think you were the first."

CAPITAL IDEA? Capital Cities - A.B.C. is going to "swap" unused ad time in its various owned media for equity (5% to 20% stakes) in "emerging companies." Ad Age 3-22-'93

R.A.B. INTERACTIVE SALES AND MARKETING DATABASE went into operation today (4-1-'93). Thousands of pieces of sales information can be accessed by computer/modem using a toll free phone number. Information: 800 232 3131.

MILESTONE - Jones Satellite Networks has signed its 500th affiliate, W F F X-FM, Tuscaloosa, Alabama. It offers 7 music formats via satellite. It is now estimated that about 30% of the nation's commercial radio stations receive the majority of their programming from long form satellite delivered radio networks. ... Unistar has gone into the talk business. First offering: Gordon Liddy later this month.

At the F.C.C.

NEW STATIONS (Granted):

FLORIDA (Crawfordville) Dash Communications 94.1 6 kW 328'
MINNESOTA (Brainerd) June Persons 103.5 6 kW 328'
MISSOURI (Boonville) K W R T (Dick Billings) 93.9 6 kW 328'
(Lake Ozark) Herrin B'c'g. 102.7 6 kW 328'
OKLAHOMA (Shawnee) Bott Communications 95.1 100 kW 1418'
SOUTH CAROLINA (Bucksport) G and M Comm. 107.9 36 kW 570'
TENNESSEE (Tiptonville) WENK of Union City 101.3 25 kW 328'

AMENDMENTS TO THE FM TABLE (Amended):

ALABAMA (Repton) 100.7 A as 1st. W.: 5-11/6-10
ARKANSAS (Dardanelle) 103.5 C3 for A. M.: K W K K
CALIFORNIA (Alturus) 101.3 C for 94.5 C1. M.: K Y A X
ILLINOIS (Carlyle) 96.7 A as 1st. W.: 5-7/6-7
IOWA (Belle Plaine) 95.5 C3 for A. M.: Cynthia Siragusa C.P.
KENTUCKY (Bowling Green) 93.3 A for 98.3 A. M.: W D N S
(Elizabethtown) 98.3 C3 for 100.1 A. M. W Q X E

(Proposed):

CALIFORNIA (Corning) 100.7 C 1 for B. M.: K C E Z
MARYLAND (Pocomoke City) 92.5 A as 2nd.
MISSOURI (Asbury) 103.5 C for A. M.: K W X D
NEW MEXICO (Española) 92.9 C3 for 102.3 C3 M.: K I O T
(Las Lunas) 102.5 C for C2. M.: K O Y T
SOUTH CAROLINA (Camden) 102.7 A for 94.3 A. M.: W P U B
(Marion) 94.3 C3 for A. Ch. city/license to
Latta. M.: W W P D

REPORTED SILENT (by the M STREET JOURNAL):

ARKANSAS (Paris) K C C L (AM)
IDAHO (Hailey) K S K I (AM)
NORTH CAROLINA (Clinton) W M X S (FM)
(Fair Bluff) W J H B (AM)
SOUTH CAROLINA (Georgetown) W G T N (AM)
WASHINGTON (Seattle) K K F X (AM)

INVOLUNTARY TRANSFER:

KENTUCKY (Eminence) W K X F (AM) to Stuart Bass, Trustee
Box 5309, Louisville, KY 40255 (930312EC)

FINE:

OHIO (Eaton/Dayton) W G T Z - \$5,000.00 - broadcasting a
phone conversation without 2nd party permission.

Troublesome ... The F.C.C. inspected over 350 AM, FM and TV
stations between February 8 and 19. Inspectors say the
following need improvement: AM directional parameters, AM
monitoring points, power tolerance, meters, public
inspection files.

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

PLACE MAT CONTEST - Distribute place mats free to local restaurants. Along with a display of your call letters and ads for your co-sponsors (tourist type businesses), make up a crossword puzzle or a list of trivia questions. Make a space for name, address, and phone number of contestant. Place mat is placed in entry box at restaurant to be entered in competition for prizes. In case of ties, hold a drawing.

"SATURDAY MORNING KIDS SHOW" - Available via barter via SATCOM C-5, Transponder 23 - Saturdays 11:00 A.M. to Noon, Eastern. Program features children's stories and songs + news, weather, sports "strictly by children." Parent/child interaction is encouraged. Also, 800# call-ins.

For information: Sandra L. Bailey-Bristol (800) 292 2324.

"SOUNDS OF SPRING" - Go into your sound effects discs. Select some effects that match the season e.g. a bird call, a lawn mower running, a vacuum cleaner (spring house cleaning).

Randomly, throughout the day, announce, "Here's another K K K K Sound of Spring." Be the ## caller to correctly identify it, and you'll win _____."

You can get 147 spring prizes (average value about \$13.00) plus a Poulan Handyman Electric Powered Chain Saw and 2 Cordless Weed Eater blowers for 3 grand prizes all for \$506.64 from Television - Radio Features, 800 446 6426.

About Your Customers - Auto Dealers

It's not just price and Payment that drives the market. Price is an extremely important factor, but, often times a dealer will place all the emphasis on that alone.

We find there are other factors that definitely influence buyers to shop certain dealerships over others, including convenience of location.

Dealership reputation is another extremely important factor.

It's not price that will determine the longevity of a dealership, it's overall attention to customer satisfaction - the buying experience, service and goodwill. Price is a factor - but, there are a lot of others.

Doug Dohring, Dohring Co.,
researchers in
"Advertising Age"
3-22-'93

\$ale\$ - Asking the Right Questions

Ask important questions. Ask real questions. If you need to rely on "How's the weather?" or "Have a nice weekend?" for your opening, fine. But, thereafter, base everything you ask on a simple principle:

NEVER WASTE THE PROSPECT'S TIME.

That may seem like an obvious point, but it certainly isn't treated like one by most salespeople! Know when it's time to move beyond the litany of pointless observations on decor, golf, the weather, or whatever. You came here on a business appointment. There will come a point at which your client will be ready to move past the small talk. Do so, tactfully.

How do you start asking the important questions? I suggest that you start with a simple one - a question that may seem to have nothing to do with your visit, but that will actually yield some remarkable insights into the kind of person with whom you're working.

"Just out of curiosity, Ms. Allen - "How did you get this job? (Or, how did you happen to get into this kind of business?)"

This type question will ease you into the "business end" of your visit quite nicely, and will also encourage your contact to open up to you. After your prospect has had the chance to answer in whatever degree of detail he or she feels comfortable with, you might continue by saying what you have in mind - why you're talking to the person in the first place - and explaining why you're going over this (so your later questions will make more sense).

"Ms. Allen, my only job during this first meeting is to find out about your needs; I didn't come here to sell anything today. I mention this because I want to ask you a few questions about your store, to find out if I really can help you boost your (profits).. Do you have a few minutes for that?"

Assuming you get a "yes" (and that's a pretty good bet), you can then move to the big questions:

Question #1 - The Past) "Have you used radio in the past?"

Question #2 - The Present) "Out of curiosity, what kind of advertising are you doing now?"

Question #3 - The future) "Tell me something: If you could wave a magic wand to improve your business in the next 6 months, what would you like to accomplish?"

Editor's Note: We have made some minor changes to change the product being offered from widgets to radio time).

Stephan Schiffman in "The
25 Sales Habits" (Bob Adams)

Autos - Buy at Home

We know that a lot of you folks in the Canisteo Valley and the surroundings areas would like to know how you can help the Rochester School District meet its financial burdens. And not just the Rochester School District, but the City of Rochester, and Monroe County. If you really want to help those people - and help keep taxes in Rochester down - buy your next car in Rochester. You see, that way Rochester and Monroe County will have more taxes and more jobs and more people paying taxes. Of course, just the opposite will happen here in Steuben County, the Canisteo Valley and surrounding areas, We'll have less. But, if you really want to help Rochester and Monroe County - that's how you'll have to do it. And, buying cars there is not the only way you can help Rochester and Monroe County. Just buy anything there and you'll be doing them a real favor. Help your home area! ... This message brought to you by W L E A. We hope you got the point - buying at home helps you and me - all of us.

(Rochester is 70 miles from Hornell, New York where W L E A and W C K R are located. Thanks Kevin Doran.)

Minding the Store == Independent Contractors

I.R.S. Revenue Ruling 87-41 lists criteria as to whether a person is an employee or self-employed contractor. He/she is not an independent contractor if:

1. Makes her same service similarly available to others.
2. Receives his/her major source of income from your company.
3. Is instructed as to when, where, and how the work is performed.
4. Performs the job primarily on the employer's premises.
5. Performs services on a regularly scheduled basis.
6. Receives training by the employer to perform the job.
7. Can be discharged by the employer at will.
8. Is furnished tools or equipment by the employer.
9. Is reimbursed for travel and other expenses.
10. Can realize a profit or loss from his/her services.
11. Is paid by the hour, day, or week.

If the above are present, he/she is an employee - not an independent contractor. If you are audited, you will be assessed the Federal withholding taxes due for the current year + 3 previous years. If the auditor deems the action as "willful" penalties are also levied. In 1991, 19,000 businesses were audited. \$120-million in taxes and penalties were collected. The number of I.R.S. auditors in the field looking at independent contractor arrangements was recently doubled.

Charles Crawford in
"Broadcasting/Cable"
3-15-'93

About Promotions

Has this ever happened to you? You pick up an idea from one of your friends and run with it. One of you succeeds wildly, the other fails miserably..

Why? It has a lot to do with what I call "Promotion Quotient" - the ability to take even a mundane concept and turn it into a promotional home run - or, conversely, to take a great concept and fail.

Generally, a promotion fails for one or more of these reasons:

1. The promotion doesn't fit the station.
2. The promotion doesn't have concrete goals.
3. The listener doesn't hear enough about it.
4. The listener doesn't understand it.
5. The listener isn't excited about it.
6. The listener has to work too hard to be part of it.

For promotional success, get organized. Be sure that all the duties involved in the promotion are clearly spelled out, clearly assigned and clearly deadlined. Use a pre-printed promotion checklist to avoid overlooking anything.

Be sure the promotion and prizes fit your audience and your image. Are you giving away Screaming Trees concert tickets on a "Music of Your Life" station? Are you expecting your EZ-format listeners, who tune to your station to "relax," to scour the town for buried treasure? Or, are you awarding a complete set of dinner china to your C.H.R. listeners?

A successful promotion takes timing. Be sure that the promotion you are considering is in phase with your listeners. Depending on your target audience, latching onto a current hit or successful motion picture, recording artist, or community activity or catch phrase can pay big promotional dividends.

Make sure your promotion can be communicated briefly and understood easily. Give your promotional concept the "20-second" (or 50 word) test. If you can get it across in 20-seconds (50 words) it's a go. If not, simplify it - or scrap it.

Make sure everyone in the station is thoroughly briefed. Take the time to sell the promotion to your staff. Their enthusiasm will be contagious.

After the promotion ends, do a post-mortem. Get all the people together who had a part in the planning and execution. Discuss what went right and what went wrong. Take notes. Save them for future reference. Review them before your next promotion.

Jay Mitchell, Consultant
Fairfield, Iowa

"Creating A Customer Obsessed Organization"

Oren Harari introduced himself to a session of the recent R.A.B. "Managing Sales Conference" as a non radio person who has worked for just a few radio stations. "I'm not here with all the answers, because, I don't think there is such a thing as all the answers. I'm going to push and prod and irritate you."

He proceeded to do that by pointing out that currently the 4 hottest lines of business are health care, high-tech, information, and leisure and entertainment. "Radio is part of 3 of the 4 'hottest lines of business.' Why isn't radio doing better? He answered first by pointing out that when a line of business is "hot", everybody wants to get in. Additionally, he said, he had looked into the factors that are holding radio back for his radio clients. He cited the following:

1. Unpassionate, out of touch owners and managers;
2. Scared managers;
3. A "me too" mentality;
4. Needless policies and reports that interfere with station operations;
5. Radio is dominated with traditionalists who like being like everyone else;
6. Automated programming;
7. Lawyers, C.P.As., etc.

Harari believes the above set of things are producing radio stations "that sound the same and are boring the audience." "Listeners don't expect much from radio stations," he says. "If you're in any overcrowded business and you are offering a product that's uniform, routine, standard - your profits are falling."

That "sameness" that Harari complains about, he believes can be blamed in large part to an over reliance on "market research." He believes market research is too often employed "to absolve management from responsibility." Market research's major shortcoming is that it will tell you only what your customers or listeners want based upon their preferences and desires based on what they know and expect NOW. "Research tells you about the past - not the future."

Not telling lies is not enough to make leaders at radio stations honest in the eyes of their employees, Harari says, "You've got to walk it as well as talk it."

Specifically, he quotes I.B.M. founder Tom Watson who advised years ago, "Don't hire or promote people you like being with. Hire and promote people who make you uncomfortable - who challenge you." In Harari's words, 2 people who think alike in an organization are redundant.

He further advises, "Passion makes it fun and gets it done." His specific recommendations:

- a.) "Build a team. Inspire a vision that's unique and different - a vision that can be shared by your associates."
- b.) Get everybody out talking to listeners and going on sales calls, then, exchange information. The organization can't be calm and orderly because the world in which your station is operating is not calm and orderly.
- c.) Get interesting and bold. It's not enough to satisfy your customers and listeners. You've got to bewitch them, fascinate them, dazzle and delight them. You've got to wow them - make them glow and and tingle.

Harari admits that this is a big order in a marketplace that is so turbulent. He advises, whenever your plan is going wrong, it probably means that one of your competitors has been thinking. In this world, your plan has to be, "ready, ready, ready, aim, aim, aim, fire, fire, fire, aim again - fire again, aim again - fire again, aim again - fire again." About that uncertain future, he quotes Yogi Berra, "The future ain't what it used to be."

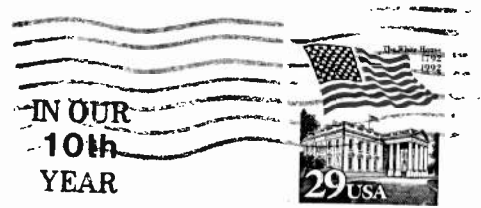
THE LAST WORD

The push is on again for Performer's Rights. An organization or organizations, if this became law, would collect license fees as ASCAP, BMI, and SESAC do now. In all likelihood, your music expense would double with checks going to authors and composers and still others to the stars who appear on the records. This push comes about every 12 years.

Performers royalties from radio stations have been defeated in the past for very good reasons: many of the artists are already sharing in ASCAP, BMI, and SESAC collections because they are composers of material they use or have interests in publishing companies.

The recording stars need the exposure they get on radio stations to sell their records and pack their personal appearances. Radio is their #1 promotional resource. They do not need, nor do they deserve, our money. They need our continued exposure of their talents. Talk to your congressman now!

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VOLUME X - Issue #46 - April 8, 1993

SPORTS ENTERTAINMENT NETWORK (S.E.N.) a 24 hour a day "all sports" network has signed former baseball great Pete Rose. He'll do his talk show weeknights from 6 to 8 PM (Eastern Time) from Florida. S.E.N. is based in Las Vegas. Program has been on cash basis. It will now be barter. Info.: (702) 731 5200. ... Denver based Jones Satellite Services has issued a letter of intent and is currently doing due diligence on buying S.E.N. It would be Jones' 7th satellite delivered format.

GOING WHERE THE BUSINESS IS - The Radio Advertising Bureau board has often been criticized for holding its meetings at resorts frequented by the "rich and famous." Not so this spring. R.A.B. will be meeting in the Detroit suburb of Dearborn (5-15/17). R.A.B.'s board members plan to meet with high level auto industry decision makers while in Detroit.

BACK TO SCHOOL - If you're an R.A.B. executive, board member, head of a standing committee at R.A.B., you'll be expected to pass the C.R.M.C. and later the C.R.S.M. exams. Among those preping for the test: R.A.B. president Gary Fries, our source tells us.

KIDS RADIO (pre teen) is being taken seriously by the Walt Disney organization. "The Disney Read Along Storytime Theatre" will debut on Childrens Satellite Network April 13 (Tuesday) at 12:30 Noon (Central) and will be repeated Thursdays at 7:00 PM. Childrens Radio Network is now on 11 stations nationwide. Info.: (612) 926 1280.

RADIO OWNERSHIP "HOW TO" BOOKLET is being offered FREE. The booklet, prepared by N.A.B. legal and technical people, in layman's terms, advises on station buying. "4 Steps To Making A station Yours" is free to members and non members by calling (202) 429 5420.

A \$20,000 F.C.C. FINE has been levied on the owners of W K B R, Manchester, New Hampshire. They claim to have lost \$400-thousand since 1988. The Commission says they entered into a management contract with Brian Dodge who hired and fired employees, made financial decisions and took total control over the station programming, without licensee oversight. Terms of deal: Dodge paid owners \$1,275.00/mo.

At the F.C.C.

NEW STATIONS (Granted):

ALABAMA (East Brewton) Escambia B/c/g, 95.7 6kW 328'
GEORGIA (Bolingbroke) Joseph Kendrick 102.1 3kW 328'
(Ringgold) Teresa Bennett 93.7 3 kW 328'
TENNESSEE (Baxter) Joel Upton 93.7 25 kw 328'
WISCONSIN (Lake Geneva) Tom Kwiatkowski 96.1 3 kW 328'

AMENDMENTS TO THE FM TABLE (Amended):

FLORIDA (Beverly Hills) 97.1 C3 for A. M.: W X O F C.P.
(Chiefland) 97.3 A M.: W L Q H.
(Holiday) 97.1 C2. M.: W L V U
(Micanopy) 97.3 C2. M.: W R R X
(Sarasota) 106.5 C2. M.: W S R Z

(Proposed)

ARIZONA (Oracle) 103.7 A for 103.1 A. M.: K L Q B
(San Carlos) 103.1 C2 for 103.7 A. M.:
(Wellton) 104.5 C2 as 1st.
(Wickenburg) 94.1 C3 for 93.7 A. M.: K F M A
CALIFORNIA (Ridgecrest) 104.9 B1 for A. M.: K L O A

REPORTED SILENT (by the M STREET JOURNAL):

FLORIDA (Arcadia) W K G F (AM) NORTH CAROLINA (Kannapolis)
(Arcadia) W O K D (FM) W G T L (AM)
(Avon Park) W J B W (AM) SOUTH CAROLINA (Darlington)
MISSOURI (Columbia) K T G R (AM) W D A R (AM)

INVOLUNTARY TRANSFERS:

KENTUCKY (Richmond) W E K Y (AM) to Bob Spradlin, Receiver,
4306 Chestnut St., Berea, KY 40403 (930316EC)
TEXAS (Huntington) to Robert Milbank, Jr. (930311GG)

MONEY SAVING IDEAS:

When ordering promotional printing, you'll save money by designing your printing so that there's no wasted paper stock. Printer's stock is generally 8-1/2 by 11, 8-1/2 by 14 and 17 by 11. Size of printed piece should be divisible into one of the stock sizes.

If you own a station vehicle(s), leasing may be more practical from a tax standpoint. Ask your accountant.

When entering into term contracts for services (music services, news services, network programming with fee), etc., write a letter of protective cancellation the day you sign the contract. Don't get tied into an automatic renewal. Those contract periods go by fast.

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

Sales Planning for May - Special Opportunities:

Saturday May 1 - Kentucky Derby Sunday, May 30, Indy-500
Sunday, May 9 - Mother's Day Monday - May 31 Memorial Day

Hospital Week 5-2/8 Nursing Home Week 5-9/15
Be Kind to Animals WK 5-2/8 Nurses Week 5-3/8

All Month: Home Decorating Week, Photo Month, Foot Health Month, Better Hearing Month, Mental Health Month, Arthritis Month, High Blood Pressure Month, Older American's Month.

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

"DOLLARS FOR SCHOLARS" - Set up ballot boxes at participating businesses. People vote for their favorite senior. If the "lottery laws" in your state allow it, you might give them the first vote free, just for coming in, then, extra votes for each dollar's worth of purchases during May. BE SURE TO CHECK WITH YOUR STATE BROADCASTERS ASSOCIATION, YOUR LOCAL ATTORNEY, ETC. TO MAKE SURE YOU DON'T RUN AFOUL OF STATE OR LOCAL LAWS. Prize: a \$500.00 or \$1,000.00 scholarship.

"NAME THAT MOM" - In his book "Great Radio Promotions and Contest", Dan O'Day suggests recording the voices of your station's radio personalities. They tell what their son or daughter was like when he/she was a child. They answer questions about the son/daughter by taking phone calls on the air.

(Editor's Note: You might want to make a contest out of it by having the mothers record the stories, without identifying their son/daughter. Take guesses and award prizes. Take the # caller until you hit a winner. ... You might also record the mothers of prominent people in your community: county judge, mayor, football coach, etc.)

Dan O'Day's book is \$39.00. Call(310) 476 8111.

"WIN OLD GLORY" - Contact your Congressman or Senator. Ask for a flag that's flown over the Capital. Run a "fly the flag" promotion from before Memorial Day, through Flag Day in mid-June (14), over the 4th of July. Have listeners sign up to win at participating businesses. The flags are free. You might want to tie-in a contribution to an area veterans' hospital or local veterans' organization. Re-kindling patriotism is an important interest of many people, particularly those with conservative political leanings.

(Mike McDaniel's "A Year of Great Promotions" \$125.00 from R.R.N. 800 451 3622

ales - Research

The Project: Seven salespeople spent a day workshop on their 21st through 30th "best accounts.

Before: Those 70 accounts averaged \$99.00 each in monthly spending over the past year for a monthly total of just under \$7,000.00. Nearly half were spending zip monthly. A few would place one "big order" a year. Some did nothing consistently..

Note: Same salespeople averaged \$750.00 per account on their 1st through 20th best accounts.

After the

Workshop: In the 5 weeks after the 21st through 30th workshop the same accounts spent over \$25,000.00 vs. \$7,000.00 before - NET GAIN \$18,000.00.in new money to the station.

Note: That's \$2,571.00 per month, per sales person.

CONCLUSION: WE DON'T NEED "NEW" ACCOUNTS...WE NEED TO FINISH SELLING THE ONES WE ALREADY HAVE!

RE-PROSPECTING WORKS!!!

Jim Williams, Sales Trainer
(804) 249 3770

\$ale\$ - Newspaper Research

What's black and white and "red" all over? The answers to that old joke used to be, "the newspaper," but times have changed, according to the Economic Forecast Project at the University of California, Santa Barbara.

That survey was designed to measure the effectiveness of newspaper advertising. The "bottom line," according to Dr. Mark Schniepp, head of the project is this: MOST RESPONDENTS COULD NOT REMEMBER ANY SPECIFIC ADVERTISEMENTS IN THE PAPERS THEY HAD READ:

92.4% bank ads	90.4% clothing ads
94.2% furniture ads	92.2 real estate ads
54.3% department store ads	55.9% drug store ads
50.8% any supermarket ads	

The study was funded by the Santa Barbara Radio Broadcasters Association.

About Your Customers and Their Customers

GROCERY PRICES DOWN - Fierce competition among supermarket chains drove the average cost of a "basket" of 36 items DOWN from a year earlier:

Northeast \$84.24 - 91¢	Mid South \$82.02 - 86¢
Southeast \$78.84 - \$1.51	South Central \$81.94 - \$2.11
California \$88.77 - 44¢	West \$84.60 - 80¢

North Central \$82.07 - \$1.47 Great Lakes \$81.73 - \$1.94
Sample price drops: 16 ounce Oscar Mayer Bacon sold for an average 47¢ less, Huggies 23¢ less, Ultra Tide -Large size - 22¢.

(Information Resources, Inc.)

TODAY'S WOMAN represents 51% of the population. 58% work outside the home and earn 69.8% of what men do. They own 30% of the nation's privately owned businesses. 25% are heads of single parent households.

Women make up 69.5% of teaching profession, 65.5% of the retail sales force, 50.4% of real estate salespeople. They are 26.7% of the country's pro athletes, 47.9% of the country's writers, artists, and entertainers, 48.1% of the bus drivers 27.5% of the C.E.Os. and General Administrators, 24.5% of the lawyers 20.7% of physicians.

40% exercise and walk, 31% swim, 14% bowl, 7% play tennis, 5% play golf. 17% practice aerobics. 15% had 5+ drinks on any day the past year. 28% smoke.

(Census Bureau)

ABOUT AUTO ONE PRICE SELLING - It's being "hyped" as the newest trend in automobile retailing because it has been successful for G.M's. Saturn. Critics say, it's working for Saturn because there's a shortage of that brand. ... What do customers really want? According to one new study, they not only expect to haggle with car salesmen, they like it. Of the 1,246 would-be car buyers surveyed, only 8% said a friendly sales staff was a reason to go with a dealership. Most had never heard of one-price selling - the everyday low pricing cornerstone of Saturn sales.

(Brand Week - 3-22-'93)

MCDONALD'S HAS BEEN FRUSTRATED in its efforts to pick up its dinner hours with such items as pizza, skinless chicken, and pasta. It is putting those items aside in favor of a new idea: A HAMBURGER. It weighs 1/3 pound - 5.3 ounces vs. the 4 ounce quarter pounder, the 3.7% ounce McLean Deluxe, or the 3.2 ounce regular hamburger. It is served on a "crunchy bun." Recommended price with large fries and medium soft drink is \$3.59. McDonald's has put aside an idea that the restaurant's lights be dimmed and tables re-arranged and soothing, soft piped in music at dinnertime to provide ambiance. The idea was deemed too tricky for the chain which has long been known for a spotless, bright interior.

(Wall St. Journal 3-24-'93)

Minding the Store - The Public File

Editor's Note: We have several times run this list, but, we are running it again, because "the file" appears on the list of the F.C.C.'s. "most troublesome" violations. Fines are being frequently levied after F.C.C. inspections.

PUBLIC FILE CONTENTS LIST

1. A copy of every application tendered for filing, with respect to which local public notice is required and all exhibits, letters, and other documents connected with the application.
2. Written citizen agreements with respect to the station license.
3. Every application and related materials, for the station which is not included in #1 of this list.
4. A copy of every Ownership Report and related materials filed by the licensee or permittee since May 13, 1965.
5. Records required to be kept concerning political time requests.
6. A copy of the annual F.C.C. Employment Reports and related materials.
7. A copy of "The Public and Broadcasting", a procedure manual issued by the F.C.C. in 1974. Copies can be had by calling the F.C.C. Field Office in your area. Make a note of the time you made the request or if by mail, a copy of the letter, and place it in your file until you receive the manual.
8. Letters received from members of the public concerning the station's operation.
9. The quarterly "Issues and Programs" lists of the most significant issues in the community and the station's programming to meet those issues.
10. The station license renewal application and related materials.
11. License transfer applications and related materials.

Miscellaneous:

The Public File must be maintained and be available during regular business hours at the station's main studio where such studio is located in the community of license or at a site outside the city of license approved by the F.C.C. Stations with studios outside their community of license may maintain the file at a public place in that community.

Retention: varying terms. Simplest: keep all for the term of the current license.

"50 Years"

In a business where many people don't live 50 years, marking 50 years in it deserves recognition. It was in April, 1943 that Bill Warren "on a dare" showed up at the late Pat Kelly public announcer auditions at N.B.C. Kelly was the network's chief announcer. Young men fought for a chance to get a low wage page job at the network to enjoy its main employee benefit, free announcing lessons conducted by Mr. Kelly, maybe the most successful announcer trainer of all-time.

Bill was not offered a paging job. At the height of World War II there was a shortage of announcers. Kelly asked Warren if he'd like a job at N.B.C. affiliate W T A R, Norfolk, Virginia. He took it. Previous to that audition, Bill had spent 3 years as a telephone solicitor in the Classified Ad Department of the New York Times. "They gave me that job, because at 19, I sounded mature, but didn't look mature enough to be a believable 'on the street' solicitor," Bill recalls. That Times experience would serve him well in his new field of endeavor - radio.

"I didn't have the polish that announcers get with experience," he says, "but, I won a lot of talent fee paying jobs, because the customers and station salespeople liked my sincere, salesmanlike delivery, honed on the phone at the Times.

Bill was so successful for a 22 year old, that he went back to Pat Kelly, after only 6 months at W T A R, telling him, "I'm ready for New York." Kelly didn't agree, but, steered Warren to a job on a little station in a bigger market, W I T H, Baltimore. Bill did well enough there to marry his high school sweetheart, Vivian. It was marriage and the prospect of fatherhood that prompted Warren to get off the air and into radio sales. "I noticed that every salesman at W I T H drove a Cadillac and you didn't have to work nights."

The '50s saw Bill returning to New York as sales manager of a station that programmed foreign language during the day and at night played to a small, but vocal minority - fans of country/western music (then hillbilly music). He later managed a station in a medium market in Massachusetts, where one of his neighbors was Bob Kimel, now the New England station broker. "Bob and I were not competitors. Our stations were 20 miles apart. We'd have lunch once a month. We learned the managing business together, comparing notes, over the lunch table."

Vivian was working as an elementary school teacher. "She and I banked the money which allowed us to buy our first station in 1958. "It was the smallest town in which we'd ever lived and it was in the Midwest. Vivian and I grew up in the New York suburbs." The station had been a classic failure. Bill, Vivian, and their young son moved into an apartment in the downtown hotel where the station was located. For 3-years they "nursed" the station to

success.

In 1961, they returned to New York City, turning the station over to a manager. "We were successful absentee owners, thanks to Vivian's excellent remote control for 11 years," Bill says. "I had always envied the national reps. They had no investment, I thought, just a gray flannel suit and a telephone. I found out it was hard work - and most of the time not very personally satisfying. Vivian and I bought 2 more stations during the 1960s. Both taught us good lessons."

The first station was a daytimer in Syracuse. Lesson: "Stay out of overcrowded markets unless you've got a superior technical facility. We sold that mistake."

The Warren's bought W M C R, Oneida, New York - 12 miles from Utica/Rome - at least as bad a situation as they'd found in Indiana. "We decided to be absentee owners." Lesson: "Most hired managers won't put the effort in that's required to turn around a small market station." The Warrens, 6 months into Oneida ownership, moved there and repeated their Indiana success. "We decided there wouldn't be a chain. We sold Indiana at a good profit and put all our energies into W M C R - and having fun, rather than building a fortune." "During the past 20 years, we've been in every state and on every continent, except Antarctica," Bill says.

The Warren's secret is a nucleus of 3 full-time key people. The balance of the staff is made up of part-timers - many of whom have been there for 10 to 20 years. The sales effort consists of regular face-to-face calls and a lot of telephone calling (again Bill's Times experience).

At 72, Bill has no intention of retiring. Nor has Vivian, who Bill says with a smile in his voice, "is a lot younger than I am."

Bill is not crying about his downtown "drying up" and a lot of his retailers with it. "I guess about half our retail business evaporated during the past 10 years, but, income from services has probably tripled. The world changes - even in Oneida, New York. Changing with it is what makes the radio business fun - and keeps you young." Bill ends our conversation to make a Chamber of Commerce meeting. He's president.

THE LAST WORD

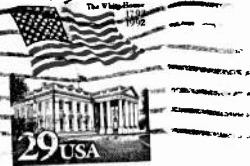
I asked Bill how he felt about the current low prices small market radio stations are bringing. He says, "We're not for sale, so that's not really important. What is important, this business has provided Vivian and I jobs (without a boss) and meaningful, challenging work. I don't think a business owes you more than that."

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: 1746 ROSEWOOD STREET, SEGUIN, TEXAS - 78155 -PHONE: 210 379 7549 -FAX: 210 372 2905

Small
Market
Radio
Newsletter
 Inc.



IN OUR
 10th
 YEAR



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AZ 85539

Bob Doll - Publisher and Editor
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VOLUME X - Issue #47 - April 15, 1993

1746 Rosewood Street - Seguin, Texas 78155 - (210) 379-7549 - FAX (210) 372-2905

N.A.B. BOARD POLITICS - Bud Walters, who barely lost a bid for Radio Board Chairman to Wayne Vriesman of W G N last year is making a second try this year. His opponent is current Radio Board Vice Chairman, Bob Fox. Walters owns a group of Midwest and Border State stations. Fox owns K V E N/K H A Y, Ventura, California. ... Alan Box, EZ Communications president so far has no opposition for Vice Chairman. Dick "Boom Boom" McBroom, owner of W N D H, Napoleon/W O N W/W Z O M, Defiance, Ohio, is calling himself "the darkest horse since Black Beauty." He says he'd respond to a draft, but, "doesn't expect ~~one to develop~~" for vice chairman.

NOT HAPPY WITH L.M.A. AND DUOPOLY RULES - Jim Coursolle, sole owner/operator of "stand alone" W P K R, Oshkosh/Appleton, Wisconsin, is running a heavy TV schedule and a 125,000 piece "Val Pack" distribution asking people, "Do you want to listen to a real radio station or a conglomerate?" He sees the rules, allowing owners to own and or control 3 or more stations in the same market as a threat to "free speech" and ultimately eliminating all but the most "monied" operators. "In a few years, we may have all the stations in the country owned by 500 or fewer owners who would be absentees in most of their markets." Coursolle says he's getting interest from local labor groups and congressmen in his area in starting legislation which would stop the practice and stop the sale of "grandfathered" radio duopolies and L.M.As.

SHE MAY BE THE MOST POPULAR CLINTON APPOINTMENT - Toni Cook, a black female, with background in public service and private practice. She is a stepdaughter of Clinton transition team head, Vernon Jordan. The confirmation process hasn't begun, because Ms. Cook is "expecting." Democrat Jim Quello, is "keeping the chairman's seat warm" until Ms. Cook is available.

NOT LEAVING TOWN - Sears will keep open 350 of its 2,000 mostly small town catalogue stores. They'll be franchise operations doing \$1-million or more.

MARCH RETAILER REPORTS (Same Store) Dayton-Hudson +3.9%, Penney +3.3%, Wal Mart +3.0%, KMart -1.3%, Sears -1.4%

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS



At the F.C.C.

NEW STATIONS (Granted):

FLORIDA (Jupiter) Triple J Properties 105.5 3 kW 118'
GEORGIA (Helen) Helen Broadcasters, Inc. 105.1 3 kW 328'
IOWA (Burlington) John Pritchard 103.1 8.1kW 476'
(Hudson) Saga Communications 96.1 3 kW 312'
OKLAHOMA (Lahoma) Donald W. McCoy 95.7 5.6 kW 338'
OREGON (Cottage Grove) Thornton Pflieger 100.5 6 kW 115'
SOUTH CAROLINA (Bowman) Radio Bowman 94.5 3 kW 328'
(Sumter) Iris Communications 94.7 3 kW
328'
SOUTH DAKOTA (Custer) Mount Rushmore Broadcasting 105.1
6.5 kW 1312'

AMENDMENTS TO THE FM TABLE (Amended):

FLORIDA (Okeechobee) 103.1 C2 Change city/license to
Indiantown. M.: W O K C
TEXAS (Huntsville) 103.7 C3. Change city/license to Willis
M.: K V S T

(Proposed):

ARIZONA (Globe) 97.3 C3 for A. M.: M.: K R X S
(Paradise Valley) 105.9 C3 for A. M.: K X L L C.P.

REPORTED SILENT (by the M STREET JOURNAL):

NORTH CAROLINA (Wilkesboro) W W W C (AM)

INVOLUNTARY TRANSFERS:

NEVADA (North Las Vegas) K J U L (FM-C) Glen Nelson,
Trustee (930325GF)

NORTH CAROLINA (Charlotte) Lee Shubert, Receiver, 4350 N.
Fairfax Dr., Suite 900, Arlington, VA 22203 (930309GF)

Also At the Commission:

The Mass Media Bureau has issued orders to show cause why
the following licenses should not be revoked:

W K L O (AM), Danville, Kentucky
W J H H (AM), Soperton, Georgia

W K L O has been silent since 1989. W J H H has been silent
since 1990.

FINE:

MASSACHUSETTS (Boston) W C D J (Emmis Broadcasting)
\$18,750.00 - E.E.O.

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

"SELL IT! RUN IT! IT'S FREE!" - What Do These 3 have in common: Massachusetts, New Jersey, Batman? ... A penny, Nebraska, Ford Motor Company? ... A toy store, lingerie store, the Kennedys? Those are the kind of questions in a radio game based on Toys 'R' US' current best selling "board game," "TRIBOND".

The game's creator, Tim Walsh, will supply you with questions to ask (sent weekly) and games to giveaway. The games list at \$29.95.

For information about an exclusive run in your market, call Tim Walsh at 608 362 6661.

The answers to our sample "TRIBOND" questions: They have capes They have Lincolns ... They have Teddies.

"ALSO FREE" My longtime friend, Don Wheeler of Lexington, Kentucky has produced a series of 26 2-minute programs called "Making Your Money Work for You." Sample topics: Getting Credit, What's In Your Credit Record?, What to Do When Debt Piles Up. The series is underwritten by Bank of America.

End of each program says "Presented as an informational service by Bank of America," You add, "and by (LOCAL SPONSOR)"and his commercial. Bank of America takes only the message. Only restriction: The series may not be sold to a competing financial institution.

To order the series, or to obtain a "demo," write: Patricia Lindh, Vice President, Bank of America, Department 3124, P.O. Box 37000, San Francisco, CA 94137. Repeats are permitted. No scheduling restrictions.

"NURSE'S WEEK" (May 3/8) Why not sell a schedule of ads saluting the nurses on the staffs of your local hospital, clinics, and doctor's offices. Do a biographical sketch: education, family, years of service, civic work, etc. Opportunity for "bonus money" from health related businesses.

Watch Your Language

Here's a list of fear producing words and suggestions for better, less threatening words from Tom Hopkins, quoted in Steve Cashdollar's "Selling Radio:"

Spots = ADS	Cost = INVESTMENT	Contract = Agreement
Deposit = Initial INVESTMENT	Buy = OWN	Sell = GET
Sign = OK	Deal = OPPORTUNITY	YOU INVOLVED
	Pitch = PRESENT	Problem - CHALLENGE
	Objections = AREAS OF CONCERN	

\$ale\$ - No Competition

In small markets, you will often find a prospect who believes he/she has no competition - and therefore does not need to advertise. What do you tell them?

Chris Lytle, in his audio tape "Sales Meeting of the Week," tells his listeners that there is no business without competition. Even if there is just one travel agency in your town - and none nearby, that travel agency competes with every other business in town for a share of the community's DISPOSABLE INCOME.

An example: a couple has \$2,000.00 in their check book. The bank is telling them to buy an I.R.A. The lumber yard is telling them to buy a deck for their home. That travel agency, without another travel agency in town, wants them to buy a cruise. Each of these 3 items costs about \$2,000.00.

That couple, like most couples, wants almost everything, but, can't afford everything at once.

The advertising salesperson, Lytle believes, is to develop dissatisfaction with the status quo. "Contented people don't buy advertising."

To develop dissatisfaction with the status quo, Lytle recommends asking questions like:

"Are you getting 7.6% of your year's business this month like other stores of your kind get?"

"Are you selling as many --- this year as you did last year? The Wall Street Journal says that sales are up in ---."

"Do people seem to be putting more of their money into I.R.As. this year than taking cruises?"

"Your job," Lytle tells salespeople, "is to get people worrying about things they haven't thought about, but," he says, "to be effective you have to deal with your prospects with 3 things they expect from a salesperson:

Ethics - honest statements;

Logic - Back up your statements with proof;

Passio - You believe in what you're selling and are committed to it."

Information on Lytle's
"Weekly Sales Meeting"
(as little as \$66.00/month)
800 255 9853

"Running A Business Better"

STOP FRIVOLOUS SPENDING - Establish a fund that rewards good money saving ideas from employees. Install a suggestion box in which ideas are submitted. Don't only award a cash prize, but, give the employee special recognition: a formal presentation: a breakfast with his/her fellow employees, an "Employee of the Month" picture where customers and fellow workers will see it, an "Employee of the Month" mention in the business's regular advertising, etc.

PRICING - Be careful with constant price cutting of a premium product. You may irreparably damage the quality image of the product/service. Also, price poor quality goods/services at premium prices is a mistake. Consumers catch on in a hurry. (Venture)

STOP RUMORS BEFORE THEY START - Best policy: Tell employees everything you possibly can. Give them all the information they might be interested in. Keep them so well supplied with correct information that rumors don't have a chance to get a foothold. (Steve Cashdollar)

MYTH vs, FACT - MYTH - The over -55 Group doesn't spend.
FACT: They account for more than 1/4 of total consumer expenditures.

MYTH - Most people over 65 live in institutions.

FACT: Most people over 65 head up their own households..

Only 5% live in institutions. (Nation's Business)

YOUR PRIME TIME? - Each of us has "Prime Time," a time of day we work most efficiently. Your "prime time" may be early morning, late afternoon, evenings. Identifying yours can help you get more done. Observe how you do detailed tasks at different times of the day. If your "Prime Time" is mornings, for instance, schedule your most challenging tasks then. Leave less important tasks for less productive times. (Selling Radio/SMARTER)

WHAT TO ADVERTISE - Ask yourself these questions:

1. What should I advertise - goods or services or both?
2. Should my advertising always feature some price-cut come-on?
3. Should I emphasize myself, my employees, my business - all or part?
4. If I emphasize price-cutting will quality be questioned?
5. If I advertise service, will price be questioned?

(How to Advertise and Promote Your Small Business
Connie Siegel)

SPECIAL NOTE: We started this monthly page in late 1991, at the suggestion of one of our subscribers. It has 2 purposes: First, most of the ideas can be adapted to any business - including a radio station. Second, they can be inserted in stations' customer letters. You don't have to credit us, but, please credit our sources.

Minding the Store - Quarterly Lists

In assembling a quarterly list, a licensee should be mindful that the list is deemed by the F.C.C. to represent the licensee's most significant treatment of community issues. In other words, the list does not have to include references to all of the station's non-entertainment programming directed to community needs and interests. However, the list must contain reference to the most significant (in the licensee's view) aspects of such programming. This could be important if a petitioner to deny or comparative license challenger ever claims station did not provide adequate issue responsive programming during the preceding license term. In such a case, the station's Quarterly Issues/Programs List would, by definition represent the station's "most significant" issue responsive programming. While the station would likely be permitted to demonstrate that it had provided additional issue-responsive programming not mentioned in the list, the licensee would be hard pressed to claim that any such supplemental programming was especially "significant" in light of the omission of such programming from the List.

The Commission has established no specific guidelines governing the nature, length, number or scheduling of locally oriented non-entertainment programming. It has indicated that a weekly program directed to 5 to 10 issues per quarter would be considered in compliance with the station's obligation to provide issue responsive programming.

Here is the 19-category F.C.C. group list: agriculture, business, charities, civic, neighborhood and fraternal organizations, consumer services, culture, education, environment, government, labor, military, minority and ethnic groups, women's organizations, youth-student-children's organizations, professions, public safety, health/welfare, recreation, and religion.

In the event that one or more lists are misplaced (or, through inadvertent oversight, not prepared in the first place), the licensee should reconstruct such lists when nonavailability is discovered. Reconstructed lists should be based on the possible station records and should be as accurate as possible. Reconstructed lists should include a statement that they are "reconstructed."

Gene Bechtel
Bechtel and Cole
1901 L Street, N.W. #250
Washington, D.C. 20036

"Retired Since 1984"

Truman Hamilton had been in retail business for almost 20 years, when he made an abrupt career change. He started working in the old Sterling Variety Stores while he was in high school. He moved up to manager, first of a small town variety store, then when the company went into discount stores, he moved to Monticello, Arkansas as manager of the company's 28,000 square foot Magic Mart. "I was running as much retail floor space as all the other non-food retail space in town. Among the merchants, I was public enemy #1"

All of that would abruptly change by 1984: Wal Mart came to town, his company was taken over in a leveraged buy-out, and the local radio station went up for sale. "My new owners decided to close my store - too little population here and too much competition," they said.

A television executive had come from a job at a big city TV station to own and operate K H B M AM/FM. When an opportunity came to return to TV and a big city (Houston), Hoyt Andres decided to sell. One of the station's longtime employees, Ray Dawson, engineer/announcer, approached Truman and his wife with an idea to buy the station. Dawson's wife was the salesperson for the local weekly newspaper. Hamilton's wife was a bookkeeper at a local bank. The 4 would buy the station (25%) each and they would run the station together (currently with 2 part-timers). That was 9 years ago.

"We divided the work up among the 4 of us," Truman says. He serves as general manager and does the station's high school and college sports play-by-play. He and Ray also do a shift, swapping every 2-weeks. "It doesn't hurt the programming. We're on a lot of recorded ads, so people hear the same voices every morning. It's a 2-man morning show," he says, "But only 1 of us are there at a time."

Mary Hamilton acts as office and operations manager. Carol made the switch from selling newspaper to radio "without any problem," he says.

The partnership, he says, "has lasted 9 years and shows no sign of splitting up. We each have our own responsibilities and each has a 1/4-th vote in major decisions. "All votes are equal. In case of a tie, we don't do anything. We look for a new solution, meet again, and invariably the tie is broken - usually by a unanimous vote. We were friends before we got into business together. That friendship is stronger now than it was before K H B M."

Truman does not miss the retail business. "It's hard work and I have admiration for retailers who make it. Doing the air work (including the Play-by-play) and other jobs here is like being retired. When you retire, you should be doing

what you like. I like this. I've been retired since 1984."

Truman looks back to his years in retail and doesn't see the "gloom and doom" many others do. "Wal Mart has built a super store here - a discount store/supermarket combo that's huge. They don't spend much advertising with us (mainly co-op). There are many successful retailers here. Many have come in since WalMart came here. Clothing stores, computer stores, drug stores. I could mention a lot of others. People who know what they want often don't want to fight the crowds, walk all over a huge store, then wait in a line. I don't hear it often in radio ads, but a small store should tell listeners that 'shopping here is quicker. It's easy in. Easy out.' People are 'time poor.' Truman believes there is hope for small, independent retailers. "They have to offer different merchandise than Wal Mart at fair prices - plus - convenience and service."

Looking back to his days in the discount store business, he says it's a lot different now. "We used to spend 8% on advertising (mostly print and mostly co-op). The advertising outlays were almost as much as our payroll expense. After we developed our market, that figure came down. I am amazed that Wal Mart spends just a little over a half a percent of sales on advertising."

Truman says, he found retailing both challenging and exciting, but, "a radio station is a much better business. You have the relationship with the people of your community, like retailing, but a radio station operation doesn't have to worry about overstock, shrinkage, (etc.) Time is what you have for sale. Nobody steals it from you - unless you let them."

THE LAST WORD

Regional Reps and its companion Hometown Radio Network serve radio stations (mostly small market stations) in 23 states from offices in Cleveland, Cincinnati and Atlanta. We had coffee with their president, Stuart Sharpe, at the Indiana/Kentucky broadcasters convention last week.

Stuart agreed that new business development was the number one need for his firm and his client stations, but, he said, "new business is expensive and its time consuming. Much of it has to be sold at the client level, a very touchy activity with agencies who place most of the business at firms like ours. Another problem: We're viewed as 'middle men,' an endangered species in the 1990s."

SMRNewsletter believes that bringing chains and franchises into small market radio in a meaningful way, is the most important work at hand and that regional rep firms are the only potential mechanism to get the job done.

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Small
Market
Radio
Newsletter
Inc.

IN OUR
10th
YEAR



Bill Taylor
KQSS
P.O. Box 292
Miami

AZ 85539

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

VOLUME X - Issue #48 - April 22, 1993

CHANGING OF THE GUARD = POLICY CHANGE At "Unistar." The then "Unistar" C.E.O. Nick Verbitsky announced last June that stations in unrated markets would be charged \$2,000.00 per month (vs. the prevailing fees ranging from \$500.00 to \$1,000.00.) A source close to the network told SMRNewsletter this week, "No new stations were signed at the \$2,000.00 rate. Many stations renewing were protected by a 10% only increase in their contracts. The new management, headed by Mel Karmazin, sent in by Unistar lenders, has reversed the last summer' policy. "Unistar" is now actively seeking new affiliates and renewals in small markets at rates competitive with Jones and Satellite Music Networks.

S.M.N. WILL SWITCH SATELLITES and go from analog to digital transmission. S.M.N. will begin shortly to move its formats, 1 by 1, to the parent company's A.B.C. network facilities. S.M.N. engineer, Carlos Hurd says, station receivers for the new digital transmissions are being built by Scientific Atlanta and will be provided to affiliates at no extra charge. "The network is absorbing the costs," he said.

INVESTMENT HOUSE, Lynch, Jones, and Ryan, predicts 1993 newspaper revenues will be up 4% to 5% with operating margins of 13% to 14% vs. 11% last year.

END OF ERA - Earlier this year, Bill Robinson, sold his Nashville based "Musicworks'" client list to Broadcast Programming, Inc. He's now offering the company's music library of 3,000 albums and 3,000 singles. Also old rock. Collectors and re-sellers are invited to inquire at 615 790 7755.

NEWEST AM FORMAT: ALL CLASSIFIED ADS IS RUNNING ON Class IV AM K Y L B, San Luis Obispo, California. Listeners call their ads into a computer. Telephone bill is charged for #900 at \$3.00 for 1st-minute, \$2.00 per minute after. After 3 months on air, 200 people are using station weekly. Info: Dwight Case 310 354 4803.

NEWEST MEDIA "Ad Age" reports that the state of Iowa is selling ads in the "State Income Tax Information" booklet. The state intends to offer ad space in other state government publications.

1746 Rosewood Street - Seguin, Texas 78155 - (210) 379-7549 - FAX (210) 372-2905

At the F.C.C.

NEW STATIONS (Granted):

INDIANA (Clinton) World Power 93.9 3 kW 328'
MINNESOTA (Moose Lake) Gate Broadcasting, Inc. 107.1 3kW 328'
WISCONSIN (Reedsburg) FWK Broadcasting Corp. 102.9 3 kW 328'

AMENDMENTS TO THE FM TABLE (Amended):

ARKANSAS (Fordyce) 102.3 A for 101.7 A. M.: M.: K Q E W
(Hope) 101.7 C2 for A. M.: M.: K X A R.

(Proposed):

ARIZONA (Nogales) 99.1 A as 2nd
CALIFORNIA (Yermo) 105.3 B1 for A. M.: C.P. K Y H T
FLORIDA (New Port Richey) 105.5 C3 for A. M. W G U L
(Sarasota) 104.3 A for 105.5 A. M.: W K Z M C.P.
NEW YORK (Chateaugay) 94.7 C2 for A. M.: W Y U L.C.P.

NEW USES FOR S.C.A. continue to expand profit potential for stations. The latest is the injection of the 57 kHz subcarrier at a level of only 2 kHz for Radio Broadcast Data Service (R.B.D.S.). This does not disturb other S.C.A. operations. The low injection level reduces danger of intermodulation. A major manufacturer suggests system costs ranging from \$1,500.00 to 6,500.00 (plus S.C.A. generator for 57 kHz). Car makers are expected to begin installation of sets equipped for R.B.D.S. reception mid 1993. Some possible uses:

1. P.S. (Program Service) : a "billboard" which will allow the display of your call letters and or slogan in text on the face of the radio.
2. R. T. (Radio Text) - 64 character capacity to send text of your own choosing such as advertising, song titles while playing etc.
3. C. T.-Clock and Time - Sending accurate time to the car, synchronized to W.W.V. Clocks will be eliminated in many new models.
4. A.F. - Alternative Frequency - This feature will allow your radio to monitor select frequencies for the strongest signal. This has its greatest potential for commonly owned or operated stations doing a simulcast over a broad area. This allows you to hold listeners a longer time.
5. T.A. - Traffic Announcements - This permits your radio to sense the incoming traffic signal which may be transmitted in audio and text form and override even a C.D. or cassette for the period of the announcement. This has E.B.S. potential as well.
6. Leasing - Paging, control functions and other services can be incorporated and leased to increase station income.

E. Harold Munn and Assoc.
Coldwater, MI Client

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

"QUIZ BIZ JR." is running for 30 days on K J A M AM/FM, Madison, South Dakota. The station has distributed sheets of 100 questions to k/6th grade classes at schools throughout the K J A M area.

Each morning at 7:00 A.M., a question is broadcast. The first student to call-in with the correct answer scores points for his/her school. At the end of the 30-day period, the school with the highest number of points will get a 1993 set of "World Book Encyclopedia" for the school's library..

The questions and prize were provided through a local "World Book Encyclopedia" representative.

"A Co-operative Venture" (from Brad Goodwin, W P X C/W R Z E in "Selling Smarter/RADIO): Idea: sell a good volume store a tie-in with other non competing, but, complimentary businesses. Video rental customers get free coupons when they rent 3 films for a single night. Fast food outlets and convenience stores would profit for such a tie-in.

"SUPER 'P. R.' IDEA" - In Thief River Falls, Minnesota, Chamber of Commerce members sell radio ads for "Radio Days" broadcasts broadcast by Chamber members. The station and the Chamber split the proceeds 50%/50%.

It has proven to be a good fund-raising activity - plus- an excellent chance for the Chamber to tell the public what it does for the community. For K T R F, over the years, it has introduced many new businesses to radio advertising. It has also forged an important bond between the station and the town's leading business and professional people.

Unfortunate

One of our subscribers called to tell us that the agency for a soft drink bottler called to say, "I have a buy for you." He says, "We were delighted. They'd never bought our station because, we're a country music station, and they always said we were 'outside their target.'" His "delight" quickly vanished when he was told:

"We can't pay \$12.00 for a station in your size town. We will only pay \$9.50."

"That rate is gross - less agency commission (\$8.08). The buyer continued to demand:

"A 2-hour remote each month of the 3-month schedule with prizes supplied by the station."

"90 bonus spots on the 450 spot schedule.

HOW MANY STATION ACCEPTED "THE BUY?"

\$ale\$ - Before the Sale

I remind myself that my purpose is to help other people feel good about what they bought and about themselves for buying.

Before each sale I help myself realize my purpose by using "The One Minute Rehearsal", which helps me see what I want to have happen before it happens.

1. I mentally Walk in Other People's Shoes in order to help me see things from their point of view.
2. I mentally see The Advantages of my service, product, or idea and how these advantages can help other people get what they want.
3. I mentally see The Happy Ending for the other people. They feel the way they want to feel: good about what they bought and about themselves for buying.

I see myself getting what I want: more sales with less stress.

What I do before the sale is the first of three parts in the Game Plan for Selling to Others.

THE ONE MINUTE SALESPERSON'S "GAME PLAN"

The Quickest Way to More Sales with Less Stress

I START

with

MY purpose

I help people get what they want SOON

Before the Sale:

First, I see other people getting the things THEY want.
Then, I see me getting what I want.

I study the features and advantages of what I sell -
thoroughly and often.

I see the benefits of what I sell actually helping others
get the feelings they want.

The above exercise is from "The One Minute Sales Person" (Avon) by Spencer Johnson, M.D. and Larry Wilson. It's only 111 pages long in paperback. It's quick and easy reading that we believe will be valuable to any salesperson.

GRADUATION ANNOUNCEMENTS

Graduates. _____ extends best wishes for a graduation time full of memories to last a lifetime. _____ wants this to be one of your best times ever - a prelude to a lifetime of success. Celebrate with style! Leave drugs and alcohol out.

As you get ready for prom and graduation activities, _____ reminds you members of the Class of '93 that your future is on the line. Don't blow it with alcohol or drugs. _____ says, celebrate with style - leave drugs and alcohol out.

The most important part of any community is the people who live and work there, particularly its young people. _____ knows this is a particularly special time for the graduating seniors of our area schools. _____ believes these graduates are our community's real future. That why they send their best wishes and congratulations to the Class of '93.

The members of the Class of '93 can be very proud of their accomplishments. _____ shares this pride. Congratulations and best wishes to you all from _____.

_____ extends best wishes to the Class of '93. They hope that you'll carry pleasant memories of school days and graduation time the rest of your life. _____ says, celebrate with style. Leave drugs and alcohol out.

The Class of '93 will be remembered for a long time as one of our very best. Congratulations to every graduating senior on your outstanding accomplishments. Best wishes from _____. They're mighty proud of you at _____.

_____ hopes every graduating senior will enjoy the graduation activities with style by leaving alcohol and drugs out. Best wishes for the graduation season and the future from _____.

_____ believes graduation time is more than just receiving a diploma. It's a turning point when young people become adults. _____ believes the future is bright, because our schools have prepared our young people to make the most of it. To each member of the Class of '93, here's hoping that your every wish comes true from _____.

_____ wants this to be the best, safest graduation season ever. That's why they bring you this message, "Celebrate with Class. Leave drugs and alcohol out."

_____ believes graduation time is too special to mar it with an accident. Congratulations and best wishes.

January 13, 1993

Dear Paul Harvey:

Do you realize if everyone did business like Wal Mart does, there would be no local radio stations to carry your program? Wal Mart has a policy against local radio advertising. Now, I read protests from newspaper organizations about Wal Mart policies in dealing with local newspapers.

You know the importance of local radio stations and newspapers to a community.

This is the second community where I've witnessed Wal Mart come in, undersell, then drive out the "mom and pop" stores that are the backbone of local radio stations and newspapers.

From personal experience, when Wal Mart says they "buy American when they can," that means when they can force some American company to sell it to them cheaper than they can get it somewhere overseas. I know personally of businesses that got a Wal Mart contract and within a couple of years went out of business because Wal Mart forced them to sell cheaper and cheaper each year. Wal Mart is not a good neighbor.

Mr. Harvey, I have always been proud of you and your pro-American, good news type of broadcast you have done in the past. I now feel ashamed when I hear your distorted picture of Wal Mart. I hope there are still radio stations left when Wal Mart takes over all the markets.

I hope you will consult with other radio station managers whose station carry your program. I think they'll tell you, when a Wal Mart Store comes into a town, they cut their prices, capture the market, drive out business people who have served their communities well. Then, when the competition is closed, Wal Mart raises their prices. It's a tactic similar to the one used by Japanese auto and TV makers. They undersell until the competition is stamped out, then they raise prices to what the market will then bear.

Finally, Mr. Harvey, do you realize that most Wal Mart employees are allowed to work only 30 hours per week - so they are low wage employees without benefits full-time employees receive? Wal Mart policies are good for Wal Mart. **THEY ARE NOT GOOD NEIGHBORS!**

Eddy Weems, Manager
K C T I/K P J N
Gonzales, Texas

Editor's Note: To date, Weems has not received a reply of any kind to his January 13 letter.

"Mainly A Salesman"

John Kennedy has owned W G E L at Greenville in Southern Illinois since the mid-'80s. The 15 years before buying the station, he sold at stations in Louisville, Kentucky and Peoria, Illinois. "I was a selling sales manager the last year and a half I was in Louisville and the 6 years in Peoria," he says.

When he bought his Class A FM in a town of 5,000, "I decided to keep doing what I do best and what I like most - selling." After 8 years, he still produces 80% of his station's revenues. "I can do that," he says, "because I have outstanding people inside, particularly my wife, Eleanore, who handles the office work and his operations manager, whose been with him since high school, John Goldsmith.

Kennedy says, he and his wife had looked for a small station for a period of time. "We bought this 90 days after it went on the air. The fellow who built it was in the business of building stations to sell. He didn't care much for operating them. The day I got here, there were 3 advertisers on the air. I knew we could do better than that."

John says, Eleanore had vetoed several of the towns we'd visited. A registered nurse, she had decided to change careers. She visited Greenville to take instruction on becoming an aerobics teacher. "If there was a radio station there," she told John, "I'd like for us to buy it." John found out that there was an unbuiltd C.P. there. "The holder of the C.P. and I dickered for months."

When John approached the local bank, "They weren't enthusiastic about a radio station in Greenville being a viable business. They loaned me a little money - just in case it worked out."

The Greenville area has a very sound diversified economy: a 4 year church related college, small industries, farming, and a federal prison. "It also has a very conservative business community."

John was surprised to find out how receptive local businesses were to buying radio time. "There had been a remote studio here for over 30 years. Hayward Talley (W S M I Litchfield) had done a good job of selling the value of radio advertising at good rates. I don't think I would have done as well, if that studio hadn't been here. It's still here. That's fine."

Kennedy says he's gotten away from promotions. "We still do '12 Days of Christmas' and tie into local and area events in a big way. But, to be very frank, I'd rather spend my time

helping a man or woman developing their business than selling them a package or promotion. It's better for them - and that makes it better for us."

Kennedy works an area 25 miles in every direction from W G E L. "Like most small towns, " he says, "there are 'holes' in the merchandise mix in our town. I've found a lot of people out there who are anxious to "fill those holes." The truth about the market today is that people will go further to get what they want. I sell the economic strength of my market out there. I present my station as a 'given' that it reaches it."

He has done well with farm related businesses by bring in Bill Mason, a retired farm director at several large stations before settling in the Greenville area. He's a member of the National Association of Farm Broadcasters (N.A.F.B.) "He's on the air and goes on calls with me to farm related accounts. It helps to have someone along who knows farming - speaks the language. I also know that we get some farm business that we wouldn't get if we didn't have an N.A.F.B. member on staff."

Kennedy says that his sales presentation hasn't changed much over the years. The best opening I've discovered is, "What's exciting that's happening in your business today?" If they tell me something, we try to make it more exciting. If they say, 'nothing,' we try to help them find something to make things more exciting. Bob, I know you'd expect something more striking than that from a fellow with an advertising degree, but, most people in business seek excitement. If they were satisfied with a 'hum drum' existence, they'd have a steady, government job."

THE LAST WORD

The article about the soft drink bottler on Page#3, we're afraid, is not an isolated incidence. Rate integrity is far and away the most important issue in selling an intangible. The truth is, what radio stations have to sell is really worth what the station says it is.

I had a competitor, not long ago, who had a \$100.00 rate in S.R.D.S. and was on the street with \$4.00 and \$5.00 spots. He was active in industry affairs. Did his customer think they were getting a good deal at \$4.00 and \$5.00 each. No, they thought they were getting \$4.00 and \$5.00 spots.

We believe that the widespread agency argument that "radio is too hard to buy" is very valid. Negotiating prices is an expensive, time consuming process. Wouldn't better business dictate, realistic rates. When an agency said, "How do you justify that?" You could truthfully say, "That's what our customers pay to be on our station."

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VOLUME X - Issue #49 - April 29, 1993

FILLING UP THE 1605-1705 PART of the AM band starts Monday, May 3. That's the day the F.C.C. begins to accept petitions to migrate to the new frequencies-will be accepted from present AM licensees. Preliminary "window" will close June 30. Petitions need to include:

1. An opening statement requesting migration;
2. The call sign, city of license, and frequency of station making request;
3. A statement as to whether AM stereo will be employed.

Petitions should be addressed to:

Ms. Donna R. Searcy, Secretary
Federal Communications Commission
Attn.: AM Branch
1919 M Street, N.W.
Washington, D.C. 20554

There is no fee for filing. Station will be selected on the basis of how much interference their move will remove from the AM band.

COMMISSIONER JIM QUELLO, a former broadcaster, proved again to the attendees at the N.A.B. Radio luncheon "where his heart is." He has asked that the Commission look at the size of the fines it's levying on stations; came just short of endorsing "a freeze" on new stations; and urged the industry "to come up with a workable D.A.B. system to assure present operators a place in the new technology.

ANOTHER SMALL MARKET DUOPOLY - Dr. Sam Parker, owner of W S J P (AM) and W B L N (C) has been given F.C.C. permission to buy Murray, Kentucky's 3rd station, presently "silent" W N B S (AM). He bought it out of bankruptcy.

A PROFITABLE FORMAT "HOLE" for AM stations in the South: W J I G, Tullahoma, TN and K N E T, Palestine, TX with satellite delivered "Super Gospel Country." In 90 days, W J I G went from \$1-thouand to \$10-thousand a month - K N E T had an 80% increase in "long term" business. Information: 800 877 1950.

N.A.B. BOARD POLITICS - Post convention: No contest for Radio Vice Chairman: Skip Finley, W K Y S, Washington, D.C. Still close race for chairman between Bob Fox, K V E N Ventura, CA and Bud Walters, Cromwell Group, Nashville, TN.

1746 Rosewood Street - Seguin, Texas 78155 - (210) 379-7549 - FAX (210) 372-2905

At the F.C.C.

NEW STATIONS (Granted):

FLORIDA (Inglis) Lucille Ann Lacy 104.3 6 kW 328'

AMENDMENTS TO THE FM TABLE (Amended):

GEORGIA (Cusseta) 103.7 A as 1st. W. 6-1/7-1
(Harlem) 98.1 C3 for A. M.: W C H Z
OREGON (Brookings) 96.4 for C3 M.: K U R Y
WISCONSIN (Iron River) 107.3 C2 as 1st. W.: 6-1/7-1

(Proposed):

MICHIGAN (Norway) 94.3 C3 for A. M.: W Z N L.
MINNESOTA (Rushford) 98.3 C3 for A. M.: K W N O
MISSISSIPPI (Cleveland) 103.9 C3 for A.
(Ebenezer) 103.9 A. Delete.
MISSOURI (Moberly) 105.5 C2 for C3. M.: K Z Z T.
OREGON (Toledo) 101.7 C2 for A. M.: K Z U S.
TEXAS (Howe) 95.3 C3 for A. M.: K H Y I C.P.
WISCONSIN (Berlin) 104.7 A for 102.3 A. M.: W I S S
(DeForest) 93.1 A as 1st.
(Wautoma) 102.3 A for 93.5 A.

INVOLUNTARY TRANSFER:

FLORIDA (Port St. Joe) W M T O (FM) to Donald G. McCoy,
Receiver, 4200 Office Center, Hwy 98, Mexico Beach, FL -
32410 (930108 HP)

About Your License Renewal

If you are a broadcaster and you fit within one of the following categories, which are illustrative and not all-inclusive, you will be very vulnerable to a renewal challenge. If you have allowed your station to be LMAed, or if you are an AM-FM combo and you LMAed another station in your market, or if the majority of the shareholders in your station do not work full-time at the station or if any forfeiture for any reason has been instituted against the station by the F.C.C. or if complaints are pending and a competing application is filed, you must be able to prove from your records:

- Your efforts to ascertain the needs, problems, and interests of the community;
- the programming aired was in response to ascertained needs;
- your reputation in the community for serving needs, problems and interests;
- your compliance with all the Commission's rules and policies and with the Communications Act;
- the presence of a special effort at community outreach providing a forum for local self expression.

Borsari and Paxson, Attorneys
Washington, D.C.

MONEY PAGE - \$ale\$ and Promotion Idea\$

It's originating in Cairo, Illinois - one of the nation's most depressed small markets. The station is W K R O - struggling with its market - but, doing better lately, thanks to an innovative young man that station owner Bill Crain, a local funeral director, has "brought aboard."

For several years, Randy Scheiding had done free lance promotional selling on a commission basis for small Illinois stations. He came to Cairo to be with his father after Randy was misdiagnosed as having M.S. "I found out I had Parkinson's," he says. "That's bad - but not nearly as bad as M.S." Randy's father introduced him to Bill Crain who put him to work selling time on W K R O.

Last summer, Randy sold the local Orange Crush soft drink distributor a radio Bingo game. In the town of 4,800 people registered to get weekly cards on which to play bingo over the radio. "We have them get a registration card to get rid of that old problem of people picking up a lot of cards. Each listener gets 1 Bingo card per location per week by showing the registration card. Last year, we had 1,000 adults registered to get Bingo cards in our town of 4,800." Orange Crush as the major sponsor got a coupon on the back of each "Bingo" card. The results pleased the bottler so much that he not only renewed this year, but agreed to be the primary sponsor on a network of 6 AM radio stations in Southern Illinois. In addition to W K R O, listeners will be playing on W I L Y, Centralia, W S H Y, Shelbyville, W M C L, McLeansboro, W E I C, Charleston and in Missouri on K C H R, Charleston. The Bingo broadcasts will air each night from 6:00 to 6:15 P.M.

3 games will be played nightly. The first 2 are standard "bingo" games. The 3rd is a continuing coverall game with 12 numbers each night until Friday, when numbers are called until a winner covers his/her card.

Winners of each of the first 2 games get a 12 pack of "Orange crush" - plus - a chance to play in the season ending grand prize game for \$2,000.00 cash. The winner of the weekly "cover all" gets \$100.00 cash. The weekly "cover all" winner also gets transportation, admission, and lodging at an Indian gaming resort (valued at \$199.00). That reservation has a \$1-million giveaway in which each Bingo network weekly and the annual winner will be entered.

The individual stations used a simple, low cost telephone coupler hook-up to pick up the broadcast. "We do not limit the 2 nightly preliminary games," Randy says. "After somebody calls in a 'Bingo', we'll pay everybody who calls with the same combination. Our sponsor wants to give away a lot of product and we want as many people enrolled as possible for our big end of series jackpot."

The participating stations sell 1 or 2 card pickup points in their area and keep all the money. The network sponsor pays for registration cards, Bingo cards, and prizes.

\$ale\$ - Building Rapport

True communication depends not just on careful choice of words and a smiling face. It stems from a feeling of rapport.

Your call is carried on two levels: There are facts and information to exchange. But first, the doors of rapport have to open. Rapport can be loosely defined as a feeling of "sameness." When we feel rapport with others, the channels are open: "We're on the same wavelength." We feel we could become friends. Techniques for developing rapport include:

- using the other person's name during the conversation (in moderation);
- mentioning acquaintances by name, or making references to mutual experiences or backgrounds;
- asking questions about the other person's viewpoint. This demonstrates that you're not self-centered - that you're interested in his/her position;
- stating openly that your aims are the same - that you both share common goals and that this conversation is an opportunity to reach common satisfaction.

If you want to establish rapport, it's useful to match the other person's representational systems. A person who uses a lot of action packed adverbs is likely to tire of listening to a dull, bare-essentials speaker. Likewise, the less imaginative speaker will feel overwhelmed - or even defensive toward a flamboyant counterpart.

Be attentive to the other person's speech -patterns. If you speak loudly at 212 words a minute and the person to whom you're speaking speaks softly at 140 words a minute, you're going to have a rapport problem. The other person will not feel comfortable if you speak markedly different.

One who wishes to communicate superbly and establish rapport practices these three techniques:

1. He knows what the desired results of the communication are.
2. He has the flexibility to quickly adapt to the other party's communications pattern, including his choice of words, volume, speaking rate, etc.
3. Finally, he has the perspicacity to recognize when desired results take form.

George R. Walther in
"Phone Power" (Berkley)

\$ale\$ - More Impact from Sales Letters

Effective letter writing can help you clinch a sale. Remember these tips when following up on an inquiry with a personal response:

- Enclose a high powered sales letter with a rate card, brochure, or flyer. Printed, impersonal material has little impact.

- Remind your reader that this is information he/she requested. Type "MATERIAL YOU REQUESTED" midway down the left side of your envelope. To make sure he/she gets the message, include "Here is the information you requested," or "Thank you for inquiring" in the opening sentence of your letter.

- The tone of your letter should be "hard sell" and personal. Let your letter do the selling and the material you enclose do the "telling."

- To promote readability and interest, use;

subheads,
short punchy sentences,
underscoring,
indentations,
a second color, etc.

- Use quality printing.

- If there is a "P.O. Box" address on your stationery and other materials, also list your address. Post office boxes send a message of a "fly by night business."

- Make sure your letter "asks for the sale." Tell the prospect to call or FAX for more information - or - to get the schedule started.

"Specialty Salesman"

About the Marketplace

The median U.S. Family:

Checking Account Balance	\$900.	Home Mortgage Debt	\$32,000.
Saving Account Balance	1,500.	Home Equity Debt	17,500.
C.D. Value	11,000.	Credit Card Debt	900.
		Car Loan Debt	5,800.
	NET WORTH		\$47,200.

New Strategist Publications
Ithica, New York

Editor's Note: There Is Money Available To Be Spent
Out There In the Marketplace.

1993 "Crystal Award" Winners - Small Market

The following were chosen from a record number of entries for outstanding community service. The awards were made during the Radio Luncheon at last weeks N.A.B. convention in Las Vegas:

K Z Z Y, Devils Lake, North Dakota - When K Z Z Y started 3 years ago, Public service was identified as one of the main focuses for programming and promotions. It remains a major focus. The station is in a very rural community. By getting the entire staff into a "service mode," the station has provided services that would compare well with larger stations in larger markets. The station's "Christmas Sharing Tree" brought in over 300 gifts for 157 needy children. \$4,130.00 was raised for the highway patrol's "Make a Wish" foundation. When a women's basketball team from the area won a berth in a national championship tournament, the station raised \$2,400.00 to help defray transportation costs. 309 unwanted pets got new homes thanks to a "Adopt a Pet" campaign waged by K Z Z Y. 212 cans of food were collected for the local "food pantry" when it faced the prospect of having to cease operations. The station has 16 part and full-time employees. 11 of them are active in local civic organizations.

W L N G AM/FM, Sag Harbor, New York - The station sees its primary mission as being involved in its local Long Island community. Last year 30% of its program time was devoted to local causes. The station employs a staff of 24 and 4 mobile units in covering its community. There is a special closeness among the station's personnel who average 19 years tenure (fulltimers). Staff members endured ankle deep flood waters at the station to report conditions to anxious listeners. When a local 5-year old youngster was diagnosed as having leukemia, the station broadcast pleas for a donor to participate in a bone marrow transplant. 1,000 responded. Among them, a satisfactory donor. Operation was successful.

W T T R, Westminster, Maryland - The station is the only station primarily committed to serving Carroll County. Although it is "under the umbrella" of both Baltimore and Washington, D.C., W T T R has forged itself an important place in the community by covering important issues to its county in a meaningful way. Most recently, it helped its audience sort out issues that had brought on an economic and political crises. Thanks to extensive informational series aired by W T T R, county voters passed a Charter Government referendum and mandatory recycling. A station fund raiser collected \$5,000.00 for Muscular Dystrophy, 1,900 "Coats for Kids" at Christmastime. 1,047 families were helped by a "Neighbors in Need" fund raising effort: Food, clothing and other items were collected along with \$14,600.00 in cash. A health fair and a child identification program for parents was set up by the station during the year.

Small Market Radio Idea "Swap Meet"

"The value of your radio station is a multiple of what it makes. That's the hard reality of today's marketplace." The words were those of Larry Trimmer, Senior Vice President of the "Cromwell Group," whose 16 stations include several in small markets.

Trimmer passed out a list of things to watch in keeping expenses in line. The ideas have pretty well made the rounds the past couple of years in publications like SMRNewsletter. "Look at everything for which you're spending money, particularly personnel. If your personnel costs (payroll and benefits) are more than 50% of your cash sales, you have to lower your payroll costs or raise your sales volume."

Trimmer pointed out that \$1.00 in new sales will not equal \$1.00 profit. "But, cut an expense cost \$1.00 will." Trimmer agreed that most often the cause of excessive personnel costs are payments to management and salespeople. In his group, he says, managers are paid fairly low guarantees against very strong incentives. Sales people are paid 15% of collections with a 90-day trial period to meet their draw.

"You can't do things just because you've always done them. These are hard financial times. The only way to run a business is what's called 'zero based budgeting' - everybody and everything in the operation is evaluated every month."

John Young, who with his wife owns and operates K I B S / K B O V, Bishop, California, told of how he had to reduce his staff from 15 to 8 people to meet the new realities of the bad California economy. "Letting people go is very hard. After they're gone, you (the owners) have to take over a lot of the work they were doing. That's the way you keep your business going when the economy goes 'sour,'" John says.

John's small market in the mountains of California has seen the appearance of non radio advertising chains and franchises and the disappearance of many longtime radio advertising independents. "We have to go after a lot of small service businesses." Two successful entities to attract that kind of business have been the stations' classified ad programs. The open end broadcasts on which one classified is read after the other, range from 5 to 10 minutes 4 times daily. One day's run of 50 words or less costs \$4.00 cash. In addition to individuals, area governments, civic groups and small businesses use the programs.

Weather is a "central issue" in his stations' area, so weather reports are broadcasts 2 times per hour. "We sell a 15-second ad rotating around the clock. We call those ads 'business cards' and sell them to professional people and service businesses. It's not hard to keep them sold out. There's very little turnover."

John has taken responsibility personally for calling on the market's franchises and chains. "It's too slow for a salesperson selling on commission to spend their time on it. But, I find it a real challenge and have had some pretty good luck. In addition to getting a lot of 'flight' business, I have 1-year contracts from the absentee owned Toyota franchise, McDonald's and Carl's Jr. (fast food)."

Richard Osborne, W K X L AM/FM, Concord, New Hampshire is dealing with a lot more competition and the New England economy. He's kept his stations profitable by keeping a close watch on expenses and developing new sources of income. "We used to give seats in our station box at the Boston Red Sox home games to customers, friends, staff. We now sell those tickets. We show a profit on them."

The station has also developed an across-the-board 60-minute talk show. It's conducted by and sponsored by doctors, the local hospital, a health insurance provider, etc.

Mark Crump, K D X U/K Z E Z, St. George, Utah, operates his stations for the Salt Lake City based Simmons Family, Inc., a conglomerate. His station operates in the healthiest, fastest growing market of the panel members. Radio and other ad media competition is growing even faster. Mark has put an emphasis on developing alternate sources of income. The major one is a "Food Show" run in partnership with a major, local supermarket.

The event is held in early December each year at the town's convention center. Booth space is sold to the store's major vendors. The 2-day event features live entertainment. "In our area, we find April and May are the best times to sell the space. We and the grocer 'pitch' the participants together and divide the profit 50%/50%. 70 booths were sold last year at \$550.00 each. There were 18,000 attendees.

The Sunday afternoon program at N.A.B., Las Vegas, was moderated by Lou Vito, W B L L/W P K O, Bellefontaine, Ohio.

THE LAST WORD

We find the F.C.C's. plan for awarding station licenses in the new expanded 1605 to 1705 frequencies intriguing. Stations getting preferred places on the selection list are expected to come mainly from the frequencies above 1000 on the AM dial "which receive and emit the most objectional interference." Idea to take a step toward "cleaning up the AM band" and to improve the lot of struggling stations. Question: How many of these struggling AM stations will be able to finance construction of the new facilities and to absorb the large losses that are sure to be suffered in the early years of operating on the new frequencies?

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Bill Taylor
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Jay Mitchell - Publisher and Co-Editor
Lori Morgan - Associate Editor

VOLUME X - Issue #50 - May 6, 1993

STATION EMPLOYMENT LEVELS DROP DRAMATICALLY, leading to lower turnover rates. According to the 1991 FCC Broadcast and Cable Employment Report, total employment has dropped 12% since 1987. A study of staffing levels at over 400 radio stations, performed by the CPA firm of Miller, Kaplan, Arase & Co., showed a 6.5% drop in employment from 1991 to 1992. Fewer jobs mean lower turnover: in the Eighties, 75%+ was not uncommon, whereas today the figure is more like 40%

LOCAL RADIO REVENUE IS UP, according to the latest RAB figures - up 13% March '93 vs. March '92, and up 10% in First Quarter '93 vs. First Quarter '92. (National was up 11% and 6% respectively.)

NEW SUPREME COURT DECISION spells possible tax relief for radio station buyers. The court ruled that the purchaser of a newspaper, the Newark Morning Ledger, could depreciate the paper's subscriber lists. According to tax attorney Mike Hines, "The impact is very beneficial for taxpayers with intangible assets, which includes radio." Types of intangible radio assets affected: advertising contracts, client lists, unique format, even underdeveloped market competition.

HELP-WANTED FORMAT OUT OF WORK. WHLP-AM/Baltimore's "All-Help-Wanted" format didn't make the cut after all. Western Star, which had been brokering the station from Allied Media, is out, and Penny Lane Broadcasting is in. Penny Lane has moved the "Music Of Your Life" format to WHLP's frequency from WITH.

ANOTHER ATTEMPT TO TAX RADIO ADVERTISING HAS FAILED, this time in Washington State. A bill before the legislature would tax production services, but not air time and print space sales. Credit goes to the Washington State Association of Broadcasters for their instrumental lobbying role.

THE NUMBER OF FCC FINES LEVIED HAS NOT GONE UP with the new fee schedule, but the sizes of fines have. And 60% of the outstanding fines - \$16.7 million worth - remain uncollected.

LIMITS ON ALCOHOL ADVERTISING have been introduced in Congress in two separate bills calling for health warnings in beer and wine ads and elimination of alcohol-advertising tax deductions.

At the F.C.C.

NEW STATIONS (Granted):

DELAWARE (Fenwick Island) Delaware Shore B'c'g. 92.1 3 kW 328'
FLORIDA (Punta Rasa) Kight B'c'g'. 97.7 3 kW 328'
KANSAS (Horton) William D. Purkis 93.7 25 kW 328'
MISSOURI (Piedmont) Hunt B'c'g. Group 104.9 25 kW 325'
TEXAS (Lometa) Debra Witcher 101.9 6 kW 328'
(San Angelo) Francis Jenkins 100.1 6 kW 328'

AMENDMENTS TO THE FM TABLE (Amended):

GEORGIA (Homerville) 98.7A for 105.5 A.
(Lakeland) 105.9 C3 for A. M.: WHFE.
KENTUCKY (Campbellsville) 105.9 C3 for A. Ch. c/1 Mannsville M.:
WVLC C.P.
OKLAHOMA (Broken Bow) 106.1 C2 for C3. M.: KKBI
TEXAS (Henderson) 99.9 C3 for A. M.: KGRI

SPECIAL WINDOW (until June 1, 1993):

First Come-First Served:

IDAHO (Gooding) A	NORTH DAKOTA (Bismarck) C
ILLINOIS (Dwight) A	OHIO (McArthur) A
KANSAS (Colby) C1	OREGON (Myrtle Point) A
LOUISIANA (Mamou) A	TEXAS (Littlefield) C3
MISSISSIPPI (Bruce) A	UTAH (Richfield) C

Applications filed during earlier "window" were returned as not acceptable for filing:

INDIANA (Winamac) A	MICHIGAN (L'Anse) C2
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AMENDMENTS TO THE FM TABLE (Proposed):

FLORIDA (Trenton) 101.7 C2 for A. M.: WCWB
OREGON (Newport) 92.7 C2 for C3. M.: KCLM

REPORTED SILENT (by the M STREET JOURNAL):

VIRGINIA (Highland Springs) WCLM (AM)

FINES:

CALIFORNIA (Fresno) Headliner Radio \$3,125.00 - Broadcasting a misleading contest announcement.
MISSOURI (Kansas City) KKFI - \$2,500.00 - Not making Public File available.
VERMONT (Randolph) \$20,000.00 - Operating with power in excess of authorized.

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

PROMOTIONAL OPPORTUNITIES FOR JUNE

National Dairy Month
Turkey Lovers' Month
National Drivesafe Month
National Fresh Fruit and Vegetable Month
National Pest Control Month
National Rose Month

International Volunteers Week - June 1-7
National Safe Boating Week - June 6-12
National Flag Week - June 13-19
National Little League Baseball Week - June 14-20
Amateur Radio Week - June 22-30

Career Nurse Assistants Day - June 3
Lunar Eclipse - June 4, 6:11 AM-11:50 AM (EDT)
Flag Day - June 14
Father's Day - June 20
Summer begins - June 21, 5:00 AM (EDT)

Tie-In Ideas

Father's Day is a perfect time to run one of our favorite promotions: arrange with a local restaurant to set up a special telephone and allow patrons to place Father's Day calls for a two- or three-hour period. The fine print: the calls can be to anywhere in the Continental U.S., but cannot be longer than three minutes (or two, or five, or whatever you agree on). This is a great draw for the restaurant, and a good promotion for your station.

The first day of Summer is the time to get lots of things cranked up. A good promotion for that day might be "[Market]'s Largest Outdoor Barbecue." This is a food-fest held in the parking lot of a local grocery store. Through the participating grocer, you can arrange to offer free samples of various products sold in the store to listeners/customers who show up. The store and their vendors commit to advertising schedules and everybody receives promotional mentions on the air.

National Drivesafe Month is to focus attention on teen driving safety. A tie-in promotion that is effective - and fun to do - is to have one of your air personalities "get drunk on the air," under the supervision of the local police department. A police officer or a doctor administers measured doses of alcohol at prescribed intervals, and then performs tests of motor response, verbal ability, and so on. This is good radio, and it really gets the town talking.

\$ale\$ - What Makes A Great Salesperson?

1. Honesty. All great salespeople are totally honest. They don't lie about competitors or spread malicious rumors.
2. Sincerity. Great salespeople are not pretentious. And they manage to deliver the bad news as palatably as the good. They face adversity straight on, both in-house and in the outside world, without appearing condescending or self-righteous.
3. Outward focus. Good selling and an outward focus go hand in hand. The greats relate to and respect everybody. In addition, they are kind, generous listeners.
4. Responsiveness. The superstar returns phone calls in minutes, not hours; and is willing to drive as far for a \$2,000 sale as for one ten times as large.
5. Knowledge. Great salespeople know their products thoroughly, and have the ability to educate and persuade co-workers to meet their own high standards.
6. Creativity. Finally, excellent salespeople are spontaneously creative, which gives them the ultimate competitive edge.

- Harris DeWese, DeWese Corporation, Wayne, PA

Letter

"Please alert your readers to a mail scheme that was tried on me.

"Two months ago, my Country station PD received a CD in the mail from The Music Source out of Seattle. The CD was placed on the shelf as it had no instructions with it. My PD thought it was another CD sent in the mail for a musical artist.

"Two months later, I get an invoice for \$175 stating that I did not return the CD so they assumed I wanted it. The CD is called Hot Traxx Country and it is actually a production track with 60's and 30's on it.

"The only instructions we got were attached to the invoice. You then have to call Seattle to get an envelope sent to you to return the CD.

"Yes, my PD did not pay that much attention to the content of the CD. We are more concerned about notable artists coming in on CD. It's a good thing he didn't toss it ... I would've had to cough up \$175. It's still a slimy way of getting you to send \$175."

- Don Heckman, WENU/WSTL, Queensbury, NY

\$ale\$ - "Account Draft"

Here's an idea for keeping your account lists fresh and your salespeople on their toes - but in a positive way. It's called the "Account Draft," and it was suggested to us by Dean Johnson of KWAT/KIXX in Watertown, SD.

Here's how it works:

1. Any account that has done business with the station in the past four months is on the "protected" list.
2. Each salesperson picks five accounts as "inactives." These are also protected.
3. Every other business in the community goes on the master list.
4. Each salesperson's name goes into a hat.
5. The manager pulls from the hat a salesperson's name and he or she chooses an account from the master list.
6. This process continues until each salesperson has chosen one new "draftee."
7. Then Steps 4-6 are repeated four more times (five times in all).

The upshot is, all the salespeople end up with their active list ... five inactives they want protected ... and five brand new accounts.

If all goes as it should, during the following week each salesperson will make a call on five new prospects. That means your station will enjoy five serious pitches per salesperson, times the number of salespeople you have, that probably wouldn't have happened otherwise.

Better Decision-Making

Move away from a problem when the same solution keeps coming up, but does not seem quite right. Also move away from a problem when you are feeling frustrated ... have trouble concentrating ... cannot focus clearly on the problem ... feel irritable, stressed or fatigued ... have trouble articulating your thoughts. Take some sort of a break - a vacation, a day or a few hours off, or just some time alone in your office - to develop inner calm, mental clarity and a new sense of determination.

- Roger Dawson, The Confident Decision-Maker

1. Management - Better Business Writing

Much poor business writing stems from the failure to recognize that good writing is essentially "talking on paper." And it's made worse by the belief that big words and long sentences make one appear dignified and professional. Research shows that people will read up to 90% more of an article rewritten for clarity.

Two easy ways to improve readability:

1. Use shorter sentences. Long sentences require more reader effort, since they usually contain more ideas. Break long sentences into two or more shorter ones. Aim for sentences that average 17 words. Allow no more than two ideas per sentence - preferably just one idea.
2. Use shorter words. Long words - those containing more than two syllables - give readers the most trouble. You needn't eliminate multi-syllable words, but guard against piling them up, one after the other. Try to restrict 60-70% of your words to five letters or fewer, or try for an average of five letters per word.

- Frank Grazian, Communication Briefings

Our Competition

The April 26, 1993 issue of Brandweek featured a special report on newspapers. Here are some highlights:

- According to data from the Newspaper Association of America, advertising expenditures in 1990 and 1991 declined for the first time since 1970 (down \$2 billion 1989-91). Much of this decline is attributed to the collapse of department stores.
- Many surviving retailers, coming back after brushes with disaster, are launching ambitious advertising pushes to support repositioning moves ... but much of that spending is going into broadcast instead of print.
- CompUSA, the national computer superstore chain, is spending less in print these days, in part because of the newspapers' failure to offer the level of creativity they have come to expect from their broadcast competitors in helping them meet its marketing objectives.
- According to CompUSA's vice president for advertising and sales promotion, Chuck Kremer, "The broadcast industry is further advanced than newspapers in creating a team effort in support of the retailer."

"Too Good A Medium"

George Allen has been in radio since college, when he attended Purdue and worked at the college station, WBAA. George originally trained to become a speech correctionist, but didn't have the patience to complete his studies ... so he became a radio sports announcer.

After an initial stint in Louistown, PA, George moved to Beaver Falls, PA, and encountered a major influence on his career. "Frank Smith was one of the great independent radio operators of all time," George says. Smith taught George what local radio was all about - "being a force in the community."

After gaining experience as a program director and assistant manager in Janesville, WI, George realized his life-long dream - to own a radio station - by buying KLGA in Algona, IA.

As time went on, George also bought radio stations in Princeton, IL and Fremont, NE; he later sold them, and recently sold KLGA as well. George is now "winding down" at his sole remaining property, WHNR in Winter Haven, FL, doing what he does best - community radio.

The station is heavy on local news, with two full-time news people, and carries a full complement of play-by-play sports. The music is Forties and Fifties Big Band and MOR, with some current non-rock selections.

WHNR runs a news block 6-9 AM, music 9 AM-6 PM, and sports 6 PM-Midnight - "block programming for the Fifty-plus crowd."

WHNR is all live, with three disk jockeys splitting up the 18-hour day. The deejays talk after every record and work in lots of interviews, phone calls and PSAs. "We kind of replace the party line," George says. He learned his philosophy of local radio from Frank Smith back in Pennsylvania: "If three guys met on a street corner, we'd do a remote."

Live broadcasting is important, says George, to serve the community properly. During Hurricane Andrew, WHNR was the only station in the area featuring continuous coverage of the disaster, "while everybody else was playing their music."

George's air staff is doing "outs & abouts" at least three times a week. "We want to be sure that we are doing everything that the local newspaper is doing, but doing it better and faster."

In sales, George feels that the biggest challenge is finding sales people who understand what the client's needs are, and then "explaining to the client what his needs are, because he doesn't know."

Another of George's passions has been the International Idea Bank, which he joined in 1976 (Cary Simpson nominated him). He is retiring this month, but with regret: "This group is damn near family," George says. "Candid, outspoken, truthful - that's what makes the Idea Bank." George feels that the organization is an excellent network for small-market broadcasters.

George, like most small-market broadcasters, has had his share of challenges, but he knows where he is going. "We've turned the corner. Radio is too good a medium to be ignored for long."

THE LAST WORD

As this publication completes 10 years, I have decided that steps need to be taken to assure its continued existence and to improve it in the way that an infusion of "new blood" can. I have agreed to stay active in SMRNewsletter for 18 months. I also intend to continue my consulting and program/seminar businesses. It has been aptly said that "radio is not a career, it is an addiction." Like most of you, I hope to stay involved as long as I can be helpful.

The buyer of SMRNewsletter is a long-time friend, Jay Mitchell, Fairfield, Iowa-based radio consultant. He brings to this effort experience, integrity, common sense, enthusiasm, and ambition. He will serve you well.

THE FIRST WORD

Thanks to Bob Doll, the SMRNewsletter has always reflected the very best quality of small-market radio itself - an emphasis on helping the customer succeed. I am honored - and a little frightened - to be carrying on, and I can only hope to live up to the standards Bob has set. We are all fortunate that Bob will stay involved, guiding me and keeping the newsletter on course.

I want to continue the tradition of staying in close contact with our readers, and welcome your comments and suggestions, by phone, fax or mail, anytime. Let me know what you like and don't like, and what we can be doing better for you.

On behalf of both Bob and me, thanks for your continued support. I look forward to a long and successful relationship with you.

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Bob Doll - Co-Editor
Jay Mitchell - Publisher and Co-Editor
Lori Morgan - Associate Editor

VOLUME X - Issue #51 - May 13, 1993

ADVERTISING GROWTH WILL OUTSTRIP THE GNP THIS YEAR, according to McCann-Erickson VP Bob Coen. He projects a solid 6% growth this year, with local advertising leading the recovery.

STATION TRADING UP 127% IN FIRST QUARTER, due to a spurt of activity caused by the FCC's duopoly rules. Texas and California were the two most active states for radio transactions.

ALL CLASSIFIED RADIO IS ON THE AIR in San Luis Obispo, CA, on KIXT-AM. Owner/GM Guy Hackman runs it with no staff - advertisers call a "900" number (which takes care of the billing) and record ads into a specially-designed voice-mail system. If the concept works, Hackman is considering syndicating it to other stations.

SMALL MARKET AM FINED \$20,000 for not cutting power at night, as reported on our FCC page last week. The details: WWWT-AM in Randolph, VT is a 1-kw daytimer with a post-sunset authorization for 66 watts. According to the FCC, the station ran evenings at full power for at least five months last year.

LARRY KING DAYTIME SHOW HAS 410 AFFILIATES as of the end of April. The midday show debuted in February with around 250.

HOW TO BUY A RADIO STATION is the topic of a new brochure offered by the NAB. "Radio Station Ownership: 4 Steps To Making A Station Yours" is free ... details the legal and technical requirements. Order from NAB Radio, 202-429-5420.

RADIO NEWSROOMS ARE GETTING SMALLER, according to a recent RTNDA study. 22% of all stations surveyed reported news staff reductions - 13% through layoffs. The RTNDA estimates that total radio news employment was down 8% from mid-year 1991 to one year later.

RADIO ATTENDANCE AT THE NAB SPRING SHOW represented about 2% of the total. Of the 64,500 broadcasters who attended, only about 1,000 were radio people - despite concerted efforts by the NAB to bring radio back and to fight the Spring convention's "TV only" image.

At The F.C.C.

NEW STATIONS (Applied For):

NEBRASKA (Chadron) Mount Rushmore Bcstg, 94.7, 50000w, 495'
WASHINGTON (Blaine) Birch Bay Bcstg, 1600, 50000w/5000w, DA-2

NEW STATIONS (Granted):

CALIFORNIA (Seaside) The Dunlin Group, 103.5, 3000w, 328'
IOWA (Des Moines) Midwest Radio, Inc., 107.3, 50000w, 492'
KANSAS (Horton) William D. Purkis, 93.7, 25000w, 328'
LOUISIANA (Richwood) Russ Robinson, 100.9, 6000w, 328'
WISCONSIN (Whitewater) Scott M. Trontadue, 106.5, 3000w, 328'

AMENDMENTS TO THE FM TABLE (Proposed):

ARIZONA (Buckeye) KMJK, to 106.9 C2 from A
FLORIDA (Trenton) WCWB-FM, to 101.7 C2 from A
GEORGIA (Pelham) new, 92.3 A
HAWAII (Kahalu'u) KLEC, to 106.1 C from A
MISSISSIPPI (Greenwood) KGNL, to 104.3 C2 from C3
NEW YORK (Minetto) new, 106.5 A
OREGON (Newport) KCLM (CP), to 92.7 C2 from C3
(Reedsport) KRBZ (CP), to 99.5 C3 from A
WEST VIRGINIA (Mullens), WPMW, to 105.5 C from A

AMENDMENTS TO THE FM TABLE (Granted):

ARKANSAS (Bethel) new, 98.3 C3
FLORIDA (Leesburg) WXXL, to 106.7 C1, Tavares, FL
GEORGIA (Homerville) WBTY, to 98.7 A from 105.5 A
(Lakeland) WHFE (CP), to 105.9 C3 from A
(Statenville) new, to 97.5 A from 98.7 A
IDAHO (Gooding) new, 101.3 A
ILLINOIS (Dwight) new, 98.9 A
INDIANA (Winamac) new, 100.1 A
KANSAS (Colby) new, 97.9 C1
KENTUCKY (Campbellville) WVLC (CP), to 99.9 C3 Mannsville from
99.9 A Campbellville
LOUISIANA (Mamou) new, 101.1 A
MICHIGAN (L'Anse) new, 106.1 C2
MINNESOTA (Thief River Falls) KKDQ, to 99.3 C3 from A
MISSISSIPPI (Bruce) new, 94.5 A
OKLAHOMA (Broken Bow) KKBI, to 106.1 C3 from C2
TEXAS (Henderson) KGRI-FM, to 99.9 C3 from A
WISCONSIN (Sheboygan Falls) new, 106.5 A

AMENDMENTS TO THE FM TABLE (Dismissed):

VERMONT (Marlboro) new, delete 101.5 A

REPORTED SILENT:

FLORIDA (Jacksonville) WSVE, 1280
WEST VIRGINIA (Hinton) WMTD, 1380

[Courtesy M Street Journal]

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

"SPONSOR OF THE DAY" is an outgrowth of something George Allen used to do as "Radio Month." During Radio Month George would broadcast a word of the day three times each day - words like "transistor," "tube," etc. Listeners would write all the words down on a card and send in their lists at the end of the month. The station held a prize drawing from among the perfect lists.

Now, instead of using radio terms, "Sponsor of the Day" uses the names of the sponsors. George sells 31 participations (for \$50 a piece), and each sponsor gets one day in the month-long promotion. Clients love the idea of having their names on a card next to the radio. George told us that in a market of 6500 people, 700 submitted perfect lists the last time he ran the promotion.

"PROMO POSTCARDS" can be a good door-opener for non-traditional advertisers. Mail out a postcard with an attractive graphic on the "picture" side, saying, "General Hospital and WXXX suggest seat belts - a healthy habit for you and your family." Tie it into an on-air ad campaign. This combines the power of direct mail with the impact of a strong community image for you and the advertiser.

"METER MAN" - sometimes the best ones are the old ones ... have a station staff member don a colorful costume and run around town putting coins in meters which have expired. He also puts a card under the windshield, of course, telling the car owner that the WXXX Meter Man (or Woman) saved the day. Advertiser tie-in: the card states that the WXXX Meter Person is a service of ---; on-air promos mention the sponsor; sponsor participation is part of a long-term ad contract.

"MAID FOR A MONTH" - especially good for Spring-cleaning time - listeners submit postcards saying in 25 words or less why they deserve a free maid for a month. Winners receive so many hours of domestic service, one day a week, for four weeks. This can be sold to the cleaning service, or to a supermarket, furniture dealer, real estate firm, etc.

"LARGEST OUTDOOR BARBECUE" - Team up with a local food market to present a food fest, held in the parking lot of the store. The food market involves its vendors by (a) having them offer free samples at the barbecue, and (b) having them invest in a participating sponsorship with your station. In addition to their presence at the barbecue (most will jump at the chance), each vendor receives promotional mentions on the air.

\$ale\$ - Making Yourself "Customer Friendly"

Why do newspapers do so much business? Are they more effective than radio stations? Are their salespeople better? The answer to both questions is usually "no."

The requirements posed by strict deadlines has created a discipline that has made newspapers (and in many areas shoppers) the primary ad medium. To meet deadlines, the print salesperson is forced into a discipline of calling on his/her customers on the same day at the same time every week. The advertising buyer "makes up his or her ad" in time for the newspaper or shopper salesperson to pick it up at the appointed time.

In many cases, the radio salesperson "stops in" after the print salesperson has "picked up the ad." The customer tells the radio salesperson, "That's OK. Run me 10 spots. Take something out of my ad in the newspaper (or shopper)."

When business is not quite up to par, the advertiser says, "Things are slow. You'd better skip me this week." But that print ad, picked up every week on the same day at the same time, runs on schedule - whether business is good or bad.

The truth is, showing up randomly and "getting something out of the newspaper ad" (or shopper) gets you scraps of the ad budget. There was a time when a salesperson (and radio station) could do well "picking up the scraps."

The declining numbers of local retailers and the growing numbers of media choices have made the old ways of doing business obsolete. You've got to earn more from the businesses on your list. You do that by being a resource when the advertising plan is formulated. You get into the planning process by earning your way in.

Earning your way in starts with showing up on the same day at the same time every week. How do you get started? Just ask your customer, "What's the best time for me to see you every week?" Once you start filling up your "dance card," ask, "I'm here every --- morning. Would it be convenient for me to see you at ---?"

Some salespeople (and managements) think that "showing up" at random times gives the salesperson an advantage: the customer doesn't have a chance to think up reasons for saying "no." The real truth is, when he or she knows when you'll be calling, it is likely that when ideas present themselves, he or she will say, "I want to talk to --- about that ---."

Prepare for those calls. There's a difference in selling and visiting. Selling equals: IF THEY'RE NOT ON, SELL THEM SOMETHING. IF THEY ARE ON, SELL THEM MORE."

MEMORIAL DAY ANNOUNCEMENTS

Memorial Day is a busy day. It marks the start of summer, the end of the school year, sporting events and picnics. But, _____ asks you to stop for just a moment to remember why we observe this day. Pause and reflect on the sacrifices made by American men and women in defense of the nation's liberty. _____ says, let's rededicate ourselves to the things for which they sacrificed.

_____ believes Memorial Day is a day to celebrate liberty - but, more important, to remember the sacrifices that made that liberty possible. Please join _____ in paying tribute to the men and women of this community who sacrificed so much in the nation's wars.

It's about a dream - the American Dream - and the men and women who made it possible. _____ hopes you'll join them this Memorial Day in paying tribute to Americans who answered the call of duty when freedom was threatened. _____ believe they are special people who deserve our special thanks.

_____ hopes you'll join with them in pausing this Memorial Day to remember the holiday's real meaning. We live in freedom today because of yesterday's sacrifices. This message from _____.

Six times in just a little over a century, American men and women have been called upon to defend freedom. _____ reminds you that Memorial Day is observed in their honor. Let's give thanks for those we honor.

What would life be like if not for the brave men and women who answered when liberty was threatened? _____ asks you to join them in paying tribute to the Americans who answered the call when liberty was threatened. _____ is pleased to join with you in recognizing the real meaning of the Memorial Day holiday.

Since the Memorial Day holiday was first observed in the Civil War, 600-thousand men and women have made the supreme sacrifice. _____ asks you to join them in thinking about the true meaning of this holiday. _____ believes this is the ideal time to rededicate ourselves to the principles of those we honor this weekend.

_____ asks, what would life be like if it were not for men and women we honor this Memorial Day weekend? They answered the call when our liberty was threatened. Join _____ in reflecting upon them this weekend.

_____ hopes you're enjoying a happy holiday weekend. They hope you will take just a moment to reflect upon the sacrifices of the men and women who fought and died for our freedom. That's the true meaning of the holiday. _____ asks you to join them in rededicating yourself to the cause they served.

NEW COMPETITION?

In Seattle an entrepreneur named Harry Hart has launched a service called FreeFone. The company pays people to listen to a five-second ad when they make phone calls. The more calls they make, the more ads they listen to, the more money they make.

Each time a call is made, the subscriber pushes a key to hear an ad like, "This call is being sponsored by ---" before the call goes through. Then he or she can push "1" for more information, "2" for a coupon or "0" to call the advertiser. The subscriber gets about 10 cents every time he or she chooses to hear an ad.

Hart gathers demographic and lifestyle information on all his subscribers, including general purchasing habits and whether they plan to make a major household purchase in the near future. He uses this information to help advertisers target hot prospects.

So far, subscribers have been more enthusiastic than advertisers, according to Hart, but advertisers are beginning to come around.

- American Demographics

"AM's Fighting Chance"

In a recent issue of Radio World, there appeared an editorial on the future of AM radio with several points worth repeating:

"A survey of the AM landscape in 1993 presents a surprising amount of good news," the editorial notes.

- FCC approval of several measures to clean up interference have had their incremental effect.
- An AM stereo standard will soon be a reality.
- The stereo standard, interference reduction measures and new integrated circuits should lead to improved, high-fidelity AM receivers.
- New FCC duopoly and LMA rules make it practical to keep some AMs on the air when before it made more sense to let them go dark.
- The most encouraging development - the kind that could insure AM stability - will be AM in-band, on-channel digital audio broadcasting.

The editorial concludes: "AM may not produce any Murdochs, Tischs or Malones, but it can provide a living for many entrepreneurs while providing the local service all towns need."

"Family Business"

Stuart Lankford is literally in the middle of a big radio family - with his father going before him, his brothers and sisters with him, and his son after him.

Stuart's father, Ray Lankford, got into radio in the early Fifties by starting WRAY in Princeton, IN. Ray Sr. recruited his sons into the business, starting with his eldest, Ray J.; Stuart and Richard joined the station after service in the Korean War.

Stu started in bookkeeping and copy-writing, but eventually he conquered a thick Southern Illinois accent to go on the air, hosting the morning show and joining his two brothers in sports play-by-play (Rich did the games, Ray J. did the engineering and color, and Stuart did the commercials).

Meanwhile, his father made some other broadcasting investments: he acquired WDQN in Du Quoin, IL and WREY in New Albany, IN (just outside of Louisville). In 1953, Ray Sr. also signed on a television station - WRAY-TV, Channel 52 - which lasted all of eight months, after which he decided to stick to radio.

A few years later, Stuart and his brothers applied for a new frequency in Lawrenceville, IL. The brothers set aside half their paychecks every week, applied for the frequency, and in June of 1959, WAKO signed on the air. (Stuart's wife Dolores thought up the call letters - she wanted WACO, for Waco, Texas - easy to remember - but those calls had already been taken.)

After their first WAKO manager, Wally Bruner, went on to host the "What's My Line?" radio show on NBC, Stuart moved to Lawrenceville to manage the station himself; he's been there ever since. He signed on sister WAKO-FM, at 103.1, in 1965.

Stuart's father died in 1972 and willed his radio holdings to various members of the family, including the three boys and his two daughters, Wilma and Marianne.

Stuart eventually bought out his family's interests in WAKO and WREY, and later sold off WREY.

Now for the third generation of Lankfords. In 1988, a frequency became available in nearby Newton, IL; Stu's son Kent applied for it, and got it. (Kent had, of course, grown up with radio; he was running the board at age 14.) The Newton station was supposed to be a 6,000-watter, but Stuart and Kent decided to "roll the dice" and ended up with a B-1, 25kw signal, WIKK-FM at 103.5 on the dial.

Today, the second and third generations of Lankfords are all still active in small market radio. Sister Marianne (Showalter)

operates Du Quoin with her husband, Gene (who was originally hired as a "super-salesman" by Ray Sr.). Brothers Richard and Ray J. operate Princeton. Stuart and son Kent work together on Lawrenceville and Newton. And the family talks often, sharing radio experiences, challenges and solutions.

In operating his stations, Stuart does not believe in "juggling rates." Because of economics, he hasn't raised his rates since 1988, so it's important to hold his rates and not do a lot of packages. He is fighting bargain rates at other stations, but he won't play that game. "I know what my station is worth," he says; "You cheapen yourself when you sell something just to get a buck in your hand right now."

"You have to work closer with the sales staff today," Stuart feels. "Putting presentations on paper is important today. We used to do it verbally, but now we must leave something tangible in hand for the client to look at and study." A second call-back is important, Stuart says, even if you know the client well.

Stuart feels that in today's radio it is easy to forget the basic advertiser. "Take your bank, who has the Noon news four days a week. Some stations will run the same ad for six months. We change ads more frequently, we service the client better - we don't just forget them."

"Competition is tougher than ever," Stuart says, "so we just have to work harder than ever." For the Lankfords, working hard to make radio work is a family tradition.

THE LAST WORD

Many thanks to all the SMRNewsletter subscribers who have contacted us with words of encouragement and advice concerning our transition. (Memo to the reader whose fax began, "Except for the mailing sticker a reader wouldn't notice any change ...": the rest did not get through - please retransmit!) As I said last week, our goal is to maintain the high standards of this publication, and to make only those modifications that will benefit the small market broadcaster.

I really do feel that this is your newsletter, so your feedback is more than important - it's necessary. Let us know how we can serve you better.

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Small
Market
Radio
Newsletter

IN OUR
10TH
YEAR

FIRST CLASS MAIL
U.S. POSTAGE PAID
Fairfield, IA
Permit No. 5

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

Bob Doll - Co-Editor
Jay Mitchell - Publisher and Co-Editor
Lori Morgan - Associate Editor

VOLUME X - Issue #52 - May 20, 1993

NEW POLITICAL ADVERTISING RULES would require broadcasters to sell time to U.S. Senate candidates for half the lowest unit rate. President Clinton's recently-announced campaign reform plan would also require broadcasters to give U.S. House of Representatives candidates equal time to respond to charges in ads sponsored by independent political advertisers.

SMALL MARKET STATION WINS A PEABODY. KFFA-AM in Helena, AR, has run their Peabody-award-winning old-time blues show, King Biscuit Time, every weekday since 1941. The show is still presided over by the original host, "Sunshine" Sonny Payne.

TROUBLE IS BREWING over beer and wine advertising. The president of the Beer Institute has said, "We would eliminate broadcast advertising completely. We'll spend our money in other ways that promote our product." This is an important issue for small market broadcasters because, in the words of Jerry Papenfuss, "If that advertising is taken off the table, bigger stations will start going after business they have left for the smaller stations."

REGIONAL ADVERTISER BUYS OLD-TIME RADIO SERIES "Fibber McGee & Molly. Mayfield Dairy Farms, which operates in parts of Georgia, Tennessee, Kentucky, South Carolina and Alabama, has bought 23 stations and is looking for others in their marketing areas in those states. If your station qualifies, contact Charles Michelson at 1-800-648-4546, or fax 310-278-7932.

FCC COMMISSIONER DUGGAN IS BACKING DOWN from his pro-satellite DAB position. Expressing concerns about destabilizing the radio industry, last week Commissioner Duggan said, "The FCC should consider coordinating the deployment of satellite and terrestrial DAB. How can we introduce the new without damaging the incumbent service that is doing a good job for consumers?"

LOW POWER AM FACILITIES AT 1610 KHZ will have to be relocated to make way for commercial radio frequencies ... but the NAB is concerned that they may pose an interference threat to commercial broadcasters if they are moved lower on the band. The FCC is also considering moving the 50-watt "travelers' information stations" to above 1710.

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

P. O. Box 1285 - Fairfield, Iowa 52556 - (515) 472-4087 - FAX (515) 472-6457

At The F.C.C.

NEW STATIONS (Applied For):

FLORIDA (LaCrosse) Sabbath Incorporated, 99.5, 6000w, 328'
NEW MEXICO (Grants) Philip D. Vanderhoof, 92.7, 50000w, 164'
NEW YORK (Norwood) Sinan Mimaroglu, 96.1, 6000w, 328'
(Norwood) Wade Communications, Inc., 96.1, 6000w, 326'

NEW STATIONS (Granted):

ARIZONA (Osceola) Pollack Broadcasting Company, 107.3, 3000w,
223'
KANSAS (Andover) Viola Ann & Gary L. Violet, 93.9, 25000w, 328'

AMENDMENTS TO THE FM TABLE (Proposed):

TEXAS (New Boston) new, 95.1 A

AMENDMENTS TO THE FM TABLE (Granted):

OKLAHOMA (Stillwater) new, 98.1 A
OREGON (Milton-Freewater) KLKY, to 97.9 C2 from C3
WASHINGTON (Spokane) KSPO, to 96.9 C3 from A

REPORTED SILENT:

TEXAS (Victoria) KTXN, 98.7

FORMERLY SILENT:

KENTUCKY (Whitesburg) WTCW, 920
LOUISIANA (Lake Providence) KLPL, 92.7
NORTH CAROLINA (Belhaven) WKJA, 92.1
SOUTH CAROLINA (Georgetown) WGTN, 1400

[Courtesy M Street Journal]

SUPERADIO FORMATS BOUGHT BY MAJOR BROADCASTING. The "Super Hit Country" and "CITY-FM" formats have been sold to the owners of Chicago radio station "The Blaze." Major Broadcasting intends to add three more satellite format offerings in the next six months.

These formats feature a unique technology called "Real Time," which ensures that the announcers always give the correct local time in each time zone.

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

Cake Auction "So no one listens or reacts to AM radio? Wrong! They DO listen and respond to AM 1240 WHIZ ... as you might have expected."

That's Crystal Award winner Allan Land of Zanesville, OH talking about the WHIZ Easter Seal Cake Auction, now in its seventh year.

The two-day event was aired live from Colony Square Mall in Zanesville and raised a total of \$110,000, setting a new national record for the fourth consecutive year.

Over 300 area businesses donated cakes this year, all with incentives (round-trip plane tickets, jewelry, Longaberger Baskets, Leslie Cope paintings and an autographed Garth Brooks hat). Five cakes were on the auction block every fifteen minutes; the highest bidder got the cakes and the incentive.

Throughout the event, community talk was about whether last year's record total would be bested. "All over town radios were tuned to AM 1240 as the final tally was read and cheered wildly by the crowd at the mall."

100,000 Pound Challenge This time of year lots of your listeners are weight-conscious as they try to fit into last Summer's clothing and bathing suits. In keeping with the season, run the "100,000 Pound Challenge": challenge your listeners to lose 100,000 pounds; tie in tips and ad schedules from area merchants.

The advertising potential is unlimited: either businesses that are directly related to weight loss and fitness (diet centers, gyms and spas - don't forget your local community rec center); businesses that are concerned with appearance in general (local department stores, beauty salons - don't forget the independent cosmetics consultants); and businesses that will support a worthy community wellness activity (don't forget city government).

Graduation Promotion Try this twist to spark interest in graduations this year: have the graduating seniors tape brief comments on what they plan for the future. This can be tied into a contest (call in and win when you hear yourself or your son/daughter on the air) and can certainly become a participating sponsorship opportunity.

Mixed-Up Town This is a good one if your market contains smaller outlying communities that you want to tie in with. Mix up the letters of a town name to form a new (usually nonsense) word that you give, and spell, on the air. Listeners try to unscramble the word, identify the town and win a prize. Could be an excellent door-opener in those towns, or a way of getting some add-on business.

\$ale\$ - Goal-Setting

Setting sales goals can be motivating, but it can also be confusing and de-motivating. It depends on how it's approached.

The first step is to separate goals, projections and quotas. A projection is a strategic billing number determined by station management and ownership. This is how well management actually, realistically thinks the station will do in the upcoming period. It is the foundation for all business planning.

A quota is a projection for an individual sales person, derived from the overall projection. This is the number that management feels the sales person should actually achieve.

A goal is a tactical, motivational number arrived at by the manager and the sales person together. The goal is usually higher than the quota; the goal, and not the quota, is shared with the salesperson. The goal represents how well the sales person believes he or she can do by stretching a bit. (Often this process involves redefining the word "goal," using the old adage, "It is better to set a high goal and miss it than to set a low goal and hit it every time.")

Sometimes a manager tries to set the sales person's "goal" (actually quota) for him/her, saying, "This is what you have to do this year." That rarely works, because if the individual cannot believe in the number, he/she will rarely make it.

The most realistic method is for the manager to set goals together with the individual sales people; then turn the goals into quotas; add up all the quotas; and see how closely the total matches the overall station projection.

If the total falls short of the station's projection, management has several options - but it does not have is to force sales people into accepting higher goals. As Dale Carnegie quotes in How To Win Friends & Influence People, "A man convinced against his will/is of the same opinion still."

Better options might include installing a telemarketing department; planning more special events; adding to the sales staff; or taking on more accounts personally.

Finally, it is important to break down the sales person's goal into "bite size chunks." Take the yearly goal and turn it into a series of weekly goals; weekly is better than monthly because it is easier to manage, and because it "turns over" more quickly.

By applying these different tools - projections, quotas and goals - you will be separating business planning from sales management, and making better decisions in both.

"SCHOOL'S OUT" SAFETY MESSAGES

Do you encourage your local police to enforce traffic laws fairly? _____ hopes you do. Do your part by strictly observing speed limits and other safe driving rules.

School's out! _____ reminds you that you're sharing the streets with many youngsters. They may not be as careful as they should be. Let's all do our part in making this the safest summer ever.

How many times have you said about another driver, "He drives like a kid." _____ believes too often it's the "kid" who suffers from the actions of a careless driver. _____ reminds you that fair traffic law enforcement deserves everybody's support.

If a child darted suddenly into the path of your car, could you stop? _____ says, your best chance comes if you are driving at the posted speed limit. School's out! _____ reminds you that a safe summer needs everybody's help.

Everybody is in a hurry. _____ says, school's out! Let's slow down. Let's watch for youngsters who are enjoying the summertime and may not be as careful and alert as they should be. _____ says, let's make this the safest summer ever.

When was the last time you looked at your speedometer as you drove through a residential neighborhood? _____ reminds you that this time of the year, speed can bring injury or even death to a child who wasn't expecting your car. _____ says, watch your speed and watch out for the kids.

_____ hopes you'll tell your children that there are rules for safe playing. Remind them to watch carefully as they cross the street. Remind them not to run into the street or abruptly ride their bike into the street. Ask your children to join in making this the safest summer ever. That is what _____ wants this summer to be.

What was the first safety rule you were taught? Most likely it was, "Look both ways before you cross the street." _____ says that rule still applies to both little "kids" and big "kids." Remind your youngsters that there are a lot of careless drivers. Stay alert! _____ says, a safe and happy Summer is everybody's business - young and old.

The number of bicycle riders is at an all-time high this Summer. Unfortunately, more youngsters on bicycles than ever will be seriously injured or killed. _____ reminds you to be on the lookout for young people on bikes. Be extra alert. Join _____ in making this the safest summer ever.

BUSINESS OPPORTUNITIES FOR YOU AND YOUR CUSTOMERS

Small-business experts Paul and Sarah Edwards write, in Bottom Line Personal, that the following small or home-based businesses show the greatest potential for success in this decade. This could be good information for your sales people to have, in their role as business consultants to their clients.

Cleaning service - One of the easiest businesses to start from home. Requires willingness to work hard. Low start-up and overhead. Good growth potential. Important to pick a specialty and stick with it (examples: windows, window blinds, chimneys, air ducts). Info: Everything You Need To Know to Start a Housecleaning Service by Mary Pat Johnson; Cleaning Consultant Services, P. O. Box 1273, Seattle, WA 98111.

Mailing-list service - Create and maintain mailing lists to be sold or rented. Requires computer knowledge and careful work habits. Easy to start and sell. Potential market is unlimited geographically. Can be run full-time or part-time, or as an adjunct to an existing business. Need a powerful computer. Info: How to Make Money in the Mailing List Business, audiotape by Katie Allegato; Here's How, P. O. Box 5091, Santa Monica, CA 90409.

Transcription service - Transcribe dictated audiotapes for offices, doctors, hospitals, etc. The medical side, especially, is a rapidly-growing field. Recession-resistant. Requires discipline and good listening and typing skills, as well as ability to learn medical terminology. Info: Medical Transcription Guide: Do's and Don'ts by Fordney and Diehl, W. B. Saunders; The Curtis Center, Independence Square West, Philadelphia, PA 19106.

Repair service - Runs the gamut from all-around handyman to specialists who repair vinyl, woodwork, computers and collectibles. Growth potential high. Can be started as a part-time business. Important to specialize. Info: Entrepreneur Magazine, 2392 Morse Avenue, Irvine, CA 92714; 1-800-421-2300.

Temporary help agency - Provide temporary relief to companies in specialized fields not serviced by traditional temp agencies. Requires ability to keep accurate records. Important to specialize in fields you know. High earnings. No inventory. Info: National Association of Temporary Services, 119 South Saint Asaph Street, Alexandria, VA 22314; 703-549-6287.

Business-plan writing service - Help businesses set goals, make projections and raise capital with business plans. Not much competition. Challenging and varied work. Info: The Business Plan: A State-Of-The-Art Guide, by Michael O'Donnell; Lord Publishing, P. O. Box 242, Wayland, MA 01778; 800-525-5673.

"Country Boy From Up On The Hill"

Jerry Papenfuss, president of the Result Radio Group, got a late start - but he made up for lost time. This self-described "old country boy from up on the hill" did not attend college until he was 26 years of age, but while in college (in Winona, MN), Jerry began working as a part time sales person at the local radio station, KAGE. After college he went on to become station manager, part-owner, and then full owner of the property.

Jerry then built his Winona FM in 1970; bought KBRF AM & FM in Fergus Falls, MN in 1978; bought KBEW-AM in Blue Earth, MN in 1980; and he will sign on his new Blue Earth FM station later this summer.

Looking for other hills to climb, Jerry became involved in the Minnesota Broadcasters, where he served as president for three years and was on the board for 14. (He credits the MBA's "tremendous" executive director, Jim Wychor, for the growth and success of that organization.)

Jerry has also been quite active in the NAB, just now coming off a four-year term on the radio board. Reflecting on his NAB stint, Jerry says, "It was a tremendous experience. It took a lot of time, and it was frustrating at times, but it was mainly good people and a good time."

Over and above "hard work, persistence and belief in product," Jerry feels the most important quality for success is, "You have to watch expenses, you have to be awful hard-nosed. There's not a lot of room for error. If you don't keep on it, you lose a little here and a little there."

In today's radio climate, "Service is so critical," Jerry believes. "There are so many people out there that if you're not taking care of your client, he's going to go to somebody else."

On the sales side, Jerry has seen a lot of changes in his advertiser mix. His staff has, he says, "done a good job of thinking out of the box, outside the traditional advertisers." New business on Jerry's stations is drawn from the categories of education, medical, legal and government.

For example, KAGE ran a campaign to promote recycling, sponsored by the county government. The station ran ads to recruit students for the local vocational technical institutes. The State University system spends "a little money" on recruitment. And the local school district spends money on community education (evening courses, adult education).

As for the future of small market radio, Jerry notes, "The economy is a bit better, but it's going to be a constant

struggle. We have to keep fighting, paying our salespeople better, keeping them longer, training them better."

Jerry feels that small market broadcasters need to focus on the possibilities of LMAs. He points out that it is easy to get a summary of what stations come into your market: "It's not all that difficult to get up to 15 stations, so you could own three stations in your market." Jerry sees several options, including buying in your market, or near your market, or a joint venture.

Of the bigger facing our business today, Jerry's biggest concern is satellite DAB. "Every broadcaster has to talk to his or her congressman to say, 'Hey, DAB is going to hurt localism, going to hurt what we are doing for the community.'"

But a more immediate problem is beer and wine advertising. "It affects everyone," Jerry says, "because if we lose, the big guys will start coming after the dollars the small guys get."

The third big issue of concern to Jerry is, "We've got to do something to shut the lid on new stations." The answer, Jerry feels, is a grass-roots lobby: "The small market broadcaster has the clout, because the big city guys don't even know who their congressman is, much less know them, but the small market guy works closely with his representative. They listen to us!"

The bottom line, according to Jerry Papenfuss - in a statement that sums up his secret for success - is, "You do what you have to do to get the job done."

THE LAST WORD

As we publish our third issue from Fairfield, I want to thank again the many who have contacted us with words of encouragement and support. I also want to apologize for any "glitches" which might have occurred in your subscription, advertising or delivery as we made the transition from Texas to Iowa. Just let us know if anything isn't right and we'll make it so.

A special note is in order regarding our good advertiser Richard Teimer of "Time Capsule." In the shuffle we were two weeks late in informing you of the special opportunity to win a free 13-week "Time Capsule" license. For more information, please see this week's Ad Supplement. Thanks to Richard for his understanding.

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Bob Doll - Co-Editor
Jay Mitchell - Publisher and Co-Editor
Lori Morgan - Associate Editor

VOLUME XI - Issue #1 - May 27, 1993

PAT BUCHANAN WILL HOST NEW MUTUAL TALK SHOW starting July 5 in the Noon-3 PM (ET) time slot. Buchanan will debate liberal opponents to present both sides of controversial issues.

BRIEFING KIT FOR BEER/WINE ADVERTISING LOBBYING EFFORTS is available from the NAB. It contains background material on the issue and on how it can affect our industry and the public, designed to make meetings with your representatives more effective. To get a kit, call NAB at 1-800-424-8806.

SMALL BUSINESS OPTIMISM was down in April, according to the National Federation of Independent Business. The drop - from 102.1 to 97 on the NFIB's "small business optimism index" - was because of uncertainty among entrepreneurs and consumers, according to the NFIB ... but on the other hand ...

ECONOMY "DEFINITELY IS ON THE ROAD TO RECOVERY" according to Economist Beth Burnham Mace. She says lower mortgage rates, low inflation and rising consumer and business confidence are helping the recovery.

A FEDERAL JUDGE HAS DISMISSED AN INDUSTRY LAWSUIT which sought to stop the FCC's indecency crusade. DC Federal Judge Royce Lambert said that broadcasters "serve at the pleasure of the public interest" and do not have full First Amendment rights.

BUSINESSES LOOKING UP for 1993: Automotive News editor Edward Lapham predicts car sales will be good this year, and Nestle Foods executive John McMennamin sees growth for retail food.

SESAC ANNOUNCES "PER PLAY" MUSIC LICENSING SYSTEM following the organization's acquisition by a group which includes Broadcast Data Systems, a company that monitors station airplay. Using the BDS monitoring system, SESAC would receive rights payments only for actual airplay instead of a blanket approximation.

SPECTRUM AUCTION BILL IS UNANIMOUSLY APPROVED by the House Telecommunications Committee. The bill, introduced by Rep. Ed Markey (D-MA), would limit spectrum auctions to services where the licensee receives compensation from subscribers - like cellular phones and data transmission - not radio or TV.

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

P. O. Box 1285 - Fairfield, Iowa 52556 - (515) 472-4087 - FAX (515) 472-6457

At The F.C.C.

NEW STATIONS (Applied For):

MICHIGAN (L'Anse) WSHN, Inc., 106.1, 5000w, 52' (reapplication)
NEW YORK (Norwood) 1340 Communications Corp., 96.1, 6000w, 328'
WASHINGTON (Leavenworth) Murray Broadcasting, 6000w, -874'

NEW STATIONS (Granted):

ALABAMA (Meridianville) Frank Digesu, Sr., 94.1, 3000w, 328'
CALIFORNIA (Modesto) BCD Limited Partnership, 93.9, 3000w, 151'
GEORGIA (Tennille) Washington County Broadcasting, Inc., 99.9,
6000w, 328'
MICHIGAN (Pickford) Seaway Broadcasting, Inc., 105.5, 6000w, 328'
NORTH CAROLINA (Leland) Hara Broadcasting, Inc., 94.1, 3000w,
328'

REPORTED SILENT:

GEORGIA (Jasper) WYYZ, 1490
TENNESSEE (Bolivar) WBOL, 1560

FORMERLY SILENT:

ARIZONA (Oracle) KLQB, 103.1
MISSISSIPPI (Marks/Clarksdale) WQMA, 1520
SOUTH CAROLINA (Surfside Beach) WYAK, 1270

FINES:

NEW YORK (New York) WXRK, \$6,000.00 - For 1988 Howard Stern
"Christmas Party" show (upheld on appeal)
PENNSYLVANIA (Philadelphia) WYSP, \$6,000.00 - Same offense as
WXRK (upheld on appeal)
VIRGINIA (Manassas) WJFK-FM, \$6,000.00 - Same offense as WXRK

[Courtesy M Street Journal]

A THOUSAND SATELLITE-AFFILIATE STATIONS WENT DARK in the middle of the afternoon on Thursday, May 13 when SMN's uplink transmitter overloaded and shut itself off. A backup system kicked in about five minutes later.

LAS VEGAS AM DEBUTS "CASINO RADIO." Nationwide's KXNO (Casino), formerly KLUC-AM, will present news and talk aimed at tourists driving into Las Vegas on I-95.

MONEY PAGE - TEN YEARS OF \$ALE\$ AND PROMOTION IDEAS\$

June is the top sales month for sporting goods. It is second best for building materials and home improvements, hardware stores, mobile home dealers and paint stores. It is third best for garden supplies and equipment, drug stores and tire sales.

Golf course waiting times. If you have one or more golf courses in your area, you can get new listeners and make new friends by broadcasting the waiting times during key playing hours. Make arrangements with the course pros or managers.

Getting Them Downtown. Thirteen downtown merchants have special store hours, Friday night and Sunday afternoon, offering a special item only during those hours. Shoppers during those hours have a chance to win a prize. The merchants each buy \$100 per month in radio advertising; the station provides the prize.

Mobile Unit. WHKP in Hendersonville, NC runs a lot of remotes. In addition to two regular vans, the station added a third, not-so-traditional unit - a golf cart outfitted with remote broadcast gear they call the WHKP "Broadcast Buggy." The unit only cost a couple of thousand dollars ... it is able to go anywhere ... is a real attention-getter ... is economical to operate and maintain.

Weight Loss Center. If you have someone on your staff who's overweight and has a good sense of humor, enroll him or her in a weight program and do daily on-air progress reports.

Bargain Bags. The station buys plastic bags with the logo imprinted on them. Advertisers insert coupons into the bags as a tie-in with a radio schedule. The bags are delivered by a local civic club in return for a donation (which is less than postage).

Treasure Hunt. Each day during a week-long outdoor festival, 30 merchants post a clue sheet (using a different color paper each day). Listeners use the clues to find the treasure chest on the festival grounds, which contains wooden nickels redeemable for prizes at merchants' stores. The merchants each buy \$75 in advertising and donate a prize.

Parking Tickets. When you spot a vehicle bearing your bumper sticker, place a "Parking Ticket" under the wiper. The listener takes the ticket to the station for a prize.

Refrigerator Magnets are the promotional item of choice for many stations. They are seen daily by everyone in the family.

Giving Auto Dealers The Business. Run an announcement saying, "If you use a car or truck in your business, buy one now at a dealer who advertises with us and we'll give you \$1000 worth of advertising free."

\$ALE\$ - COMMUNICATING WITH YOUR CUSTOMER

Your customers have a secret. Unlock their true feelings about radio in general and your station in particular and you'll have an edge over your competitors.

What could be better than a prospect finally leveling with you? In an ideal world, all customers would be blunt and tell you what you were doing right and wrong, and map out all their buying needs for you. They would teach you how and when they wanted to be sold.

Unfortunately, that doesn't happen. Still, there are a few strategies that can help customers open up:

1. Candor begets candor. There's a mimicking process in every dialog. If you start talking softly, chances are the other side will pick up your cues and talk the same way. If you want total candor from a customer, you should be prepared to be totally candid yourself. You don't want to offend the customer. You just want him or her to open up.
2. People love to talk about themselves. Let them. This may be the smartest tactic to use. Be polite and just listen. Talk about your station for two minutes, then let them talk for 20 minutes about their business.
3. Pay back in kind. Getting information is not a one-way street. At some point, even the most gutless customer will feel they have been giving away too much. Be sure to give them station information. Better: Give away information that sounds confidential even when it's not.
4. Test your source's credibility. Some clients, intentionally or not, tell you things that are wrong. If contradictions come up, it speaks volumes about the inconsistency of the information you're getting.

The next time a prospect isn't being totally frank with you, give these techniques a try. They'll dispel any notion you have that talk is cheap. [Mark H. McCormick, reproduced in Irwin Pollack's Selling Smarter]

"Think progress, believe in progress, push for progress. Leaders, real leaders, are in short supply. Think improvement in everything you do. Think high standards in everything you do."

- David Schwartz, The Magic of Thinking Big

"It is not in doing what you like, but in liking what you do, that is the secret of happiness"

- Novelist James Barrie

RUNNING YOUR BUSINESS BETTER

Save Your Assets. David Rogers of The Rogers Group suggests that you keep a duplicate of your accounts receivable off premises, away from your station - at the manager's or business manager's home, for example. That way, in case of fire or other catastrophe, your most important records are protected. (A computer-age addendum: not only should you back up your important computer files every day and every week, but you should make another backup weekly and keep that off-premises as well.)

Budget-stretching news ideas for stations that are cutting back:

1. Distribute cassette recorders to smaller newspapers in outlying areas. Work a deal to have their reporters get audio for you.
2. Establish a relationship with other stations to swap voicers and sound bites.
3. Assign to each staff member (air and non-air personnel) a feature story on a regular basis.
4. During big events affecting your community, open the phone lines to get reactions from your listeners.
5. Establish close ties with your local business development office, chamber of commerce, and convention bureau. They can be good sources of upcoming newsworthy events.
6. Use a "Question of the Day" feature to solicit listener opinions on hot local topics.

Fax facts. Faxing is cheaper than mailing, according to the University of California at Irvine, reported in USA Today. A one- or two-page letter costs 25¢ to fax during the weekday, 15¢ in the evening and 13¢ on the weekend - compared to a 29¢ First Class stamp.

And the business world is getting the message about faxing, according to a Gallup Poll commissioned by Pitney Bowes. The average company is receiving 43% more faxes this year than last.

Some tips on faxing, from Irwin Pollack's Selling Smarter newsletter: Avoid sending faxes on Monday morning and Friday afternoon, when lines are busiest. Fax black-and-white documents only; colors and graphics take longer to send and don't reproduce well. Don't send legal-size documents unless you're sure the receiving machine can handle them.

A formula for accounts receivable in station transfers comes from the recent sale of WROW AM & FM in Albany: All accounts receivable are assigned to the buyer at closing. But the contract also establishes a formula for dealing with the receivables if they fall above or below a specified threshold. Excess collections are remitted to the seller on a monthly basis, while shortfalls are deducted from monthly non-compete payments. [Erwin Krasnow, Verner, Liipfert, Bernhard, McPherson & Hand]

"Getting Paid For So Much Fun"

On this, the tenth anniversary of Small Market Radio Newsletter, it seems appropriate to visit with the man who started it all. Bob Doll "can't ever remember being interested in anything else" but radio. He started as a gofer for a station in his home town of Cincinnati; moved to a part-time announcing job at WNOP in Newport, KY; to his first full-time job at WDLB in Marshfield, WI; then back to Ohio at WCSI in Columbus.

When Bob first left Cincinnati he told his friends he'd be back in three years as a big-time announcer. But by the time he returned to his home state the business had changed - from block programs and network shows to recorded music formats - and he had changed - learning to love small town living.

So, from Columbus Bob went to WKY in Richmond, KY, first as program director and later as manager of their branch studio 14 miles away, doing everything from broadcasting the news and sports to selling and writing the ads. That led to his first real management job at WCYN in Cynthiana, KY.

In 1960, after four years in Cynthiana, Bob joined with a couple of non-broadcasters and built The Cardinal Group with stations in Frankfort and Mt. Sterling, KY; Greensburg, IN; and Delaware, OH. After 14 years, his partners wanted to retire from the business; a profitable sale enabled Bob to buy his own stations, WAOP AM and FM in Otsego, MI.

Bob spent the next ten years building and running his Otsego stations ("I liked the building better than the running"), but he also began thinking about starting a newsletter just for small market broadcasters. "Most trade magazines and associations cater to the larger-market broadcasters who provide most of their support," Bob feels. "The small market guys are forgotten."

So after Bob sold his Otsego stations, he and wife Barb took off and spent two months driving around the country, taking mostly back roads. Whenever he saw a tower he stopped in to visit the station, talking up his newsletter venture.

After reading everything he could find on the subject, Bob and Barb launched the Small Market Radio Newsletter in 1983. "If I'd been born before radio, I'd have been a small town newspaper editor like Edgar Allen White in Emporia, KS," Bob says. "The newsletter is that kind of business; you get to know people on a one-to-one basis."

In reflecting on the changes that have taken place since his career began, Bob notes that in the early days there were very few owner-operators in small radio stations; the owners were mostly business people who wanted to put a station in their town.

Radio didn't become an owner-operator business until the early Sixties, and today Bob estimates that 90% of all smaller stations are operated by their owners.

"In the early Seventies, the radio market was so strong that even though people would pay too much and run their properties down, they could still sell at a profit because nobody thought there would be any more stations." But in the early Eighties the 80-90 table proved otherwise. Thus prices for small and medium market stations have declined because of the increase in stations, while values in the bigger markets, where the number of properties is more constant, have stayed high.

In small towns, it is a common complaint that national and regional chains and franchises are taking more and more retail business, and they're not radio advertisers. But Bob notes that they never were, really. "Even back in the early Fifties, people were saying, 'There are too many chain stores, we can't make any money.' But the chain stores always go where the money is, so that's the place to be."

"Lots of people are concerned about the future of small towns," says Bob, "but there's a resurgence coming. The big cities simply are not habitable any more. And as corporations cut out layers of middle management, a lot of those guys are going to be moving to smaller towns, starting small businesses and advertising on the radio."

"Right now radio is going through a period just as significant as when TV first came on," Bob says. "Radio survived by changing from a family medium to a personal medium. Today, we're reinventing ourselves again. Our fixed overhead and our cost of sales are higher, so we can't afford to have disk jockeys sitting around waiting for the record to end. The secrets of success in radio today are putting the new technology to work, and taking advantage of the duopoly rules."

Small town radio hasn't changed in one respect, however. Bob warns, "You can't give up your localism - that's your USP." Even the little things can mean a lot to your listeners; Bob cites an acquaintance who was "Citizen of the Day" on his hometown station many years ago, who talks about it to this day. "Most of the really innovative ideas started in the small markets," Bob notes.

Bob asserts that radio is fundamentally very strong. "People are spending about the same amount of time listening today as in 1931," Bob notes. "Back then, the thing that worked best was one human being talking to another - without fancy jingles, fancy production or comedy. And that's still true. It's what's in the ad, not how the ad is done. Our problems may change, but they're always there, and we have to deal with them. It's remarkable,

though, that with all the changes in technology and life in general, radio hasn't changed all that much."

Looking back on the newsletter, Bob says that the subscribers and advertisers have been "a very enjoyable association all these years." For the first two years, the newsletter didn't make a dime, but Bob was unconcerned: "It had a reason to be. This thing is an effort that deserves to last. And the same is true of small market stations. They have an important mission, an important part to play in people's lives."

As for the future, Bob is going to continue consulting and doing programs and seminars. He'd also like to write a book about small market radio, but that project is not "completely in focus" yet. And now that he and Barb no longer have a weekly deadline, they are looking forward to some overseas travel.

A self-described "free spirit," Bob says, "I've done what I wanted to do, and I've done better than I thought I would do. Nobody every said it would be super easy, but the pay's pretty good for something that is so much fun."

THE LAST WORD

In this, the tenth anniversary edition of SMRNewsletter, we want to thank you again for your loyalty and support to our efforts - Bob's, and now mine, too - over the years. As I've said in the last couple of issues, my aim is not to change what has worked so well for so long - "if it ain't broke, don't fix it" - but to continue the evolution that Bob has fostered in the past decade.

As we look ahead to our next decade together, we want to ensure that the newsletter continues to reflect the interests and concerns of all small market broadcasters. One way we can do this is through an SMRN Advisory Board, composed of subscribers and friends of the newsletter - an idea first proposed by good friend and longtime subscriber Dean Sorenson. In the next couple of issues we'll announce the charter members of the board, each of whom will serve a one, two or three year term; subsequent members will then serve staggered three-year terms.

We continue to sift through other ideas you have submitted to us, and the Subscriber Questionnaire included with this issue will be a good way for you to keep those ideas coming.

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Small
Market
Radio
Newsletter

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11TH
YEAR

FIRST CLASS MAIL
U.S. POSTAGE PAID
Fairfield, IA
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Bill Taylor
KOSS
P. O. Box 292
Miami AZ 85539

Bob Doll - Co-Editor
Jay Mitchell - Publisher and Co-Editor
Lori Morgan - Associate Editor

VOLUME XI - Issue #2 - June 3, 1993

ANTOINETTE COOK HAS WITHDRAWN her name from consideration for FCC Chair. Ms. Cook cited the recent birth of her son and her present post with the Senate Commerce Committee as reasons; the Washington Post speculated about another possible cause: the negative publicity surrounding her half-million-dollar windfall in a license renewal challenge in the Eighties.

LOCAL SPOT RADIO WAS UP 6% in April, according to the latest RBR/Miller, Kaplan report.

CHANGES IN THE EBS TEST will be tried out this summer, including cutting the length of the test tone; silent tests; automated tests; changing alert-trigger criteria; area-specific alerts; and an RBDS radio interface to override programs or tapes.

INFOMERCIAL GUIDELINES ARE PLANNED by a team composed of staff members from the Radio Advertising Bureau and the National Infomercial Marketing Association. Industry observers see big possibilities for smaller stations, and for diverting some television money into radio.

FACTORY ORDERS WERE LEVEL for April, according to the U.S. Commerce Department's report on durable goods (items expected to last three or more years).

NEW MEXICO STATION FINED for failing to maintain a studio in its city of license. KBAC-FM in Las Vegas, NM was fined \$20,000; its main business address is 30 miles away, in Santa Fe.

KATZ EXPANDS SYNDICATION OFFERINGS with a sports talk show by former Cincinnati Reds star Pete Rose. Rose's show is Katz's third programming effort, joining "This Date In Baseball History" with Mel Allen and "Weekly Top 40" with Rick Dees.

GANNETT EXECUTIVE VP MERRELL HANSON will head the steering committee for the 1994 Managing Sales Conference.

RAB MEMBERSHIP HAS SET NEW RECORDS in the 19 months since Gary Fries and team took the helm. Membership is up 38%, to 3,230. Executive VP/Services Wayne Cornils says that requests for information and services are also at an all-time high.

P. O. Box 1285 - Fairfield, Iowa 52556 - (515) 472-4087 - FAX (515) 472-6457

At The F.C.C.

NEW STATIONS (Applied For):

INDIANA (Walton) Gladhart Broadcasting, Inc., 93.7, 6000w, 328'
(Winamac) Elizabeth M. Haley, 100.1, 2850w, 482'
(Winamac) Progressive Broadcasting Sys., 100.1, 6000w, 328'
MICHIGAN (L'Anse) J B Broadcasting, Inc., 106.1, 50000w, 492'
(L'Anse) L'Anse Broadcasting, Inc., 106.1, 50000w, 492'

NEW STATIONS (Granted):

NEW MEXICO (Socorro) William H. Pace, 92.9, 6000w, -177'

AMENDMENTS TO THE FM TABLE (Proposed):

COLORADO (Buena Vista) KBVC (CP), to 104.1 C3 from A
TENNESSEE (Clarkrange) new, 104.7 A

AMENDMENTS TO THE FM TABLE (Granted):

MISSISSIPPI (Brooksville) new, 98.9 C3
(Quitman) WYKK, to 98.9 C3 from A
MISSOURI (Kennett) new, 104.3 A
TEXAS (Bloomington) KLUW, to 106.9 C3 from A
(Markham) new, 92.5 A

REPORTED SILENT:

COLORADO (Denver) KDEN, 1340
FLORIDA (Quincy - Tallahassee) WWSD, 1230
GEORGIA (Americus) WDEC, 1290
MICHIGAN (Fenton - Flint) WCXI, 1160
PENNSYLVANIA (Kane) WQLE, 960
TENNESSEE (Knoxville) WDMF, 1580

FORMERLY SILENT:

COLORADO (Manitou Springs) KXRE, 1490
MISSISSIPPI (Magee) WSJC, 810
NORTH CAROLINA (Camp Lejeune) WWOE, 1580
TENNESSEE (Etowah) WCPH, 1220
(Madisonville) WRKQ, 1250

[Courtesy M Street Journal]

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

Promotional Opportunities For July

National Hot Dog Month
National Ice Cream Month
National Recreation and Parks Month

Canada Day - July 1
Independence Day - July 4
Bastille Day - July 14
National Ice Cream Day - July 18

Dog Days - July 3-August 15 - Hottest days of the year in the Northern Hemisphere

Tie-In Ideas

Castle Of Cans Your listeners build structures out of empty soda cans and compete for prizes (the biggest, best-looking, ugliest, most creative, tallest, etc.). Hold the event in a park, at a shopping mall or in the parking lot of a retail store. Target soft-drink bottlers, supermarkets, convenience stores, etc. as advertisers. Tie into a charity like Special Olympics, MS, etc., where sponsors donate a certain amount of money for each can used in the structures. Or tie into your community's recycling efforts, sponsored by local government.

Sounds Like Summer Produce a series of 60-second highlights on various summertime activities around your town, making liberal use of sound effects to set the mood. Sell the series to one or more advertisers (this one is great for institutional and non-traditional advertisers). Use the catch-phrase, "It sounds like summer on WXXX, brought to you by ..." Twist: turn the sound effects in the highlights into a contest.

Summer Sound Game Another way to use summer sounds in a contest is to play a recorded sound effect and ask listeners to call and guess the sound. The winner receives a prize provided by one of your participating sponsors.

Summer Job Line Help local businesses get part-time help for the season by running 60-second help-wanted announcements containing a number of opportunities (paid for by the businesses, of course). Prospects include restaurants, factories, car washes, garden stores and other seasonal businesses.

Pennies From Heaven Encourage your listeners to take all the pennies they've been saving (for whatever) and take them to your participating sponsor's location(s), where all the "good cents" are donated to a designated charity.

\$ALE\$

Dodging "The Book"

This time of year, as the "new" Arbitron County Studies are released, many stations end up defending themselves against competitors who are running around saying, "We're Number One."

Here are some responses that other broadcasters use to answer your prospects' numbers-oriented objections. Maybe they'll help you get the prospect's attention back on what is really important - helping him or her do more business. (See "The Last Word" on Page 8 for further thoughts on this topic.)

- "It says here that they sampled 73 people [or 124, or 32, or whatever] to get these results. Don't you suppose we have 73 people listening to us? What would have happened if all of them were asked?"
- "... they sampled 73 people ... You think we could get 73 people in the door for you, don't you?"
- "We have our own ratings. They're called 'customers through the door and money in the drawer.'"

These responses are best delivered in a good-natured manner. The most important thing to do, when faced with this situation, is not to fight fire with fire. In whatever way is comfortable for you, demonstrate to the prospect that these rating numbers have nothing whatsoever to do with how your station can help him or her achieve results.

Sales Rules To Live By

1. Buyers are liars.
2. You can't sell them what they don't want to buy.
3. Sell by this thought: HOW CAN MY CLIENT'S BUSINESS IMPROVE?
4. Assume the sale!
5. Be quiet! Don't talk yourself out of the sale.
6. Be patient. Sometimes it takes 5 calls to make the sale.
7. REMEMBER: businesses have extra cash for special deals.
8. When the prospect is late for an appointment, wait 15 minutes, then leave a note and move on. They'll respect you and won't put you off again.
9. Don't play all your cards on the first call. Leave yourself something to come back with.
10. BE SURE you're talking to the ultimate decision-maker.
11. Get the client to nod or say "Yes" often during your pitch.
12. Don't clutter your call with facts - people buy on emotion.

- Steve Steinmetz, WCFW, Chippewa Falls, WI

FOURTH OF JULY HOLIDAY MESSAGES

_____ reminds you that if you're driving this 4th of July weekend, you'll be sharing the road with record numbers of travelers, and many are not familiar with this area. Observe posted speed limits. Follow the rules of safe driving. _____ wishes you a safe, happy holiday.

Buckle up for safety! _____ reminds you that safety belts do save lives. It takes only a second to greatly reduce the chance of serious injury or death. _____ says, enjoy a safe, happy holiday. Buckle up!

_____ reminds you that even seemingly harmless fireworks can cause painful burns if not handled carefully. Handle fireworks with extra caution. And make sure the fireworks you handle are legal. Fireworks laws are made for your protection. _____ wishes you a safe, happy 4th of July holiday.

The lakes and streams are crowded with boaters every 4th of July holiday weekend. If you're joining them, follow the rules of safe boating - including courtesy. _____ says, be sure your boat has the proper safety equipment in good working order. Best wishes for a safe, happy holiday from _____.

If you'll be doing yard work this 4th of July holiday weekend, _____ reminds you to mow safely. Remove wires, cans, twigs and rocks before starting up the mower. Never mow a wet lawn. And never leave an unattended mower running. 50,000 people are hurt every year in mower accidents. Don't be one of them! _____ sends their best wishes for a safe, happy holiday.

Here are some holiday safety tips from your friends at _____. Traffic will be heavy this 4th of July holiday, so stay extra alert. Make frequent rest stops. Make sure your gas tank is always at least half full. If you're traveling on unfamiliar roads, drive during the daylight hours as much as possible. _____ wishes you a safe, happy holiday.

_____ reminds you that if you're swimming this 4th of July holiday weekend, a little caution can save you from a painful accident. If waters are unfamiliar, you should check carefully for underwater rocks, stumps and other obstructions. _____ says, swim safely this weekend!

If you'll be getting away to the water this 4th of July weekend, _____ reminds you that every year shallow dives cause serious spinal injuries - including permanent paralysis. Know how deep the water is before you dive. The speed of a dive is only broken effectively after the diver has gone through five or more feet of water. _____ says, check before you dive - and swim safely this holiday weekend.

About Your Customers: In-Store Marketing Techniques

According to retailers surveyed by Meyers Research Center, these are the most effective in-store marketing techniques (ranked on a 1-5 scale):

Sampling	4.75	Electric Signage	2.65
Coupons on shelf	4.00	In-store video	2.32
Coupons at check-out	3.50	Shopping cart ads	2.25
In-store radio	2.95	Interactive cart ads	2.15

- Advertising Age

Letter: "A Problem In Perception"

"Regularly news releases and memos are received by us from your company. I personally covered your news conference in Columbus, Indiana airing a series of sound excerpts with your point of view ... then to open the local newspaper wherein your company is paying for full pages of infomercials.

"Let me note that radio has no means of income other than that of being paid for disseminating information. There is no subscription fee or monthly hook-up or usage charge. Our livelihood depends on companies such as PSI paying us to inform the public. When you treat radio as a form of social service instead of part of the free enterprise system, it indeed suggests a problem in perception."

- Louis U. Disinger, President/General Manager,
WRCR Radio, Rushville, IN, in a letter to the
President of PSI Energy, Plainfield, IN

Technical Note: Beware Of "Compression Stacking"

As more stations move into digital sound reproduction, they should be aware of a recent series of independent tests showing that when two or more digital audio devices are linked, sound quality deteriorates rapidly and noticeably, such as:

- Loss of stereo image
- High frequency smearing
- Muffling of overall sound
- Low frequency flutter
- Brittle sound distortion
- Swishing background noises
- Record ticks turn into sustained "chirps"

According to the test results, distortion is worse when the audio is played back at low volume or through small speakers.

- Radio World

"The Attitude Starts At My Desk"

Seven years ago, this newsletter profiled a newcomer to the radio scene - Bill Holst of KYNT & KKYA in Yankton, SD, who was then making the switch from auto dealer to radio manager. Today, we revisit Bill and his stations to see how things are going.

Bill grew up in Pierre, in Central South Dakota. His parents were in the automobile business there, so after college it was logical for him to join them. But the dealership went under during the economic crunch of the early Eighties.

Meanwhile, Bill had developed a relationship with small market group owner Dean Sorenson as an advertiser on Dean's Pierre station. So when Dean offered Bill the opportunity to manage his Yankton properties - a live, full-service AM and an automated Country FM - Bill jumped in and hasn't looked back since.

Bill says he was lucky to be able to draw upon his automotive experience - the ability to make quick decisions, a focus on motivating his staff, and skillful customer relations. "It's the same set of skills in radio," Bill says.

Bill credits several things for the steady business improvement over the past seven years, but first and foremost is Attitude with a capital "A." When he took over the stations, the first step was convincing his own people that "We weren't going to go under" - meaning both the town and the station; the second step was to take that message to the advertiser.

Bill's retail background comes in handy when it comes to helping his people to have a more realistic attitude about local advertisers: "Our sales people don't walk in assuming that the retailer is only geared to spend X dollars; they walk in with a marketing plan that we know from experience will work - 6-8 spots a day plus attention-getting advertising."

Bill is big on going deeply into the retailers' businesses and helping them solve their problems. Not only do his sales people use national RAB data, but they get regional and local information from the business department at the nearby University of South Dakota.

For example, Bill is currently working on a plan to help a local restaurateur expand his business. They are using USD and state tax data to set new goals for the restaurant, then computing how many additional tables must be filled every day to achieve those goals. "It's pretty simple stuff," Bill says, "X number of customers times Y number of dollars per customer, but nobody else is getting this involved in their customers' businesses."

Despite the changes in the local economy, Bill notes that his mix of advertisers hasn't actually changed all that much in the past seven years. While his stations are running more non-traditional advertisers - like funeral homes, professionals and chiropractors - most of the growth has come from "working with former steady advertisers, helping them to expand their horizons, think a bit bigger. Then helping them to improve their ads and schedules so they get better results."

Bill's advice to other small-market broadcasters: "Sell fewer packages and think more about the need of the customer. Stay away from the quick fix. And keep a very close eye on long-term business - know exactly where you were a year ago, and settle for nothing less than being ahead of there. Anything less is failing - and we preach that daily."

"The attitude starts at my desk," Bill says. "We're here to stay; this is a winning team; this is a great town; and advertising on our stations works. It's not egotistical; it's just pride and participation."

THE LAST WORD

As noted on Page 4 this week, this is the time of year when we get many calls from readers, clients and friends to tell us about their "book" - meaning the Arbitron County Study. Whether the "book" is good or bad, they are worrying about it, playing with it, and trying to figure out how to use it to their advantage.

My advice is always, "Forget it." First, the numbers are 1-1/2 years old by the time they are released - ancient history! Second, the reliability of those numbers is highly questionable, to say the least - they can easily be off by more than 100%. Third is the old adage, "Live by the book, die by the book."

Interestingly, while there is growing preoccupation with ratings in small markets, medium and large market stations are finally regaining the ability to sell effectively without them.

Ratings are just another objection - another way for the prospect to weed you out. It is up to you to let your customers know you're not there to play games with numbers but to help them solve their problems and achieve their goals. For the sake of your business and our industry, don't fall into the ratings trap!

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Small
Market
Radio
Newsletter

**IN OUR
11TH
YEAR**

FIRST CLASS MAIL
U.S. POSTAGE PAID
Fairfield, IA
Permit No. 5

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

Bob Doll - Co-Editor
Jay Mitchell - Publisher and Co-Editor
Lori Morgan - Associate Editor

VOLUME XI - Issue #3 - June 10, 1993

RADIO ADVERTISING REVENUE UP 7% this April compared to last year, according to the RAB. Local was up 6%, national 10%.

MAY SALES BOOST AUTO RECOVERY. Sales were up an average of 16% industry-wide. Biggest gainers: Chrysler (27%) and Nissan (21%).

INTANGIBLES TAX TREATMENT STAYS IN BUDGET PACKAGE. A provision allowing radio station purchasers to amortize all intangible assets over 14 years, including FCC licenses, was included in the House budget bill that passed last week.

FCC BACK ON LOTTERY WARPATH. The Commission fined a Rome, GA television station \$12,500 for carrying a syndicated program running a contest found to be a lottery (prize, chance and consideration were present).

NAB DISCONTINUES RADIO FINANCIAL REPORTS, citing declining response rates. However, the U.S. Census Bureau will be conducting a similar survey in the future.

FCC CHAIR SWEEPSTAKES are heating up. Now that Antoinette Cook is out, front-running names include Washington anti-trust attorney Reed Hundt; David Leach, aide to Rep. John Dingell; and FCC Commissioner Ervin Duggan. Acting Chairman Jim Quello has said again that he does not want the job on a permanent basis.

POLITICAL AD BILL OUT OF COMMITTEE. The Senate Commerce Committee has passed a bill to permit political candidates to buy non-preemptible spots at the lowest unit rate for preemptible time. The NAB has endorsed this bill as a "tolerable alternative" to other versions making the rounds.

YOUNG TALK SHUTS UP. WOWF-FM, which four months ago launched a high-energy talk format, has switched to "Young Country." Station management blamed a "wait and see" advertiser attitude and the high cost of producing the talk format.

BIG MALLS ARE DOWN, STRIP CENTERS AND COMMUNITY MALLS ARE UP. According to the Urban Land Institute, revenues at large regional malls fell over 7% 1990-93, while strip centers grew almost 7% and community malls grew over 15%.

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

P. O. Box 1285 - Fairfield, Iowa 52556 - (515) 472-4087 - FAX (515) 472-6457

At The F.C.C.

NEW STATIONS (Applied For):

INDIANA (Chandler) Michelle Elaine Hulse, et. al., 93.5, 3000w, 328'
(Walton) Progressive Bcstg. System, Inc. 93.7, 6000w, 328'
IOWA (Decorah) Sun Communications, Inc., 104.7, 4500w, 211'
LOUISIANA (Ruston) Roger D. Pinton, 99.5, 3100w, 445'
MINNESOTA (Proctor) Frank P. Befera, 107.7, 770w, 912'

NEW STATIONS (Granted):

CALIFORNIA (Modesto) BCD Limited Partnership, 93.9, 3000w, 151'
(Santa Ynez) Karin H. Wood, 105.9, 6000w, -462'
FLORIDA (Jupiter) Jupiter Broadcasting Corp., 99.5, 3000w, 328'
(Miami) State of Florida, 102.3, experimental
GEORGIA (Greenville) Orchom Broadcasting, Inc., 95.7, 6000w, 328'
IOWA (New Sharon) Crown Broadcasting Company, 99.9, 25000w, 297'
LOUISIANA (Baker) Bebe-F Broadcasting Corporation, 107.3, 3000w, 328'
MICHIGAN (Hartford) Rural Init. for Shelter & Educ., 103.7, 3000w, 328'
NORTH CAROLINA (Harker's Island) Hope Communications, Inc., 100.3, 100000w, 423'
(Leland) Hara Broadcasting, Inc., 94.1, 3000w, 328'
(Ocracoke) Ocracoke Broadcasters, 92.9, 1000w, 72'
OHIO (Huron) Luipold Broadcasting, Inc., 96.1, 3000w, 328'
TEXAS (Odessa) Ruben Velasquez, 107.7, 49000w, 502'

AMENDMENTS TO THE FM TABLE (Proposed):

COLORADO (Limon) new, 103.1 C2
MISSISSIPPI (Potts Camp) new, 95.9 A

AMENDMENTS TO THE FM TABLE (Granted):

IDAHO (Ketchum) KRMR (CP), to 104.7 C from A
(Rupert) KNAQ, to 92.5 C from A
MINNESOTA (Tracy) KARL, to 105.1 C3 from A
NORTH DAKOTA (Walhalla) new, 106.7 C2
OKLAHOMA (McAlester) KTMC-FM, to 105.1 A from 104.9 A

REPORTED SILENT:

ALABAMA (Madison) WKMW, 730
ALASKA (Kodiak) KVOK, 560
GEORGIA (Brunswick - Jacksonville) WBYB, 100.7
NORTH CAROLINA (Clayton - Raleigh) WHPY, 1590

FORMERLY SILENT:

CALIFORNIA (Redding) KLXR, 1230
TEXAS (Beaumont - Houston) KWIC-FM, 107.9

[Courtesy M Street Journal]

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

Guaranteed Advertising. To open doors and boost sales, KIXX in Watertown, SD offered a guarantee on its advertising. First the station and the client agreed on a sales goal - what the client wanted to do during a specific time period. The station then came up with a package - composed of spots, sponsorships or remotes, whatever would be most useful. At the end of the campaign, if the goal was not reached, the station rebated a pro-rated portion of the advertising investment. For example, if the sales goal was ten units and only eight were sold, the station refunded 20% of the package price or gave the client 20% more advertising.

The results were fantastic. Client response was great, and even when the station had to issue refunds, the client often acknowledged that the goal may have been a little high, or that some other factor may have influenced performance. Today, with what we know about how to get results through Optimum Effective Scheduling, this approach can work even better.

Business Anniversary. KASI in Ames, IA is running an anniversary campaign for a local bank. Part of the campaign is "First National Trivia," a contest where listeners answer questions about the bank. (Sample question: "When First National Bank opened its doors ninety years ago, it was known by another name. What was it?") This idea could easily be expanded by selling participations to, and asking trivia questions about, many merchants in your town - perhaps tied to the town's anniversary.

Often-Overlooked Summer Tie-Ins. Sponsor a local baseball team ... co-promote a concert or series of concerts in the park ... put together an "all-star" baseball game for charity, featuring local "celebrities" and radio station personnel ... get your local drive-in movie (or indoor theater) to play a station-produced music tape before the feature (sprinkled with "ads" for the theater and mentions of your call letters) ... tie in with a local womens clothing store for a fashion show featuring prominent local folk and station personalities ... team up with your local fire department for an Appreciation Day, displaying firefighting gear to the public ... get your announcers to "call" sports events in your area (games, races, etc. - wherever there's a PA system) and to make other public appearances as well.

Promotional Ideas from "The Insider," newsletter of KTRF/KSNR in Thief River Falls: "Chamber of Commerce Radio Days" - C of C announcers take over afternoon on-air duties for four days to raise money ... "Garage Sale Gram" - presents paid "classifieds" for you-know-what ... cellular phone customers can call the station by hitting #-1-2-3-0 (the frequency) ... "The Insider" itself - a clean, simple one-sheet that blends business news (remodelings, name changes, merchant recognitions), station events and community happenings.

\$ALE\$ - The Power of Attitude

In last week's profile of Bill Holst, we could boil the entire article down to one word: "attitude." Bill's positive attitude not only turned around a losing radio station, but helped turn around a losing town as well.

Many of us fail to appreciate the power of attitudes - positive and negative. There is an old adage, "In any selling situation, a sale is always made, but often it's made on the salesperson, not by the salesperson."

In a town full of doom and gloom - like many of our small market Main Streets today - it is all too easy for the dispirited merchant to "make the sale" on the salesperson whose attitude has not been fortified: "We can't afford advertising" ... "We're barely keeping the doors open and you expect us to advertise?" ... "Nobody is buying anything" ... and so on.

How do you turn attitudes around? It starts with the leaders in the station and the community ... it starts with the manager and the sales staff ... it starts with you. Conduct a daily "attitude check" on yourself first. Be careful of what you say ... how you phrase what you say ... and especially how you respond to everything that happens in your life.

Recently a manager was telling his staff about the overwhelming audience response to a new station feature. Instead of saying, "Boy, what incredible telephone response!" he said, "The phone lines were tied up for hours!" It's the difference between a negative mental attitude ("Yeah, I couldn't get a line out") and a positive one ("Our promotions really work").

Here are some concrete steps to take to get attitudes turned around in your station and your community:

1. Install an "attitude jar" and make people contribute 50¢ or \$1.00 (or whatever will pinch just a little) any time they are caught uttering a negative statement.
2. Make your station a haven of positivity. Put up signs with positive, motivational themes.
3. Turn the retailers' negatives into positives. Take an actual retailer objection and discuss ways to respond positively.
4. Work to find reasons for retailers to be positive. Offer them solutions to their problems, not just "a bucket of ads."

Changing attitudes goes far beyond just making a sale. It can change the way you do business - and how much business you do!

MANAGING YOUR STATION BETTER

What Do Employees Want? There is a big difference between what managers think employees want, and what employees really want, according to Advanced Management Journal. Here are the comparisons on ten key job issues:

<u>Issue</u>	<u>Managers Rank</u>	<u>Employees Rank</u>
Good pay	1	5
Job security	2	4
Promotion and growth	3	6
Good working conditions	4	7
Interesting work	5	1
Tactful discipline	6	10
Loyalty to employees	7	8
Full appreciation of work done	8	2
Help with personal problems	9	9
Feeling of being in on things	10	3

What Do Managers Want? The Wall Street Journal published a list of traits which managers feel are most important for advancement in their firms. Note the differences in the percentages among small, medium and large firms:

<u>Trait</u>	<u>Small Firms</u>	<u>Medium Firms</u>	<u>Large Firms</u>
Integrity	24	27	36
Ability to get along	34	36	32
Industriousness	24	23	25
Intelligence	10	14	25
Business knowledge	24	25	23
Leadership	10	12	15
Education	1	7	5

Intern Power. Don Sharp of WLRB/WKAI in Macomb, IL and Kent Osborn of KMCD/KIHK here in Fairfield remind us of the "secret weapon" of interns from local educational institutions. These students can be of immense value to your station, and can get a great deal out of the experience as well. In fact, small market stations offer much more than larger stations to the interns - instead of being just "gofers," they get to do real radio.

To ensure "repeat business" you must accept the responsibility of helping your interns learn and apply meaningful things. But it is a worthwhile investment which pays off in immediate benefits to you and to the intern, as well as creating a good reputation for your station with the educational institutions with which you work. This will ensure a continuing relationship and a steady stream of unpaid help for your station.

Odds & Ends & Opinions

"One area in sales where we are seeing some dollars is in temporary services.

"This is probably occurring only in areas where there is a lot of manufacturing. The temp services may be in bigger towns but drawing from rural areas and small towns.

"Temp services are increasing their business because they pick up costs like unemployment and worker's compensation. It is cheaper doing it that way for the manufacturer."

- Jerry Papenfuss, Result Radio Group, Winona, MN

"According to Arbitron, the least listened-to quarter hour is the last one. To get good ratings, major market stations run 35-45 minutes of non-stop music, then cram all their commercials into the last 15 minutes. By doing that, they're not doing the advertiser any good; listeners tune out.

"So the major advertisers who've used radio in the past start saying, 'Radio doesn't work any more. We'll take their budget and put it in print and TV.' The problem is, small market broadcasters don't do this, but we suffer along with the big guys, because the big guys are cutting radio's throat."

- Bubba Reding, KBOP AM & FM, Pleasanton, TX [see also Page 7]

Kirk Woodward of People Centered Programs in Dallas, TX, passed along an upbeat article from the June 1993 issue of Smart Money. The article is titled "Are You Radio-Active?" and talks about small market radio as an owner/operator investment opportunity.

Among the highlights:

- "A small, low-wattage station in a sleepy town can be surprisingly affordable. Some go for less than \$300,000, often with shockingly little cash required at closing."
- "If you really want to be in radio, tune out the naysayers and grumblers. If you have a good head for managing money and people, plus lots of creativity and stamina, you can buy a radio station and operate it successfully."
- "Banks aren't touching [big market stations], but in a small community, a case can be made for the relatively modest investment required to purchase and maintain a local radio station."

As Kirk said in his cover letter, "This is as encouraging a piece on small market radio as I've seen in many a moon."

A Station of "Firsts" and "Onlies"

Back in the early Fifties, a man named Ben "Doc" Parker started a radio station in Pleasanton, TX - KBOP. Later, when he moved the studios from the transmitter to downtown, he occupied a former shoe store, with lots of big plate glass fronting the street.

To try to fill up that empty display space, Doc brought in an old saddle he had lying around at home. Seeing that saddle in the window, somebody brought in an old bridle, and soon the windows were full of Old West relics. The Longhorn Museum was born - the only museum in the world started in a radio station.

The radio station itself was also a "first" - the first full-time continuous Country music station in the state of Texas. (You may have heard of one of KBOP's early deejays - a fellow by the name of Willie Nelson.)

Doc Parker was extremely active in Pleasanton community life, with a long string of accomplishments and accolades, up until his death in 1989. His wife, Mona, was also active in the community and the station; she has yet another "first" to her credit - she was the first woman in the nation to earn an FCC First Class license.

Today, KBOP and simulcast sister KBOP-FM are owned by San Antonio native and longtime broadcaster Bubba Reding. Bubba started in radio while in high school, then got a First Ticket and went to work for KEPF in Eagle Pass, TX ("doing everything - morning jock, newsman, chief engineer - and sold ads in the afternoon"). From there he went back to San Antonio to jock at KNON; then he switched to sales, first at KBER and then at KBUC.

In 1987, after 20 years at KBUC, Bubba bought KBOP - the station which, incidentally, turned him down for his first job. According to Bubba, "Business-wise the station was in better shape when I bought it than it is today, because of the oil business going bust. Besides, we have the same problem everybody else has - Wal-Mart moved in and half the businesses are gone today."

To recoup some of that business, Bubba has "expanded our scope. We're more of a South Texas station than just a Pleasanton station." He upgraded his AM from 1k to 5k, and he covers the local news from all the surrounding towns as well as Pleasanton - never cutting his Pleasanton coverage.

Bubba has distinguished his station further by becoming an actual U.S. Weather Station. Bubba tells the story: "Back in 1990 we had 21 straight days of hundred-degree-plus temperatures. People would see the different bank signs with different temperatures, they'd take their own readings, and we would be giving another temperature; they began to wonder who's right."

So Bubba called the Weather Bureau. Since they were far enough from the nearest official weather station (they are 40 miles from the San Antonio airport), the radio station qualified. The Weather Bureau installed official equipment - "Turn it over and it says Property of U.S. Weather Bureau," Bubba says - and every day station personnel record the high and low temperatures, the rainfall, and temperature readings at certain observation times. Once a month they submit this information to the Weather Bureau.

"There is no question about it," notes Bubba, "we are the weather station" - even the San Antonio papers have cited the station in weather-related stories.

To develop new business, Bubba found from the 1990 Census data that 49% of the people who work in metro areas live in outlying rural areas. So Bubba is telling that to San Antonio business people, and telling them that these commuters can be reached best with local radio. (To avoid ill will in his backyard, Bubba only pitches businesses in San Antonio that aren't found in Pleasanton. "They're not going to go to San Antonio to buy groceries," he says.)

In fact, Bubba sees the future of his operation in developing more San Antonio business: "Our brand of Country is different than what the San Antonio stations are doing. Lots of stations play just the current hits and some play all Oldies, but we play a combination of the old and the new. And it helps being the first Country station in Texas." For KBOP, an operation with so many "firsts" in its past, the future should hold a few as well.

THE LAST WORD

Many thanks to you who have returned our "Subscriber Questionnaire," and for all the helpful ratings and comments.

The diversity of responses is interesting. The FCC Page, for example, is a "love it or hate it" type of thing, it seems. (We will definitely keep it, but might move it to another page.) The telemarketing campaigns are also controversial, but those who use them are passionate. (Memo to those who don't like the staple: we'd love to do away with it, but the Post Office insists.)

We'll give you a full report in an upcoming issue; if you haven't returned your questionnaire, there's still time!

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VOLUME XI - Issue #4 - June 17, 1993

NIKE TAKES CROWN AT RADIO MERCURY AWARDS held last week in New York. Bob Moore, copywriter and Weiden & Kennedy in Portland, won the Radio Mercury Gold Award and \$100,000 for his work on a Nike commercial called "Hubble Telescope." Eleven agencies and stations shared in a total of \$200,000 in cash awards.

NEVADA STATIONS CAN BROADCAST CASINO ADS, according to an FCC announcement following a U.S. Court decision in April. According to broadcasters in that state, their billing has gone up dramatically since the ban was lifted, mostly at the expense of print.

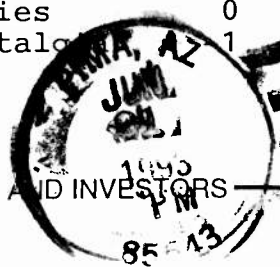
FCC THROWS APPLICATION INTO HEARING based on apparent lack of candor in the case of the CP transfer of KCVI, Blackfoot, ID from Richard Bott II to Western Communications, Inc. In a competitive hearing in 1987, Bott received his grant based on his statement that he would move to Blackfoot to manage the station. Nine months later he applied to assign the permit, calling into question his original intent to manage the station.

NEW BUYERS FOR SMALLER STATIONS may be companies like Group W, which announced this week they plan to buy KBIS in Little Rock, AR - to take it dark. Group W feels that KBIS, which is on the same frequency as their flagship WINS in New York City, is generating enough interference to warrant the purchase.

RESTAURANT "RUSH ROOMS" LET LUNCHERS LISTEN to their favorite radio talk show host. According to Restaurant Business, 100-150 restaurants around the country have set up special rooms where Mr. Limbaugh's program is piped in. Results have been mixed.

COUNTRY FORMAT CONTINUES TO LEAD REVENUE GROWTH according to the latest Miller, Kaplan report, covering January-April of this year. Here are the percentages by format:

Country	15	All News	8	Album Rock	1
Classic Rock	12	Urban	8	Contemporary	1
New AC	12	News Talk	6	Oldies	0
Beautiful/EZ	10	Spanish	4	Nostalgia	1
AC	9	Classical	3		
Soft AC	9	FS AM	2		



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At The F.C.C.

AMENDMENTS TO THE FM TABLE (Proposed):

FLORIDA (Miami) WTMI, to 93.1 C1
HAWAII (Volcano) KKOA (CP), to 107.7 A
LOUISIANA (Amite) new, 96.5 A

AMENDMENTS TO THE FM TABLE (Granted):

TENNESSEE (Huntington) WVHR, to 100.9 C3 from A
TEXAS (Dublin) new, 92.9 C3 from 104.9 C3
(Marlin) KEYR, 92.9 C2 from A

REPORTED SILENT:

CALIFORNIA (Banning-San Bernadino) KMET, 1490
NEW YORK (Mechanicville-Albany) WMVI, 1160

FORMERLY SILENT:

OREGON (Tri City-Roseburg) KKMx, 104.3

[Courtesy M Street Journal]

SENATE ALCOHOL WARNING BILL MAY FADE OUT, but it is "far from dead," according to industry sources. The Senate Commerce Committee has not yet scheduled a vote on Sen. Strom Thurmond's measure, and insiders say that it is likely the vote would not come before the July 4 holiday recess. Both proponents and opponents are now saying that few committee members are likely to vote in favor of the bill, but there will probably be some heavy politicking ahead which might tip the balance.

FCC DELAYS ARE LIKELY in the next few weeks because of limited funding, hiring freezes and the crushing workload imposed by the new cable television law. The Commission has asked Congress for an additional \$12 million to get through the current fiscal year.

DIRECT MAIL STILL WORKS, according to a new survey from the Roper Organization. 62% of those surveyed read the direct mail pieces they receive, while 34% throw them away unread. Half of those surveyed said they receive ten or more direct mail pieces every week.

RAB SELF-STUDY SALES TRAINING COURSES, designed in conjunction with Chris Lytle, make use of study-at-home methods and a fax-back grading system. In a recent pilot study in Canada, salespeople who completed the Senior Radio Marketing Associate course reported 15-20% increases in their billing.

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

TEN GREAT IDEAS TO GENERATE RESTAURANT BUSINESS come to us courtesy of Pinpoint Marketing and Research (314-878-0673):

The Great Price Fix - Work with a restaurant to establish a "fixed price" for specific menu items. Tie the price into your frequency.

The Wine Week - Combine a restaurant's celebration of good wine vintages with on-air messages of moderation and responsible drinking. Use the campaign to sell schedules around whatever advertiseable products those distributors handle.

The Recipe Club - Combine a fine meal with cooking conversation and printed recipes for the meal from the restaurant's executive chef. Hold regular meetings; keep the groups fairly small.

The Diner's Club - Use a membership card that can be punched or checked off for each dollar spent or each meal purchased. Offer premiums for specific levels of achievement, and tie in other station clients to provide the premiums.

The Frequent Diner's Club - Give each of a group of restaurants a place on a membership card. The diner gets a discount or a free dessert when the card is used; when the card is entirely filled in, the diner gets a premium.

Set Asides - Have the client restaurant set aside a "soft" day or mealtime for a special promotion: a late weekend night for desserts ... a mealtime for smaller-sized portions, allowing patrons to "graze" the menu. Or, "half-price plus" specials - reduced portions at a reduced price for late-night dining.

Star For A Day - Tie a restaurant and a taxi or limo company together to offer a classy night out, with transportation to and from the restaurant.

And The Winner Is - Diners that order one specific menu item are given numbered tickets. Tickets are later drawn for premiums supplied by other station clients. Or, the meal can be tied into a special event - like a "Super Bowl Sirloin" served through December, with a free trip to the game as the grand prize.

Around The World - Provide your restaurant client with a list of international holidays and celebrations, and then build a series of special menus around those dates.

Database Dining - Use your listener database to build one for your restaurant clients, and help them build their own files and mail programs - but make sure your logo goes on every piece.

\$ALE\$

FIVE REASONS PEOPLE BUY ADVERTISING

1. To fight competition
2. To increase profits
3. To cut losses
4. To further personal interests (public-service telemarketing offers, sports sponsorships)
5. Just want to change something

TRUTHS NEVER TO FORGET

1. The market is constantly changing.
2. People forget fast.
3. Your competition isn't quitting.
4. Marketing strengthens your identity.
5. Marketing is essential to survival and growth.
6. Marketing enables you to hold onto your own customers.
7. Marketing maintains morale.
8. Marketing gives you an advantage over competitors who have ceased marketing.
9. Marketing allows your business to continue operating.
10. You have invested time and money that you stand to lose.

- J. C. Levinson, Guerilla Marketing

RADIO REACHES NEW SUPERMARKET SHOPPERS BEST. According to Supermarket Advertising Newsletter, radio reaches more grocery shoppers than any other medium - nearly three out of four adults listen to radio in the average month. Other key points:

- "Radio is relatively inexpensive. You can produce a mess of radio commercials for much less than it takes to produce a print ad or television commercial. You can achieve breakthrough levels of efficiency at really low CPM."
- "Radio has the advantage of attracting the attention of people who don't usually shop in your supermarkets."

THE MEANING OF COMMITMENT: "Commitment is what transforms a promise into reality. It is the words that speak boldly of your intentions. It is the actions which speak louder than words. It is making the time when there is none. Coming through, time after time after time. Year after year after year. Commitment is the stuff character is made of, the power to change the face of things. It is the daily triumph of integrity over skepticism."

- Selling Smarter

Korean Conflict CEASE-FIRE ANNIVERSARY

Editor's Note: The following announcements are included this week in response to a request from an Ohio subscriber. A local veterans organization approached him to purchase a schedule to call attention to the anniversary of the end of the Korean Conflict. It occurred to us that similar organizations would like to do so elsewhere.

June 26 marks the 40th anniversary of the signing of the armistice which ended the Korean Conflict. 5 million, 720 thousand Americans served in that war. 54 thousand 246 Americans lost their lives. The members of (ORGANIZATION) ask you to join them in paying tribute to those who sacrificed to assure our nation's freedom. (ORGANIZATION) is proud of its Korean War veteran members.

It's too easy to forget the sacrifices made by men and women who served their country when American freedom was challenged. June 26 marks the 40th anniversary of the armistice which ended the Korean Conflict. The membership of the (ORGANIZATION) includes scores of Korean Conflict veterans. They're proud to have served. (ORGANIZATION) is dedicated to keeping alive the American values for which its members fought.

The United States was at peace for less than 5 years when the Cold War became a hot war. The United States joined its U.N. Allies in turning back aggression in Korea. Many of those who served had served in World War II just a few short years before. (ORGANIZATION) is proud to number among its members scores of Korean Veterans. Join (ORGANIZATION) in remembering the sacrifices made in the Korean Conflict - which ended 40 years ago on June 26.

(ORGANIZATION) believes it is too easy to take for granted the benefits we enjoy as American. It is easy to forget the sacrifices that have been made to make the American way of life possible. That's why (ORGANIZATION) reminds you that June 26 is the 40th anniversary of the armistice ending the Korean War. It was the beginning of the end of Communism. (ORGANIZATION) asks you to remember those who served.

103 thousand 254 wounded. 54 thousand 246 killed. 5 million 720 thousand men and women served. Those are some of the statistics from the Korean Conflict, which took place from 1950 to 1953. June 26 marks the 40th anniversary of the end of that war. (ORGANIZATION) is proud to number among its members many who served in the Korean Conflict. (ORGANIZATION) asks you to join them in remembering the sacrifices made, and to join with them in rededicating ourselves to the principals for which they fought.

THIS & THAT

MANAGEMENT: BETTER HIRING. Psychological testing can be useful in hiring new staff members, especially sales people. Several of our clients are using and recommending a company called The Omnia Profile. You administer a simple test, then fax or mail the completed test to Omnia for scoring and recommendations.

We have seen the results and they are impressive. The Omnia Profile compares the individual's test score to a set of qualities you determine are important for the position, and makes recommendations accordingly. While no test should be used as the absolute determining factor, Omnia is a valuable "second opinion" that can keep you from making a big mistake.

The normal cost for the service is \$90 per test, with no contracts or commitments; but we have arranged to represent The Omnia Profile so we can offer our readers a discount. To get started, call Barbara Bauer at 1-800-525-7117. Be sure to mention the name Jay Mitchell at that time. You will pay the full price of \$90 for each test, but when we receive our commission - 10% - we will pass most of it back along to you, less \$1.00 for postage and handling. Your final cost, after "rebate," is \$82. Also, be sure to notify us here at SMRNewsletter that you have purchased a test, so we will know where to send the commission when we receive it.

We want to be able to offer our readers a little "something extra" from time to time, and this is sort of an experiment in that direction. If you find it valuable, let us know.

SALES/COMMUNITY SERVICE: 911 AWARENESS. According to a study commissioned by Upjohn and the American College of Emergency Physicians, when faced with a medical emergency, 46% of adults cannot identify "911." If your area has 911 service, you might be able to turn this fact into an awareness campaign supported by local advertisers and health care facilities.

TECHNICAL: FCC STL DEADLINE under §74.550 of the Rules is still July 1, 1993. If your equipment is not labeled "Type Notified," contact the manufacturer immediately to confirm that it complies and to get the required label. Nonconforming equipment must be replaced by July 1. [E. Harold Munn & Associates, 517-278-7339]

MANAGEMENT: BETTER INTERVIEWS. When you interview for a key position in your station, make the main interview session last at least two hours. Longer interviews increase honesty because people get tired of acting, become more trusting and let down their guard. [Harry Levinson, The Levinson Letter, Belmont, MA]

"110 Years Of Experience"

Just about forty years ago - July 4, 1953, to be exact - WDLG signed on the air in Port Jervis, NY. Three years later, one of the first managers of the station, Oscar Wein, bought the station, and it has been in the family ever since.

Oscar's son Bob started working at WDLG at the age of 15. After school and the military he joined the station full time in 1968, working in sales and news. Over the years, Bob bought into the business until he owned it outright when Oscar retired in 1985.

Along the way WDLG acquired a baby FM sister, WTSX. Today, WTSX is AC - but describing the WDLG format is a bit more difficult. According to Bob, "Our two stations were simulcast until 1985, but then we asked ourselves, 'How can we specialize and yet serve the widest range of demographics?'"

The answer was to split the programming of WDLG: from 6 AM until Noon, the music is MOR-based with lots of news, talk and community features. Then, after the Noon news block, the station goes Country from 1 PM until 6 the next morning. "We did an LMA before they existed," Bob says; "three formats, two stations."

To serve and survive in the changing market, Bob and his staff have become marketing experts in the truest sense of the word. They do marketing sessions with merchants, individually or in groups, providing information and guidance. "We go to seminars, do a lot of reading, and network with experts," Bob says. "Nobody wants to buy advertising in this climate ... but everybody wants to buy success."

"We are involved in an ongoing educational process for the merchants," Bob says. "They don't stay aware of what is going on with their competition, so the station provides that for them."

Bob credits his wife, Eileen, for much of the marketing strength of the stations. Her background as a teacher, designer, sales person and business owner gives her the ability and know-how to help clients become more successful. "All together," Bob notes, "With my Dad, Step-Mom, wife and me, we've got about 110 years of experience in the business."

In addition to marketing, Bob and his staff come up with a steady stream of innovative promotions to benefit clients, community and station. For the station's 40th they're throwing a free outdoor picnic, with sack races and pie-eating contests, food, bands, entertainers, and - of course - live remote broadcasts. "It's a big community get-together," Bob says, "thanking everybody for being part of our lives for 40 years."

The station promotes lots of remotes ("not as many as I'd like") ... the "Sixty-Nine Cent Dollar" promotion ... a trout fishing contest between listeners and station people ... "Scholastic Bowl," an academic competition which next year will go from nine local high schools to 18 ... and one of their most successful, the "Consumers Club," in which over 80 merchants benefit from steady repeat traffic, and the station enjoys closer ties to their customers and research data on their listeners.

WDLC also does the "Value Line" shop-at-home program from RRN, but with an added feature - a computer software program that handles all the bidding and tracks participants.

Bob and his staff are good at working with the participants that all the station promotions generate: "We cross-sell everybody everything," Bob says, getting winners of one promotion involved in others when they come by the station. "It's what we preach to our customers, and it's what we do ourselves."

In hiring and training sales people, Bob preaches the Tom Hopkins gospel, "I'm not going to sell something you can't use and can't benefit from." He creates the mind-set in his people that "I'm walking in here because I want you to be successful."

"This is not an order-taker economy," Bob observes. "It's service, it's education, it's knowledge."

THE LAST WORD

One day the experts say the economy is up. The next day they declare the economy stalled. Then they tell us the economy is recovering, but more slowly. Then it's full steam ahead.

All this naturally affects consumer confidence, which in turn affects purchases, which in turn affects advertiser confidence - which affects you.

Rather than being the last link in the daisy-chain, why not resolve to be the first? On the air and on the street, radiate the good news. Find the silver lining. Don't buy into the gloom.

It may not solve all your advertisers' problems, or your own - but it's a much firmer foundation on which to build the actual solutions.

THE SMALL MARKET RADIO NEWSLETTER IS PUBLISHED WEEKLY BY JAY MITCHELL ASSOCIATES, INC., AND MAILED FIRST CLASS TO SUBSCRIBERS IN 50 STATES, POSSESSIONS, AND CANADA. SUBSCRIPTION: \$109.00 PER YEAR; \$57.00 FOR 26 WEEKS; \$33.00 FOR 13 WEEKS. ADDRESS: P.O. BOX 1285, FAIRFIELD, IA 52556. PHONE: 515-472-4087; FAX: 515-472-6457

Small
Market
Radio
Newsletter

**IN OUR
11TH
YEAR**

FIRST CLASS MAIL
U.S. POSTAGE PAID
Fairfield, IA
Permit No. 5

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

Bob Doll - Co-Editor
Jay Mitchell - Publisher and Co-Editor
Lori Morgan - Associate Editor

VOLUME XI - Issue #5 - June 24, 1993

CONSUMER CONFIDENCE RISES from 80.3 to 82.8, according to the University of Michigan's consumer-confidence index. The index had a post-election high of 91.0 in December.

UNISTAR TO CARRY DON IMUS AND "DON & MIKE." Sports station WEEI in Boston is the first affiliate for Imus's New York morning drive feed, while WWKB in Buffalo is the first for Washington, DC's afternoon drive Don (Geronimo) & Mike (O'Meara) show.

RADIO ESCAPES REFORM as the Senate voted to give itself a 50% discount off of the lowest unit rates for TV time but not radio. But even for radio, candidates would pay for time by using vouchers redeemable from the government. The bill would also reinstate the Fairness Doctrine, applying to both radio and TV.

1993 ADVERTISING PROJECTIONS LOWERED by McCann-Erickson Senior VP Bob Coen from a December estimate of a 6.9% growth rate to a 6.1% rate. Coen cites slower national TV and local print growth, caused by uncertainties about health care costs, taxes and jobs.

ROSS PEROT & RICK DEES HEADLINE NAB RADIO SHOW in September. Perot will deliver the keynote address on September 9; Dees will host the Marconi Radio Awards on September 11.

EXPANDED AM BAND ATTRACTS OVER 300 BROADCASTERS possibly wanting to move to a frequency above 1600. The deadline for filing letters expressing interest is June 30, after which time broadcasters will not be allowed to apply.

OCALA STATION FINED \$18,000 FOR EEO VIOLATIONS. WTRS (licensed to nearby Dunnellon, FL) has hired only two minorities since 1985. In another action, WKRR-FM in Greensboro/Winston-Salem must pay a \$10,000 EEO fine, and the FCC has imposed a short-term renewal on the station.

FCC CHECKING UP ON LMA CONTRACTS and finding that many are not meeting regulations. Station owners involved in LMAs are receiving letters from the FCC requesting more information. The FCC is concerned that each LMA contract certifies that the licensee of the brokered station retains ultimate control of the station's facilities, finances, personnel and programming.

P. O. Box 1285 - Fairfield, Iowa 52556 - (515) 472-4087 - FAX (515) 472-6457

At The F.C.C.

NEW STATIONS (Applied For):

CALIFORNIA (Gridley) Barney L. Dewey, 101.5, 6000w, 62'
FLORIDA (LaCrosse) Soler Broadcasting, 99.5, 4200w, 359'
ILLINOIS (Dwight) Electronics Research & Consulting, 98.9, 3000w,
328'
LOUISIANA (Ruston) BFH, Inc., 99.5, 6000w, 328'
MISSISSIPPI (Bruce) Russell Humphrey/Roberta Easto, 94.5, 4500w,
380'
NEW YORK (Brighton) Auburn Cablevision, Inc., 94.1, 3200w, 456'
(Brighton) Brighton Broadcasting, L.D., 94.1, 6000w, 318'
(Brighton) Jon E. Fugler, 94.1, 6000w, 328'
(Lakewood) Breakthrough Communications of Lakewood, 106.9,
25,000w, 328'
(Lakewood) Maniac Communications, 106.9, 25,000w, 328'
(Lakewood) Newman Communications, Inc., 106.9, 5200w, 715'
NORTH DAKOTA (Bismarck) DCP Broadcasting Corp. of Bismarck, 98.7,
100,000w, 984'
OHIO (McArthur) Robert S. Triplett, 98.7, 6000w, 328'
OREGON (Lebanon) Eads Broadcasting Corporation, 1570, 1000w, day
and night
UTAH (Richfield) White Pine Communications, Ltd., 97.5, 31700w,
327'

NEW STATIONS (Granted):

ALASKA (Houston) Chester P. Coleman, 94.3, 6000w, 262'
CALIFORNIA (Montecito) James Evans, 92.9, 260w, 686'
IOWA (Epworth) Hemmer Broadcasting Co., 97.3, 20,000w, 367'
NEW YORK (Plattsburgh) John T. Ryan, 105.1, 3000w, 328'
(Westhampton) Rose Communications Corp., 98.5, 6000w, 282'
TEXAS (Crystal Beach) East Bay Partnership, 101.5, 25,000w, 328'

REPORTED SILENT:

FLORIDA (Bradenton) WJRB, 1490, pending sale
(Winter Park-Orlando) WWZN, 1440
HAWAII (Honolulu) KOHO, 1170
MASSACHUETTES (Gardner) WGAW, 1340
MICHIGAN (Harbor Springs) WLTO, 103.9, pending sale
TENNESSEE (East Ridge-Chattanooga) WJRX, 107.9, pending sale
(Germantown-Memphis) WNWZ, 1430

FORMERLY SILENT:

INDIANA (Terre Haute) WBFX, 1230
TEXAS (Beeville) KIBL-FM, 104.9

[Courtesy M Street Journal]

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

PROMOTIONS AND FEATURES from Art Sutton, WBCU, Union, SC (see also the interview on Page 7) ...

Fun Bucks - WBCU sold advertisers a two-and-a-half-month ad package as part of a promotion to give away "Fun Bucks," scrip that can only be spent at sponsor locations. Listeners call in and guess which sponsor will come up on the wheel; for a correct guess they win the amount in the pot in Fun Bucks. The sponsor is reimbursed by advertising, or sometimes the station will pay the advertiser in cash. This promotion generates around \$5000 in the slow early Summer months. The station sells this promotion early, leaving the summer for selling Fall base business.

Union County Says - This is a two-minute person-on-the-street feature running three times a day. Station personnel tape answers to questions about current issues, some serious, some more lighthearted. "You'd be amazed how many people listen because they're on the air, and their whole family listens."

Phrase That Pays - To spotlight a local grocer's USP of "best meats," the station runs a "Phrase That Pays" contest with the phrase, "Jimmy's Galaxy has the best meat market in town." A pound of hamburger meat is given away five times a week; the contest is paid for by the grocer, who uses it to combat the chain stores.

Grocery Cart Dash - In another grocer tie-in, the contest winner had 146 seconds (tied into the station's 1460 frequency) to load up a cart with groceries.

Deal Of The Day - A two-to-three-minute interview with a local car dealer is broadcast three times a day.

Medical Tips - One-minute daily medical advice features, presented by local medical officials, are sponsored by a local hospital.

Two-fer Tuesday - Go into the sponsoring video store, mention the station, and get two movies for the price of one. This one helps traffic on slow days.

Convenience Store Opening - Gas is priced at 14.6¢ (tied into the station's 1460 frequency) for the last ten minutes of each hour during a four-hour remote.

Premiums - WBCU is becoming a specialty advertising rep, moving closer to the concept of "one-stop advertising."

NOTE TO OUR READERS: We'd love to share some of your most successful money-making promotions!

\$ALE\$ - RAISING PRICES WITHOUT LOSING CUSTOMERS

From business consultant and speaker Pete Silver comes a list of creative ways businesses can boost prices and response. Some apply to your business and some apply to your customers' businesses. [Marketing Communications Report, 1-800-745-8377]

- Bundle your products or services. Car dealers include parts, labor and paperwork in their quotes.
- UN-bundle. A mail-order company previously lumped shipping, handling and insurance; now it itemizes.
- Make it bigger. Dunkin Donuts created The Big One coffee cup. The pizza joints are offering competing gigantic pies.
- Make it smaller. Tuna fish was sold in 7 oz. cans; now it's sold in 6.5 oz cans for the same price.
- Charge for services. Hewlett-Packard, Microsoft and other companies have toll "900" numbers for support calls.
- Offer a deluxe version. Hotels devote top floors to "Concierge" service - slightly bigger rooms, more services - at higher rates.
- Offer a customized version. President Nixon's memoirs were packaged in a \$250 signed, numbered and boxed edition - they sold out, and created more demand for the "inexpensive" \$25 version.
- Extend the contract. Electronics manufacturers offer extended warranties for products; they are more profitable than the products themselves.
- Offer a better guarantee on the premium line. Buy a regular Sears tool, get no guarantee; buy a Craftsman, get a lifetime guarantee.
- Bundle other merchants' coupons. \$99 computer modems are suddenly worth \$300 or more when the buyer uses the on-line service starter kits.
- Lock in your customer base. Software companies sell periodic upgrades at more profit than the original package.
- Offer the basics at a low price, then charge for options. Every car dealer knows this one.
- Break it into smaller pieces. Five separate mini-reports sell for \$20 apiece; if combined, they would only fetch \$50.
- Offer special access to higher paying clients. Stock market letters give top-paying subscribers a special hotline number.
- Offer extra services. Professional speakers increase profits with "back of the room" sales and add-on training sessions.
- Increase the price and offer "member" discounts. Multi-level organizations use this throughout their business.
- Change the name. There is no product difference between the Dodge Caravan and the Plymouth Voyager, but one is more expensive.
- Add the words "Home-made" or "Mama's Recipe." A restaurant increased sales dramatically by describing items differently on the menu.
- Offer faster service. Mail-order merchants find that offering overnight delivery boosts sales significantly.

SMRN SUBSCRIBER SURVEY RESULTS

SMRNNewsletter readers are vocal; we had over 60 completed questionnaires. Here are the results:

Helpful Features

1. Money Page	57	5. FCC News	51
2. News Digest	55 (T)	6. Station Profiles	42
2. \$ale\$ Page	55 (T)	7. Telemarketing	35
4. Managing Business	53		

Rating The Topics

1. Promotion	8.5	5. Personnel	6.6 (T)
2. Management	8.1	5. Advertiser Info	6.6 (T)
3. Operations	7.6	5. Collections	6.6 (T)
4. Programming	6.8	5. Finance	6.6 (T)

Rating Other Publications

1. Radio World	8.2	5. Radio Only	6.7
2. Radio Ink	7.8 (T)	6. Broadcasting	5.9
2. Main St. Journal	7.8 (T)	7. Radio Bus. Rep.	5.8
3. Radio & Records	7.3	8. Billboard	4.8
4. Inside Radio	6.9		

Other publications mentioned:

Advertising Age
Broadcast Engineering
Broadcasting & The Law
Cash Box
Economist
Electronic Media
Forbes
Gavin Report
Harvard Business Review
Idea Bank Newsletter

Personal Selling Power
Professional Radio
Communications
Radio World
Sales Upbeats
Selling Radio
Selling Smarter
Soma Commission/Tri-State
Report
Wall Street Journal

Suggestions for Regular Features

Automation systems
Biggest Sale of the Month
Copywriting tips
Different profit centers
From the Manager's Desk
Futuristic stuff
Industry spotlight
Keeping up with the FCC
Long-term selling
More promotions

Morning show features
New technology
Overcoming objections
Promotion/merchandising
Sales and salespeople tips
Sales training
Samples of sales proposals
Selling to out-of-market
decision makers
Source directory

Syndicated programming
The future of radio

Untraditional advertisers
Weekly "Sales Meeting" insert

Suggestions for Occasional Articles or Series

AM station operations	How to get needed services without belonging to NAB
Co-op, including vendor Collections	How to cut expenses
Compensation - sales & other	Latest technology
Current industry trends	Long-term selling
Digital automation	Moving from GM to ownership
Employment clearing house	Out-of-the-box ideas
Equipment clearing house	Radio auctions
Expanded AM band	Research - client & station
Farm programming	Selling agencies
FCC regulations and filing	Talent feedback
Finding good salespeople	Valuation of stations

CORRECTIONS

KOREAN WAR ARMISTICE. In last week's SMRNewsletter we published telemarketing messages for the anniversary of end of the Korean war, giving the date as June 26. A subscriber pointed out - and Chase's Calendar confirms - that the correct anniversary date is July 27. We apologize for the error.

LOTTERIES. The week after we reported that the "FCC is back on the lottery warpath" (June 10), issuing a fine for carrying a lottery within a syndicated show, we were guilty of printing a promotion that turned out to be a lottery, as pointed out by Bill Buchanan of KSHN-FM, Liberty, TX:

"In your June 17 issue I believe you may have a problem with one item on the Money Page - 'And The Winner Is.'

"The first part where you suggest diners that order one specific item would be given a numbered ticket, then tickets are drawn for premiums supplied by other station clients. If all of the diners buying that item get a premium, that is probably okay. However, in the second part you give the example of a Super Bowl Sirloin, where a free Super Bowl trip is the grand prize.

"In that case I believe all the ingredients of a lottery are present - chance, consideration and prize."

Bill is right. In fact, as we understand the definition of a lottery, no part of this promotion as it appeared is permissible. If a patron must purchase a dinner to enter a prize drawing, unless (as Bill notes in his letter) every patron is awarded a prize, then again the elements of chance, consideration and prize are present. Our sincere apologies for letting this one slip by.

"Ambassador To The Community"

From an early age, Art Sutton knew he was going to be in radio. He started by "broadcasting with those little two-way radios you got at Christmas." At the age of 14 he got a job at the local station doing a weekly high school report.

A year later, the station was bought by a clothing store owner who "didn't know any better" and gave Art a lot of responsibility at the tender age of 15. The biggest: the owner handed Art a stack of bills and the checkbook; "I got a good idea of what it was like to run a small market station right there and then."

In 1986, at the age of 23, "the dream came true" - Art and a partner bought WMGA in Moultrie, GA, and Art began his learning process in earnest. The station was one of the very first in the entire Southern region, but it had fallen on hard times. Art felt there was a place for a community-involved station, though; he installed a new format, affiliated with CBS News, and put on lots of community service programming. But he underestimated the competition and the low prevailing street rates.

Art now says that the WMGA experience "taught me more about radio than ever before": how to analyze a market, its business climate and its economic development; the effects of competition on rates; how to operate economically. "I learned that you can turn an AM around, but it's expensive; I don't want to do that again."

Art cited one move that saved him money and improved his facility in a single stroke: "We had a 10kw signal at 1130 on the dial, which cost us a lot of money. Our engineer asked, 'Why do you need all this power?' He moved the station to 580 on the dial with only 900w days and 250w nights; we saved money, and we maintained our daytime coverage while improving our night coverage five-fold. That's when I learned how important it is to get as low on the dial as possible."

Art applied for an FM license in a nearby town, but was bought out before the station went on the air - with an historic twist: "We were bought out by Sonrise. We had trouble getting paid, and I had several conversations with Tom Root. We finally did get paid, but I can't help thinking that maybe our collection efforts caused their whole house of cards to fall apart."

After buying into Covington, GA and then selling out of both Covington and Moultrie over philosophical differences, Art moved into the manager's chair at WBCU in Union, GA, with an option to buy the station - which he fully intends to exercise. "I'm an AM guy," Art says; "the challenge of keeping an AM station alive and profitable is extremely rewarding."

Art operates WBCU with three sales people - himself, one full-timer, and the OM/morning man also carries a list. Art gets \$6.10 at the low end for a :30 in prime times and \$5.55 at others, and a dollar extra for commercials read live by the personalities.

"Promotions don't sell that well for us," Art says, "But we've had lots of luck selling newscasts and programs, including our hour-long Community Bulletin Board." Art feels that the registration-type promotions have gone by the wayside: "Clients really want to know they're getting their dollar's worth; with registrations, people just come in to register, not to buy."

Art has seen some changes in sales approaches in the past couple of years: "The pat-on-the-back, buddy-type selling is really going out of style in a hurry," Art notes. "Nowadays, the advertiser, even in an unsophisticated, rural town, wants to know that you care about their business. Often you have to educate them about marketing. You've got to tailor a program so the advertiser feels he's getting his money's worth."

Art has some advice for prospective station buyers: "Success in radio has to do with location. There are just some places where it's tough to succeed because of factors you cannot control." And, Art says, "It's tough to make it with a station that's not profitable before you get there. If operating expenses are in line and it's not making money, think twice; there are plenty of other opportunities out there."

Art sums up his philosophy of the business: "A good small town broadcaster should be an ambassador to the community he serves. It takes lots of time and effort, but if you're willing to do it, the rewards are great." He concludes, "It's not that complicated; you just have to decide to do it."

THE LAST WORD

A little summer diversion: I played the "Time Capsule" quiz advertised in our Ad Supplement, and it brought back a lot of memories. (I must have had some left-over paranoia: I ID'ed three people as Lyndon Johnson.) If you haven't played the quiz, you still have a couple of weeks. It's fun, and since it's only for SMRNewsletter subscribers, the odds are pretty good that you could end up with a good show on the air for free. See the Ad Supplement for details.

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FIRST CLASS MAIL
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Bill Taylor
KQSS
P. O. Box 292
Miami AZ 85539

Bob Doll - Co-Editor
Jay Mitchell - Publisher and Co-Editor
Lori Morgan - Associate Editor

VOLUME XI - Issue #6 - July 1, 1993

THE RADIO ADVERTISING BUREAU will hold its next Certified Radio Sales Manager program August 6-8 in Chantilly, VA (Washington, DC area). This is the first CRSM program to take place on the East Coast. To register, call 1-800-RAB-SELL.

BROADCASTERS DO NOT HAVE FULL FIRST AMENDMENT RIGHTS, according to a ruling by a federal judge in Washington, which upholds the FCC's right to enforce procedures on indecency. U.S. District Judge Royce Lamberth said that the FCC is right to regulate the airwaves and to protect children from indecent broadcasts. The coalition that filed the lawsuit is expected to appeal.

MUSIC LICENSING COMPANIES GET SERIOUS about businesses playing radio stations on their phones. One licensing company recently set up a room with operators who called businesses and asked to be put on hold. If the businesses had a radio station playing on their hold system, they were sent a violation letter and a fine.

FACTS FOR RADIO BUYERS is the subject of a new book from the RAB, Radio Marketing Guide and Fact Book. This new guide for media planners is packed with more useful data than ever before. For more information, call 212-254-4800.

SEVERE WEATHER INFORMATION BY FAX is now available via the "NotiFax" service, which sends pre-selected NWS weather bulletins direct to your fax machine. For more information, call Universal Weather and Aviation at 1-800-231-5600.

RADIO STATION LICENSE VALUE IS A TAX WRITE-OFF under the Tax Court's definition of a "franchise," according to a federal appeals court. The government may appeal to the Supreme Court.

CONSUMERS ARE WAITING FOR SALES, although department and chain-store revenue increased 0.1% the third week of June from May - 8.1% higher than a year ago, according to Johnson Redbook Service. Bloomberg Business News forecasts that retail earnings will stay under pressure the second quarter.

OLD TIME RADIO IS THE FOCUS of "When Radio Was," a bartered five-hour-per-week program hosted by "Jeopardy"'s Art Fleming and featuring classic radio shows. Information: 201-385-6566.

P. O. Box 1285 - Fairfield, Iowa 52556 - (515) 472-4087 - FAX (515) 472-6457

At The F.C.C.

NEW STATIONS (Applied For):

CALIFORNIA (Gridley) Kidd Communications, 101.5, 6000w, 328'
(Gridley) Phoenix Broadcasting, Inc., 101.5, 141w, 1975'
INDIANA (Ferdinand) Sabbath Incorporated, 98.5, 6000w, 328'
KANSAS (Silver Lake) Richard P. Bott II, 92.5, 6000w, 328'
LOUISIANA (Mamou) Soto Broadcasting, 101.1, 6000w, 328'
NEW YORK (Brighton) Peter X. Hahn, 94.1, 3700w, 328'
(Lakewood) Lakewood Broadcasting Corp., 106.9, 25,000w,
328'
(Lakewood) Lakewood Communications, Inc., 106.9, 25,000w,
328'
NORTH DAKOTA (Bismarck) Bismarck Radio Partners, 98.7, 100,000w,
984'
OREGON (Myrtle Point) K/S Riggs Broadcasting, Inc., 94.1, 2222w,
374'
TEXAS (Jourdanton) 7th Day Adventist Christians, 95.7, 6000w,
328'
(Jourdanton) Reding Broadcasting Company, 95.7, 6000w,
289'
WYOMING (Newcastle) Mount Rushmore Broadcasting, 99.3, 6000w,
328'

NEW STATIONS (Granted):

FLORIDA (Fernandina Beach) Annette B. Godwin, 105.3, 6000w, 328'
(Holly Hill) Michelle N. Terzynski, 103.3, 3000w, 328'
GEORGIA (Douglas) Orchon Media, Inc., 92.5, 6000w, 328'
KENTUCKY (Harold) Adam D. Cearheart, 104.9, 370w, 923'
VIRGINIA (Crozet) James Madison University, 103.5, 270w, 1515'

AMENDMENTS TO THE FM TABLE (Proposed):

ALASKA (Anchorage) KXDZ, to 102.9 C1 from C2
ARIZONA (Window Rock) KHAC-FM, to 102.7 C1 from 103.1 A
FLORIDA (Key Colony Beach) WKKB (CP), to 103.9 C2 from 105.5 C2
(Key Largo) WZMQ, to 106.3 C2 from 103.9 C2
(Marathon) WAVK, to 105.5 A from 106.3 A
MASSACHUETTES (Hazlehurst) WMDC-FM, to 92.9 A from 100.9 C3
(Utica) WJXN-FM, to 100.9 C3 from 92.9 A
(Vicksburg) WBBV, to 101.3 A from 101.1 A
MONTANA (Kalispell) KDBR (CP), to 106.3 C2 from A
NEBRASKA (Hastings) new, 94.5 C2
OHIO (Athens) new, 95.9 A
OKLAHOMA (Lahoma) KACL (FM), to 95.7 C3 from A
WASHINGTON (Wilson Creek) KVYF (CP), to 103.3 C3 from A
WEST VIRGINIA (Williamstown) new, 96.9 A

AMENDMENTS TO THE FM TABLE (Granted):

HAWAII (Kealahou) KAOY, to 101.5 C1 from C3
ILLINOIS (Colfax) new, 92.9 A
 (Fairbury) new, 107.7 A
 (Lincoln) WESZ, to 93.9 B1 from A
 (Pontiac) WJEZ, to 93.7 B1 from A
IOWA (Alta) new, 97.5 A
 (Ames) KCCQ, to 101.5 C3 from 107.1 A
 (Blair) new, 97.3 C3
 (Lake City) new, 107.1 C3
 (Perry) KDLS-FM, to 101.5 A from 101.7 A
 (Storm Lake) KAYL, to 101.5 C3 from 101.5 C1
MARYLAND (Pocomoke City) new, 92.5 A
NEBRASKA (Blair) KBWH, to 101.5 C3 from 106.3 A
OREGON (Cannon Beach) new, 96.5 A
 (Seaside) new, 98.9 A
WISCONSIN (Three Lakes) new, 93.7 C2

REPORTED SILENT:

NEBRASKA (Omaha) KOIL, 1290, due to fire
WEST VIRGINIA (Berkeley Springs) WCST, 1010

FORMERLY SILENT:

CALIFORNIA (Brunswick) WHJX, 790
SOUTH CAROLINA (Marion - Florence) WWPB, 94.3

- M Street Journal

LOCAL RADIO UP 10% IN MAY, and combined national-local revenues were up 8%, according to the RAB. Since national was basically flat (up 1%), the strong showing was fuelled almost entirely by local spot revenues. RAB President Gary Fries said, "The local marketplace is the foundation for the radio industries strong performance."

MANAGING SALES CONFERENCE NAME AND DATES SET. Next year's assembly will be known simply as "RAB '94," and will be held February 17-20, 1994 at Loew's Anatole in Dallas.

ANALOG CART MACHINE SALES INCREASE in the light of uncertainties about digital delivery systems, according to David Burns of Radio Networks, which represents the Audi-Cord line of cart machines. "With all the publicity about digital, we expected some erosion of analog cart machine sales in 1992," says Burns, "but it didn't happen."

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

August Business Opportunities include the following businesses, whose sales are above average during the month:

Auto Dealers - New Domestic (9.2% of annual sales)	Hardware Stores (8.6)
Auto Dealers - New Import (9.6)	Hotels & Motels (9.8)
Auto Dealers - Used (8.7)	Laundries & Dry Cleaners (8.7)
Auto Parts Stores (8.9)	Mobile Home Dealers (9.6)
Auto Repairs (8.6)	Movie Theaters (10.2)
Beer (9.6)	Office Supply Stores (8.8)
Bookstores (10.0)	Optical Goods Stores (9.3)
Bridal Market (10.5)	Real Estate - New Houses (9.1)
Building Supply Dealers (9.6)	Real Estate - Resale Houses (10.1)
Camera Stores (8.6)	Restaurants (9.2)
Carpet Stores (8.9)	Shoe Stores (9.9)
Fast Food (9.2)	Sporting Goods Stores (9.2)
	Supermarkets (8.7)

- RAB's Top 40 Business Survey

August Promotional Opportunities - Events and Holidays:

August 2 - Official Signing, Declaration of Independence.
Contrary to misconception, the signers did not gather and sign the document on July 4, even though that became the official day by Congressional decree. The actual signing day was August 2, 1776.

August 4 - Coast Guard Day

August 7 - Anniversary of Commencement of Desert Shield (1990)

August 8 - Family Day (Kiwanis Clubs)

August 13 - Friday The 13th

August 15 - Anniversary of "Woodstock" (The Woodstock Music & Art Fair, 1969)

August 16 - Anniversary of Elvis Presley's death

August 19 - National Aviation Day

August 26 - Women's Equality Day

August 28 - First Broadcast of Radio Commercials (WEAF, New York, 1922)

August 31 - Harvest Moon

- Chase's Annual Events

Putt For Prizes. Decorate your miniature golf course to look like a PGA course. Have categories for men, women, boys and girls. Have a station personality emcee the event and provide a station tee shirt for each entrant. Tie in local sporting goods stores and beverage bottlers.

- Selling Smarter, Published by Irwin Pollack

\$ALE\$

WHAT MAKES A GREAT SALESPERSON? The average annual sales volume per salesperson declined across all industries from 1990 to 1991, but the average sales volume of top performers increased by about 10% during that period, according to the Dartnell Corporation of Chicago.

Sales superstars sell 1.5 to 2 times more than the average rep, and bring in 114% more business - but they earn just 72% more than average.

It now takes an average of 4.2 calls to close a sale, down from 5.0 in the early Eighties. Cellular phones, fax machines and other technologies have improved sales efficiency and productivity.

Women make up 26% of all salespeople, up from only 7% ten years ago.

The qualities of a great salesperson remain the same as ever: "someone who's articulate, hard charging, aggressive, and who can work independently," according to recruiter Charles Balakonis of Atlanta.

But the most important trait may be a positive attitude. One sales manager says he can tell if a salesperson will be successful by asking candidates to describe their earliest childhood memory. If the experience was positive, the candidate has the right attitude.

- American Demographics, July 1993

NEWSPAPER AD RECALL IS LOW, according to a study of newspaper users in the Santa Barbara area. 29.4% of those surveyed never look at the major local paper. Barely half read the local paper three times a week or more. Of heavy paper users, the survey asked the question, "Did you see that [category] ad in the paper?" The results:

<u>Category</u>	<u>Don't Remember</u>
Supermarket	50.8
Department Store	54.3
Drug Store	55.9
Retail Electronics	85.9
Restaurant	86.4
Entertainment	88.4
Clothing	90.4
Real Estate	92.2
Banks	92.4
Retail Furniture	94.2

DISCRETIONARY INCOME

Nearly everybody has some discretionary income, according to the July 1993 issue of American Demographics. Even in the recession year of 1991, 64% of all American households had some money to spend after meeting all of their financial obligations. The average household that had any discretionary income had more than \$11,000 of such income. Among households with income over \$80,000, a full 100% had some discretionary income - an average of \$30,200 per household.

It is difficult to get a real fix on discretionary income, because everyone defines "necessities" differently. For some, a home personal computer is a necessity; for others, the monthly cable TV bill. For the purposes of the American Demographics study, necessities include taxes, food, housing, child care, clothing, transportation and health care. Discretionary expenses include personal-care products and services, entertainment, reading material, alcohol, tobacco and smoking supplies, and charitable contributions.

Here is how discretionary income breaks down by income levels:

Income Range	Number of Households	Percent W/Discr. Income	Discr. Income	
			Avg. Amount	Per HH Member
ALL INCOMES	95,669	63.8	11,287	4,308
Less than \$10K	14,237	17.5	1,117	581
\$10K-\$19,999	17,370	52.8	3,656	1,837
\$20K-\$29,999	13,101	73.6	8,552	3,640
\$30K-\$39,999	16,037	70.7	6,049	2,735
\$40K-\$49,999	10,259	63.2	9,600	3,875
\$50K-\$59,999	7,525	74.5	11,612	4,392
\$60K-\$69,999	5,283	87.8	14,108	5,122
\$70K-\$79,999	3,568	95.2	17,365	6,043
\$80K-\$89,999	2,409	100.0	20,667	6,902
\$90K-\$99,999	1,636	100.0	26,057	8,658
\$100K or more	4,246	100.0	37,152	11,932

And here is how it breaks down by age:

Income Range	Number of Households	Percent W/Discr. Income	Discr. Income	
			Avg. Amount	Per HH Member
ALL HOUSEHOLDS	95,669	63.8	11,287	4,308
Under 25	4,859	54.2	6,810	2,862
25 to 34	20,008	59.7	10,773	3,776
35 to 44	21,774	63.6	12,578	3,835
45 to 54	15,549	72.4	13,612	4,599
55 to 64	12,559	71.4	12,859	5,472
65 to 74	12,044	61.2	8,977	4,750
75 and older	8,878	56.8	6,690	4,298

Success As Big As All Outdoors

George Carl originally wanted to be an actor, but even while taking drama classes in high school he started "dreaming about radio." After a stint in the Army (where he did radio and TV), George returned to his native Chicago and a losing Beautiful Music FM station. After George turned it into Chicagoland's first rock FM and turned it around, the owner sold it to a local Cadillac dealer, who changed the format to - Beautiful Music.

George then moved on to Kalamazoo, MI, where he did the morning show and "tasted the sales world." A year later, he became the sales manager. Meanwhile, he also began to develop his lifelong passion for the outdoors and outdoor activities. He started the Southwest Michigan Outdoor Report, a radio series that he tied into a column he wrote for the local newspaper.

Shortly thereafter, George made the "big move" to Napa, CA, to KVON & KVYN, where he's been ever since, working his way up from morning man/salesperson to GSM.

But George's small-market success story started when he purchased KSUE AM/FM in Susanville, CA, with Rod Chambers (who now manages the station). Like many others, they bought at the height of the market and "paid a good penny" for the stations.

But they have made it work - and work well. "We walked into high overhead, big debt service, a full staff - in a small market." As if that weren't enough, the area promptly went into three years of recession, triggered by the death of the lumber industry and drastic cuts in government employment.

To economize, George and Ron automated the stations from 6 p.m. to 5 a.m. and cut staff - but retained the 1-1/2-person news staff. They also streamlined the operation by replacing the full-time copywriter with computers on each salesperson's desk; now the salespeople write and produce their own copy.

On the revenue side, the stations began doing radio auctions three years ago and now do them three times a year. Also, Rod initiated short-term, half-day telemarketing blitzes on a specific topic. Whenever a salesperson makes a sale, Ron rings the bell and hands the salesperson a cash commission on the spot. These blitzes generate a good \$5000 in a half day, George says.

But one of the most significant contributions to the stations' fortunes came from George's old passion - the outdoors. He started a series of recreation-oriented programs on the station. That led to columns in local papers. "It doesn't hurt when your name is in print every week, in the competition." Then George became the founding president of the Outdoor Writers & Broadcasters Association of California, or OWAC.

George and his partner also developed local fishing maps. They sell ad space, then sell the maps to the public. This year they are publishing the Northeast California Outdoor Guide, drawing upon George's OWAC connections to get top writers from all over the state to contribute bylined articles.

"Very few broadcasters serve the outdoor population," George notes, "yet over 50% of the adult population is involved. It has been a great revenue producer for our stations."

George feels that station owners must stay in touch with their community, and talks about two ways that he does it. First, George makes it a point to get a haircut from a different barber every time. "My head might not look 100%, but what goes into the head is great. The barbers and patrons give me more idea of what's going on in the community than anywhere else."

Second, George and Ron have formed a formal Advisory Council for their stations - five community leaders who meet two or three times a year for the express purpose of discussing the stations and the community.

As for the future, George's goal is to run his business more profitably than ever, with all live, local programming, 24 hours a day on both stations. "With everybody on one of six or seven satellite services, we've lost the individuality we need to serve our communities," George feels. "I want real people talking to our audience; the day radio loses the personal touch, we've lost."

THE LAST WORD

"No pain, no gain," the old saying goes. Well, right now many broadcasters are feeling the pain of making the transition to new ways of operating their stations. The new technologies are especially painful - the costs, the learning curve, the inevitable start-up glitches, and the staffing challenges.

Having been involved in a number of such transitions, we can offer words of encouragement to those in the throes: It does get better. As you work through the challenges, just remember how clean and bright everything was at the stations you visited for the information and inspiration to make your moves. In a matter of weeks, your station will be a model for others to follow, too!

THE SMALL MARKET RADIO NEWSLETTER IS PUBLISHED WEEKLY BY JAY MITCHELL ASSOCIATES, INC., AND MAILED FIRST CLASS TO SUBSCRIBERS IN 50 STATES, POSSESSIONS, AND CANADA. SUBSCRIPTION: \$109.00 PER YEAR; \$57.00 FOR 26 WEEKS; \$33.00 FOR 13 WEEKS. ADDRESS: P.O. BOX 1285, FAIRFIELD, IA 52556. PHONE: 515-472-4087; FAX: 515-472-6457

Small
Market
Radio
Newsletter

IN OUR
11TH
YEAR

FIRST CLASS MAIL
U.S. POSTAGE PAID
Fairfield, IA
Permit No. 5

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

Bob Doll - Co-Editor
Jay Mitchell - Publisher and Co-Editor
Lori Morgan - Associate Editor

VOLUME XI - Issue #7 - July 8, 1993

FCC MINORITY TAX CERTIFICATE PROGRAM DRAWS FIRE. An internal FCC staff memo indicates that the IRS might have a problem with allowing minority buyers to have "voting control" with as little as 20% equity, earning tax deferments for the seller.

LOTTERY ADVERTISING IS IN TROUBLE after a U. S. Supreme Court ruling upholding the right of the federal government to curtail "commercial speech" for a legal activity. The ruling rejects a challenge from North Carolina radio station WMYK to anti-lottery-advertising regulations. Legal experts say the ruling could lead to more restrictions on tobacco and alcohol ads.

NAB PUSHES FOR ANTI-ALCOHOL ABUSE MESSAGES to head off legislation requiring health warnings in all radio and TV beer and wine ads. Beer and wine advertisers have already said they would pull their ads rather than "advertise against themselves."

STATION AND MAJOR ADVERTISER CELEBRATE ANNIVERSARY TOGETHER. WBCH AM & FM, Hastings, MI are celebrating their 35th anniversary ... and Felpesch Supermarkets are celebrating their 35th anniversary as sponsor of the station's 8 a.m. news. Congratulations to WBCH - and to the smart advertiser as well.

NAB BOARD SEATS FILLED. Tribune Broadcasting VP/Radio Wayne Vriesman is the new Joint Board Chairman; KVEN/KHAY, Ventura, CA Chairman Bob Fox is Radio Board Chairman (narrowly beating The Cromwell Group's Bud Walters); Albimar Communications President Skip Finley will assume Fox's former position as Radio Board Vice Chairman; and WBEB, Bala Cynwyd, PA President Jerry Lee has returned to the board after several previous terms.

SMALLER MARKETS ARE SWITCHING FROM COUNTRY TO GOSPEL AND TALK, according to a Country Music Association survey of 2,800 stations. Several AM stations had switched to Talk, due to the availability of satellite networks and barter deals. Other stations had switched to the fast-rising Southern Gospel.

BOB DOLL IS ON THE PROGRAM at the upcoming Wisconsin Broadcasters summer convention in Lake Geneva, WI, July 14 and 15. For more information, call WBA president John Laabs at (608) 255-2600.

P. O. Box 1285 - Fairfield, Iowa 52556 - (515) 472-4087 - FAX (515) 472-6457

At The F.C.C.

NEW STATIONS (Applied For):

ALABAMA (Repton) McKissick Enterprises, 101.1, 4100w, 458'
ILLINOIS (Carlyle) Clinton County Broadcasting, 96.7, 3000w, 328'
(Oregon) Farm Belt Radio, Inc., 106.1, 3000w, 328'
INDIANA (Ferdinand) Gem Communications, 98.5, 6000w, 328'

NEW STATIONS (Granted):

CALIFORNIA (Felton) Benedek-Dewey Partnership, 93.7, 656w, 964'
FLORIDA (White City) Midway Broadcasting Company, 104.7, 3000w,
328'

AMENDMENTS TO THE FM TABLE (Proposed):

IDAHO (Rexburg) KRXX-FM, to 98.1 C1 from C3
ILLINOIS (Lena) new, 102.1 A
KANSAS (Lindsborg) KQNS, to 95.5 C3 from 95.9 A
MINNESOTA (Bemidji) new, 95.5 C1
MISSOURI (Chillicothe) KCHI-FM, to 103.9 C3 from A
(Owensville) KLZE, to 95.3 A from C2
(Versailles) KLGS, to 95.1 C3 from A
SOUTH CAROLINA (Walterboro) WPAL-FM, to 100.9 C3
WYOMING (Afton) KRSV, to 98.7 A from 98.3 A

AMENDMENTS TO THE FM TABLE (Granted):

FLORIDA (Yankeetown) new, 96.3 A
IDAHO (American Falls) KQUU (CP), to 104.1 C1 from A
LOUISIANA (Buras Triumph) new, deleted 94.1 A
(Galliano) KLEB-FM, to 94.3 C2 from C3
OREGON (Coos Bay) new, 93.5 A

REPORTED SILENT:

ARIZONA (Quartzsite) KBUX, 94.3, silent for summer
CONNECTICUT (Berlin) WERB, 97.3, silent for repairs
FLORIDA (De Funiak Springs) WGTX, 1280
NEW MEXICO (Los Alamos) KRBL, 98.5
(Santa Fe) KVSF, 1260, silent for repairs
NEW YORK (Corinth - Saratoga) WZZM-FM, 93.5
PENNSYLVANIA (Lykens - Harrisburg) WQIN, 1290
TEXAS (Freer) KBRA, 95.9
(Robstown - Corpus) KROB, 1510

FORMERLY SILENT:

ALABAMA (Madison - Huntsville) WBBI, 730
ALASKA (Kodiak) KVOK, 560
MICHIGAN (Lakeview) WRIZ-FM, 106.3
NORTH DAKOTA (Kindred - Fargo) KSSZ-FM, 92.7
OREGON (Coos Bay) KRSR, 1420
(Coos Bay) KRSR-FM 106.5
WISCONSIN (Sun Prairie - Madison) WMAD-FM, 92.1

- Courtesy M Street Journal

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

Pepsi Password. A station in Pennsylvania has tied in its bumper sticker promotion with the local Pepsi bottler. When a listener's license number is announced on the air, the listener must call and say the "Pepsi Password" of the day to win the prize.

House giveaways are getting to be the hottest thing among homeowners unable to sell (or get a decent price) through more traditional channels. It started with a couple in Maine who ran a contest in which participants paid \$100 to enter an essay contest. The winning essay praising the state of Maine won the house. The couple received 7,000 entries and last month awarded the house to a woman from Maryland.

Since then, similar contests have popped up in Kennebunkport, ME, Colebrook, NH and Beverly Hills, CA. An entry fee of \$50-300 is charged; contestants have to come up with an essay or, in one case, a musical jingle. (Skill must be present to sidestep the lottery/raffle laws.)

There doesn't seem to be any restriction on market size for this contest, and real estate experts are saying it can work anywhere. The concept represents several possibilities for your station, from straight advertising to a contest tie-in.

Putt For Prizes. Decorate your local miniature golf course to look like a PGA course. Have categories for men, women, boys and girls. Have a station personality emcee the event and provide a station tee shirt for each entrant. Tie in local sporting goods stores and beverage bottlers.

Little Black Box. From our "Nothing New Under The Sun" Department ... a station in New York State hitched an enclosed trailer to the back of their station van; the trailer had a sign saying, "WXXX Little Black Box - listen to 102.9 FM to win." The van and trailer appeared at different locations around town, which locations were of course announced on the air; the Little Black Box was also the featured "guest" at remotes sold by the station.

Clues were given on the air, sponsored by participating merchants; and at specified times throughout the day, listeners were invited to call and guess what was in the Little Black Box. Flyers containing all the clues given to date were posted at sponsor locations.

Un-Traffic Reports. Who says you need a "rush hour" to give traffic reports? Some stations sell sponsored reports throughout the day that feature things like malfunctioning traffic lights, highway debris, potholes, and so on - anything that can make the motorist's "commute" easier ... even if the commute is only a couple of minutes long.

\$ALES\$ - GETTING APPOINTMENTS

It is more professional to set appointments than to make cold calls. Clients don't want salespeople just dropping in on them with an attitude of, "Drop what you're doing. I'm here to sell you advertising." With proper techniques, appointments are easy to make and can increase your sales dramatically.

Setting an appointment by phone increases your chances of getting the sale. This is because clients have allotted the time to listen to you. Also, clients are more receptive because you have shown respect for their time by phoning ahead.

Ask for the owner, president or senior manager. Don't ask for the person in charge of advertising or you'll often get someone who can't make a decision on their own. This can lead to wasted time.

Start at the top. If your first meeting is with a person who is not a decision-maker, it is difficult to go over that person's head without antagonizing them. But if your first meeting is with the top person, you can always go back to them if you don't get results with the subordinate.

Use the name of the person at the top. If the top person refers you to someone else, let that person know that the top person told you to call.

Get past the receptionist. Top decision-makers use their receptionists to screen calls. Since receptionists generally work set hours and decision-makers don't, you will have a better chance of reaching the boss directly if you call early (7:30-8:30 a.m.) or late (5:30-7 p.m.).

Find out if the decision-maker is in before you ask to speak to that person. This makes it harder to screen your call by claiming the person you wish to speak with is out.

Have confidence and energy in your voice. You must sound like someone of authority who should be put through.

Use first names. With accounts who are hard to reach, use your first name and their first name to sound like a friend. Clients reached using this method often become the best long-term clients.

Use assured, commanding words. Don't say, "May I please speak to Mr. Jones?" Instead say, "I need to talk to Bill."

Get the secretary's first name and use it. If you make the secretary your friend, your messages are more likely to get through.

Don't leave messages. Clients simply don't call salespeople back. Say, "I'll call back. Thank you." If you must leave a message, leave your name and number only, with an interesting message that will arouse curiosity.

Don't immediately identify yourself as a radio salesperson. The receptionist will block your call; or if your message does get through, the client will say, "I don't want to talk to a salesperson." Then all your future calls are blocked.

Make cold calls in person if you can't get to the decision-maker after several attempts. But don't just walk in and say, "I want to talk to you right now about radio advertising." Say, "I know you're a busy person. I only came by to set up an appointment at a future time." Often the decision-maker will see you right then.

Set aside a definite time to call for appointments each day - preferably from 9 to 10 a.m.

Plan to call at least 30 people. Make a tally mark for each person you call, so you know when you reach 30. Thirty calls should result in reaching 15 people which should yield eight appointments. Make 30 calls daily and you will get appointments.

Once you start phoning, don't stop until you are all done. These calls go fast if you don't stop to talk or go for coffee in between. When you get an appointment, dial another number immediately.

Always set appointments for the next day. If you always have appointments, you can't make excuses and spend the day at your desk when you're tired or unmotivated. After you start talking to the prospect, you'll get energized.

Call back at the end of the day to reach all the people you couldn't get in the morning. Call between 4 and 5 p.m.

Don't call during your peak selling time, 10 a.m.-4 p.m. Be in front of clients then.

The purpose of the phone call is to sell an appointment, not to sell the station. Withhold as much information as possible about the station so the prospect can't put you off with objections on the phone. Obviously, sometimes you will have to give some information, but the less the better. Objections are easier to deal with face-to-face than over the phone. Besides, if you give away information on the phone, it eliminates the reason to see you. Create curiosity.

- Pam Lontos, Radio Ink, June 21, 1993; reprinted by permission

From Our Readers

Wanted: Stations "Doing It Right" With Automation

"I noted your "Last Word" in the July 1 newsletter. It rang a bell with me since I am wanting to learn more about how we can incorporate the new technology. We are a full service operation here at Litchfield and also own KBKB in Fort Madison.

"I would like to visit some stations that "do it right" with satellite CD music and hard disk announcements with computer controller. Are there some you would recommend within driving distance from Litchfield or Fort Madison?"

- Hayward L. Talley, WSMI AM & FM, Litchfield, IL

You're Not Alone

"I have a question about sports networks. We were in a trap where we thought we had to carry all of them, but most turned out to be not that profitable. Local sports are profitable, but the bigger teams - the Blackhawks, the Bulls, and so on - are not.

"It seems more profitable for our salespeople to take that time and apply it to selling something else. Are we alone in this?"

- Charlie Wright, WBYS, Canton, IL

Editor's Reply: We have seen many operators who continue to find most all sports to be profitable ... then again, other stations, like Charlie's, find that local sports work better than the regional teams ... and yet another set of stations that are scrapping sports altogether.

While many stations do make money and pick up a lot of community goodwill with sports, others look at the overhead associated with sports - whether fees paid to big teams or line charges and travel expenses and talent fees paid for local coverage - and conclude that "it just ain't worth it."

For a more in-depth look at how to make sports work for you, see our annual Sports Special Issue, coming up later this month.

69 Years and Counting

"Thought you'd like to see our latest promotion piece [the WHIZ Weekly newsletter] ... and it's just about AM 1240! Imagine ... an AM 1kw station in a small town that has been a standout community supporter (with lots of \$\$ and lots of help) for 69 years this month.

"We're full service in every interpretation of that phrase you can think of."

- Allan Land, WHIZ, Zanesville, OH

Making OES Work In Smaller Markets

[Editor's Note: Optimum Effective Scheduling, or "OES," is a concept of high-frequency advertising pioneered by Steve Marx and Pierre Bouvard. SMRNewsletter will be presenting more information on OES in coming issues, but for a complete overview, we recommend the book and videotapes produced by Marx and Bouvard, available from NAB Publications, 1-800-368-5644.]

Williamsport, PA is a small market surrounded by bigger ones - Harrisburg to the North, Wilkes-Barre/Scranton to the East, State College to the South. Jim Cameron, Assistant General Manager of WILQ and WLYC in Williamsport, doesn't respond to the competition with lower rates, or shouting about ratings, or selling packages. He responds with results.

"We are very much focused on a partnership with our client base," Jim says. "We do a lot of genuine consultant selling, in-depth." He also stresses networking his clients: "Let's say a lawn and garden dealer is having a Saturday sale. Not only will we try to tie in other good clients of ours, but we'll go so far as to contact the local church ladies' group and arrange for them to have a bake sale on the premises, and the local pretzel & chips distributor to have a tasting booth."

But the most important aspect to the partnership is making sure the ad schedule will work. "We were one of the pilot stations in the early OES research," Jim says. "We always suspected that more spots equal better results," Jim says, "but now, for the first time, you really know what a 'heavy schedule' means."

In fact, Jim uses the minimum OES formula as "Basic OES," then doubles it for "Medium OES" and triples it for "Heavy OES." In practice, Jim starts with "Medium OES" and goes from there. The initial client response, naturally, was, "Why should I run that much?" But when Jim convinced one client to try it, and it worked, he used that success to convince another client, and so on. "We haven't cracked everyone, of course, but OES has worked hands down for those clients who've worked with us."

For example, a tire repair shop used only one piece of copy (the recommended method) and an OES schedule for a special offer. When Jim called him a few days after the schedule started, the owner said, "I'm too busy to talk to you - it works - bless you." Then the client laughed and hung up the phone.

The owner of an eye-care center was convinced to switch from buying every medium in sight to running an OES schedule just on Jim's stations. The client summed up the results when he told Jim, "I thought there was no real growth left in the market, but you're blowing the doors off." Jim proudly says, "We rewrote his thinking about advertising."

The manager of the most successful swimming pool dealer in the area was sold on OES, but had a hard time convincing her boss. When she did, and they ran an OES schedule, the dealership was "absolutely mobbed." In fact, the manager was so sold on the concept that she went to work as one of Jim's salespeople. "She uses the story in her pitch," Jim says. "Her perspective as a former client, having to overcome skepticism, wins people over."

Jim played the OES videotape presentation for a furniture store, a big believer in newspaper. When the tape was finished, Jim told the client, "I am putting my reputation on the table next to your money. If it doesn't work, you've lost money ... but I've lost my reputation." Impressed with Jim's conviction, the client pulled his print ad and ran an OES schedule on the stations. Jim says the results "blew him away." The client told him, "Your reputation is intact - I don't have enough people to handle the business."

That brings up the common OES objection, "I'll have to hire lots of extra people." The answer, according to Jim: "I hope you'll be that busy, but odds are you have the people to handle it." Jim stresses that the station has to anticipate some of the things that will come up and prepare the client. As Jim notes, "Their big worries are 'Will the truck get unloaded?', 'Do I have enough help?', and so on. They're not thinking pure marketing, so we think about it for them."

"It's like a holiday season," Jim explains to the client. "Your people have to work the customers a little faster than you ordinarily would; you have to move a little faster."

It is important to prep the client ahead of time on what could happen, and what he or she needs to do to make it work. Working with a hardware store that gives seminars on home-improvement topics, for example, the station advised them to have coupons printed for distribution to seminar attenders, featuring specials good for one week on items related to the subject. The station told the client how to get everyone to sign up - name, address and phone - as they came into the room ... which gave both client and station a database for further marketing efforts.

Then there are the residual effects of OES. "The OES schedule whips up enthusiasm," says Jim. "You have the people who are in the buying cycle, immediately reacting. But then, later, somebody moves into that buying cycle and they remember the ad."

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Small
Market
Radio
Newsletter

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11TH
YEAR

FIRST CLASS MAIL
U.S. POSTAGE PAID
Fairfield, IA
Permit No. 5

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

Bob Doll - Co-Editor
Jay Mitchell - Publisher and Co-Editor
Lori Morgan - Associate Editor

VOLUME XI - Issue #8 - July 15, 1993

RADIO AUDIENCES REMAIN STRONG, according to RADAR 47 numbers. The research found that from May 1992 to April 1993, 96% of all persons 12+ listen weekly, similar to the previous study.

THINGS TO COME? The FCC recently voted to grant a waiver to Rupert Murdoch, allowing him to own both a newspaper and a broadcast operation - the New York Post and WNYW-TV - in the same market. A competing local paper may appeal the decision.

RADIO AUDIENCE GETTING OLDER - MAYBE. According to a study conducted by New York ad agency DMB&B, radio is moving with the Baby Boom generation in listenership and formats. The study found that adult-oriented Country and Oldies formats have been picked up by more stations and have drawn more advertising dollars than other formats. But some radio executives argue that the younger audience is staying with radio, not deserting it for broadcast TV, cable, and print.

FCC REDUCES FINE for a violation by WIFC/Wausau, from \$12,000 to \$6,250. The FCC reduced the fine, for advertising a gaming event, after the station changed advertising copy from "Vegas-style games" to "Vegas-style entertainment."

"SMALL MARKET" NOMINEES FOR THE 1993 MARCONI RADIO AWARDS in the "Personalities" category: Glen Anderson & Jerry Evans, KWLF-FM, Fairbanks, AK; R. R. "Boots" Bell WANR-AM, Warren, OH; Mike Carter, WHMA-AM/FM, Anniston, AL; Max McCartney, WBIZ-FM, Eau Claire, WI; and Tony "Wradio" Wright, KWOX-FM, Woodward, OK. "Station of the Year" nominees are: KWOX-FM, Woodward, OK; WKTK-FM, Gainesville, FL; WLNG-AM/FM, Sag Harbor, NY; WTR-AM, Westminster, MD; WZWW-FM, State College, PA.

BROADCASTER NOMINATED FOR COUNTY JUDGE. Gorman Collins, Sr., Owner of WDOC in Prestonburg, KY, 79 years of age, is coming out of political retirement to be the Republican nominee for Floyd County Judge. He had served as Sheriff in the early Fifties. Besides the judicial race, Gorman remains active at his station.

CLARIFICATION. The Supreme Court ruling on radio lottery advertising applies only to states where lotteries are not legal.

At The F.C.C.

NEW STATIONS (Applied For):

ARKANSAS (Mountain Pine) Advanced Communications, 101.9, 6000w, 328'
CALIFORNIA (Arvin) Albert Ray Perez, 92.5, 140w, 1906'
(Arvin) Farmworkers Communications, Inc., 92.5, 86w, 2542'
(Arvin) Lauryn Broadcasting Corporation, 92.5, 200w, 1719'

NEW STATIONS (Granted):

CALIFORNIA (Tulelake) Wynne Broadcasting Co., Inc., 93.7, 1775w, 2132'
FLORIDA (Ponte Vedra Beach) Emission de Radio Balmaseda Inc., 106.5, 3000w, 328'
NEW JERSEY (Atlantic City) D&L Broadcasting, 107.3, 25,000w, 328'
TEXAS (Big Spring) David W. Wrinkle, 94.3, 20,000w, 374'
VIRGINIA (New Market) Commonwealth Audio Visual Ent., 103.3, 2100w, 544'
WEST VIRGINIA (Webster Springs) Cat Radio, Inc., 92.5, 1300w, 765'

AMENDMENTS TO THE FM TABLE (Proposed):

MONTANA (Livingston) new, 100.7 C
TEXAS (Sulphur) KFXT, to 100.7 A from C3
WASHINGTON (Pateros) new, 107.9 A

AMENDMENTS TO THE FM TABLE (Granted):

GEORGIA (Dawson) WAZE, to 98.1 A from 92.1 A
(Sasser) new, 107.7 C3

REPORTED SILENT:

IDAHO (Payette) KIOV, 1450
(Payette - Boise) KQXR, 100.3
NORTH CAROLINA (Burgaw) WVBS, 1470
UTAH (Delta) KLGG, 95.7

FORMERLY SILENT:

ARKANSAS (Barling - Ft. Smith) KOLX, 94.5
GEORGIA (Thomasville) WSTT, 730
ILLINOIS (Henry) WRVY-FM, 100.5
LOUISIANA (Monroe) KLIC, 1230
MASSACHUETTES (Springfield) WSPR, 1270
MINNESOTA (Staples) KNSP, 1430
MISSISSIPPI (Pontotoc) WSEL, 1440
(Pontotoc - Tupelo) WSEL-FM, 96.7
NEBRASKA (Omaha) KOIL, 1290
VIRGINIA (Manassas - D.C.) WPRW, 1460

- Courtesy M Street Journal

ROGER STAUBACH KEYNOTES AT THE NAB RADIO SHOW. The topic of his address: business team-building in the Nineties.

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

DOWNTOWN EVENTS are the focus of this week's promotion page - different things communities are doing to promote downtown shopping. These are not radio-specific events or ideas, but your station can lead the charge in your community.

Sidewalk Sale Plus. Some ideas for this annual "dog days" event, from the 26th annual "Krazy Daze" in Paso Robles, CA:

- Kick-Off Breakfast - charge a nominal amount, a portion of which goes to charity.
- "Buy Your Own Civic Leader" - pay for the privilege of throwing a pie in the face of your favorite politico.
- An election for a two-day term as Mayor of Krazy Daze. The campaign includes outlandish campaign speeches. The "Mayor" kicks off the downtown event, exhorting everyone to "Get out there and shop for savings!"
- Steak-and-chicken barbecue to wrap up the event - \$7.50 adults, \$3.50 kids, proceeds to charity.
- Fire-truck rides, puppet shows, pony rides - and a ride in an armored tank, courtesy of the local armed forces unit.

Go-Kart Races. On a Saturday afternoon in Bedford, MA, a track is set up in a two-block area with bales of rubber and hay to protect spectators. There are eight different classes of races, ranging from Junior Restricted to Open-Pro Modified, divided by age and weight.

Registration begins at Noon the day of the race. Drivers pay \$20; pit crew members pay \$5 each. Practice sessions begin at 1:30; the races start at 3:00. There are eight races, one for each class, ranging from eight to ten circuits each. The local radio station covers the event live.

Bedford makes a little money on the event (income of \$2200 against about \$1500 in expenses), but the key benefit is getting people downtown and to look upon downtown as a fun place.

Downtowner Trivia. In Sudbury, Ontario, every month the downtown association prints a community-related trivia question on an entry form in The Downtowner Herald. Sample question: "What is the name of the new restaurant on Shaughnessey Street?"

The first person to return the correct answer to the association or to the sponsoring store wins a prize (a CD or a cassette). The answer and the winner are printed in the next month's paper.

- Downtown Promotion Reporter

\$ALE\$ - ABOUT AD AGENCIES

Many small market stations find that regional and national business is not available to them, but that is by no means consistent among SMRNewsletter subscribers. Here are a couple of facts and opinions about the agency game.

As long as we meet our goals. We recently received a call from John David of WMPL/WSTG in Sikeston, MO, telling us that all of a sudden his stations were on the "buy" list for McDonald's advertising, for no apparent reason (that is, not great Arbitron ratings). He called the agency, Glennon & Company, and a buyer told him that their policy was to buy the local stations in whatever smaller markets contained McDonald's units.

We followed up with a call to Blake Bridgefield at Glennon, who handles the McDonald's account. He told us that his agency buys each small market differently based on a number of factors, not the least of which is the Arbitron County Study. But they will buy stations where the station is "localized" to a McDonald's outlet within the county. According to Bridgefield, "As long as we meet our gross rating point goals, Oak Brook [McDonald's corporate] lets us do what we want."

Clients Like Radio. "At a time when advertisers are scrambling to refine how they reach their markets, when even such abominations as TV monitors in supermarket check-outs lines are considered seriously, it seems that we are willing to do anything to avoid the obvious: Radio works.

"It works for 'Mom & Pop' retailers, regional restaurant chains, national brand advertisers - in short, for anyone who has given it a decent shot. Yet with ad agency people, radio continues to enjoy the same general esteem as a wet kiss by an aunt with a moustache.

"If Burt Manning of J. Walter Thompson is right, and clients expect an ad agency simply to create 'great advertising,' it seems a bit odd that few agencies are actively promoting radio as an advertising medium.

"It's a different story for the advertisers. From the most local to the most nationally visible, they're flocking to radio in ever-increasing numbers. Practically every recent issue of Advertising Age carries the story of another major advertiser like Oldsmobile upping its commitment to radio.

"For the sake of an idea whose time has truly come, I urge ad agencies to take a fresh look at radio as a major advertising opportunity and to act now to capitalize on it."

- Radio Works President James Conlan in Advertising Age

About Your Customers - Auto Dealerships

The auto industry is coming back, according to Dealer Business magazine (June 1993) and the Auto Age 500 survey of the top dealerships in the nation. There was a 7.2% sales increase year to year among those 500 dealerships. The total increase was composed of increases in each of the key profit centers - new sales, used sales, financing, parts and service, and body shop.

The NADA has reported that its members reported a 10.1% increase in new vehicle sales from 1992 to a year earlier, with a corresponding increase in average net profit.

It does pay. The Number One Chevrolet dealership on the Auto Age 500 found the formula for continued growth during a sluggish economy and declining demand for the marque's passenger-car products: "You raise your ad budget 15%," says William T. Heard, owner of Landmark Chevrolet-Geo in Houston, TX. Landmark also pushed trucks harder, leased extra space for used units, and focused on salesperson motivation.

Good news for car buyers, not so good for sellers. According to Dealer Business, Lexus dealerships average the lowest parts and service income for the third year in a row.

About Your Customers' Competitors - Discounters

Wal-Mart is involved in a price-comparison controversy in which rival retailer Target claims that Wal-Mart's price-comparing shelf signs are false and misleading. Advertising Age double-checked prices and signs at Wal-Mart and Target stores in Hodgkins, IL and found at least one case validating Target's claim: a Wal-Mart shelf sign for Nabisco saltines - stating that the Wal-Mart price was \$1.16, and the Target price \$1.79 - was initially correct, but the same sign remained up after Target had cut its price to within a penny of Wal-Mart's.

About Your Customers' Customers - Food Choices

Take-out meals are increasing. According to the July 1993 issue of American Demographics, the number of take-out meals ordered at restaurants is going up, while the number of eat-in meals is going down. In 1984, over 70% of restaurant meals were eaten there; in 1992, the number was around 65%. Meanwhile, to-go orders amounted to about 20% in 1984 and over 30% in 1992.

The top five fastest-growing dinner foods consumed at home are now pasta (over 5% of all meals), pizza (just under 5%), turkey (just over 2%), hot dogs (just under 2%) and tacos (about 1.5%). Ten years ago, the rankings were pasta (4%), pizza (2.6%), turkey (1.5%), hot dog (1.3%) and tacos (1%).

Running Your Business Better

How To Lose Customers. Here are ten sure-fire ways to get rid of them:

1. Treat customers like strangers.
2. Don't trust them.
3. Never go out of your way for them.
4. Put your company's interests first.
5. Never ask your customers' opinions.
6. Don't guarantee anything.
7. Handle complaints defensively.
8. Focus on new customers; don't waste time on old ones.
9. Don't train employees.
10. Never ask your employees' opinions.

- Tom Borg & Associates, in Radio & Records

Solution To The Age-Old "Studio Chair" Dilemma. If you're like most broadcasters, you find that the studio chair is the most-often-replaced item in your station. A couple of broadcasters have solved the problem by going to a tractor company and having them install a heavy-duty pneumatic tractor seat on rollers. These seats are very comfortable - and virtually unbreakable. They're also more expensive, but you save in the long run.

What are the most important characteristics of a good leader? That was the question asked of a group of Gannett newspaper editors. Their answers included:

"Leaders are honest, competent and have vision. Leaders know their staffers' needs, hopes and ideals. They build teams and inspire them to accomplish more than they thought possible."

"Heart, vision and a good sense of humor. Good leaders care about, listen to and show appreciation for employees. They focus on solutions, take risks, learn from mistakes and move ahead quickly. They use humor to relieve tension and don't take themselves too seriously."

"The ability to communicate the mission and thus get people to buy into it as if it were their own idea is the most important characteristic."

"The ability to inspire folks, looking not only at today's priorities but on down the road. A good leader should constantly ask: Where are we going and how are we going to get there?"

- Gannetteer

From Bookkeeper to Owner

It's rare in our business for someone to start in the office and advance all the way up to ownership - at the same station - but that is exactly what Betty Baudler of KASI/KCCQ in Ames, IA did.

Betty started in radio "quite by accident" when a classmate at business school suggested that she apply for a part-time job at a local radio network. Shortly one of the network board members, group owner Dale Cowle, offered Betty a position in Ames.

In Ames, Betty went from bookkeeper to office manager, then into sales, to sales manager, assistant general manager, and general manager. Then, eight years ago, she bought the stations. "Dale had just sold his other stations for cash," Betty remembers, "so he could offer me the opportunity to do an LBO in Ames - maybe one of the few Eighties LBOs still around."

Mostly it was business as usual after Betty took over, but she did beef up the stations' community involvement, starting by installing a two-person news department. "Some would say we're spending too much on news, more than the NAB average. But it pays."

One very successful community program initiated by Betty is City Club, a monthly luncheon gathering of local community leaders, by invitation only, focusing on a single issue each time. Everything is off the record, but the KASI/KCCQ news department attends and picks up valuable background information.

In sales, Betty has four people on the street and a sales manager. Training is mostly done in-house. "We're having more formal meetings than ever," Betty says. "We're using the RAB materials more than we used to, and we try to get our sales people to one or more seminars every year."

To keep track of what is really happening in sales, Betty has a big tally board in the sales room that she updates daily. "This focuses the salespeople on what they're supposed to do - sell something every day." It is also an opportunity to acknowledge sales performance, and to focus on who's buying and who isn't.

"We don't motivate our salespeople," Betty maintains. "We provide an atmosphere where a motivated person can grow and flourish."

To find salespeople, Betty says "You've got to keep your eyes open all the time. We don't have any openings right now, but I interviewed somebody this week." She runs recruiting ads on the stations - "At least we know they respond to radio."

According to Betty, some of her best hires have been people who've sold "crap": "If you've got somebody who's sold vacuum

cleaners door to door to go through school, or condos on the phone - you know you've got a closer, and somebody who's used to rejection."

Betty tends to pay what it takes to get and keep the right people. "Advertisers aren't going to tell their story to the salesperson of the week," she points out. "A radio salesperson should look successful. The consultant sell works, but only if the advertiser trusts the salesperson."

"We're also more promotionally involved than we had been," Betty says. One cornerstone is the Breakfast Club, a live morning show done on location every Friday with in-person guests from the community. "The show forces us to relate to the community," Betty says. "We've had a lot of people through that show."

Betty does a variety of things to reward her people. She bonuses salespeople if they enter a month at 75% of goal, and again if they end up the month at 100%. But then she gets "nutty" and dons her "Money Pearl" hat brimming with fives and tens, and goes around giving out cash when she catches her people doing good things - a salesperson who brings in a new account, an announcer who gives 110% on a commercial, the bookkeeper who was the only one of all media to get the co-op right for a major advertiser.

Betty is proud of the fact that "I've invested probably more in my staff than most broadcasters ... perhaps the margins haven't been what they should have been ... but I feel good about the product that's on the street, and I don't think radio can survive if we don't have a good product. We have to provide a compelling reason to listen, and you can only do that with a good staff, giving them leeway, making them accountable - and paying them what they're worth."

THE LAST WORD

Radio is obviously an incredibly powerful medium. And other media, like newspapers, billboards and magazines, must be totally ineffective.

At least that is the message being delivered by our lawmakers and our courts, since they are so intent on barring the advertising of legal products on our airwaves - but not in other media.

It's all very flattering. But how much more of this kind of flattery can we take?

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Miami AZ 85539

Jay Mitchell - Publisher and Co-Editor
Lori Morgan - Associate Editor

VOLUME XI - Issue #9 - July 22, 1993

STATIONS IN FLOODED MIDWEST WADE ON. KASI/Ames, IA owner and GM Betty Baudler received commendation for the station's live 24-hour coverage and relief information. WPRE/Prairie du Chien, WI has remained on the air since their equipment is on the second floor. Employees have been arriving to the station by boat for two weeks. KGRC/Quincy, IL has remained on the air, giving updates on the flooding situation. Some employees have been living in hotel rooms, commuting two and a half hours by land, and flying by a small passenger plane shuttle to get to and from work.

FCC FINES ALABAMA STATION \$50,000 for violating EEO reporting. The station inflated the number of hires to make the seven black employees appear to be a larger percentage of the staff. Ironically, the station would have avoided discrimination charges had the correct number been reported.

TALK RADIO STUDY reveals that 84% of the people listen to it for informational purposes and 50% listen to it for entertainment. The Times Mirror study surveyed 1507 people and 112 talk hosts in the Top 100 markets.

RADIO ADVERTISING REVENUE PROJECTED TO BE \$12 BILLION BY 1997 according to the firm of Veronis, Suhler & Associates Inc. The radio advertising average annual growth rate of 3.7% is expected to increase to 6.8% over the next five years. Advertisers are not expected to increase budget shares for radio, according to VS&A President John Suhler.

FCC REFORMING EBS SYSTEMS by testing new EBS equipment, and preparing to suggest new rules allowing stations to broadcast silent EBS tests three weeks a month, with an eight-second audible tone test one week a month. The eight-second test would be broadcasted on all radio and TV stations at the same time. The changes could happen as early as next year.

NAB CALLS FOR END TO "UN-LICENSING" of FCC broadcast permits. At present, state and local laws can unreasonably prevent the construction of FCC-licensed towers, and prevent consumers from using roof-top receiving antennas. The NAB also urged the FCC to adopt stronger policies of preemption of local restrictions.

At The F.C.C.

NEW STATIONS (Applied For):

ARKANSAS (Hardy) John Shields, 104.7, 6000w, 247'
TEXAS (Three Rivers) John Means, 94.5, 50,000w, 492'

NEW STATIONS (Granted):

CALIFORNIA (Salinas) Villamil FM Radio, 97.9, 3000w, 112'
MINNESOTA (St. Joseph) St. Joseph Broadcasters, 92.9, 25,000w,
328'
MISSISSIPPI (Water Valley) Bobby B. Anderson, 105.5, 6000w, 247'
NEW JERSEY (Atlantic City) D&L; Broadcasting, 107.3, 25,000w,
328'
NEW MEXICO (Hobbs) Ojeda Broadcasting, Inc., 96.5, 3000w, 298'

AMENDMENTS TO THE FM TABLE (Proposed):

ALABAMA (Columbiana) new, 101.5 A
COLORADO (Estes Park) new, 102.1 A
NORTH CAROLINA (Norlina) new, 94.3 A

AMENDMENTS TO THE FM TABLE (Granted):

ALABAMA (Columbia) new, 102.1 A
(Dothan) WESP, to 102.5 C3 from A
PENNSYLVANIA (Oliver) WESP-FM, to 94.9 B1 from A
WYOMING (Cheyenne) new, 104.9 A

REPORTED SILENT:

KENTUCKY (Neon) WNKY, 1480, pending sale
(Shepherdsville) WBUL, 1470
NEW JERSEY (Mount Holly) WWJZ, 640
VIRGINIA (Bassett) WODY, 900

FORMERLY SILENT:

MASSACHUSETTS (Gardner - Fitchburg) WGAW, 1340
MISSOURI (De Soto) KHAD, 1190
NORTH CAROLINA (Albemarle) WXLX, 1010
SOUTH CAROLINA (Batesburg) WBLR, 1430
TENNESSEE (Fairview) WPFJ, 850
TEXAS (Beaumont) KKFH, 1380
VIRGINIA (Danville) WDVA, 1250
WASHINGTON (Mercer Island) KMIH, 104.5

- Courtesy M Street Journal

RADIO FEATURED IN COLUMBIA UNIVERSITY'S MEDIA STUDIES JOURNAL
which is published quarterly. The journal, Radio: The Forgotten Medium, features articles by: Sean Ross, M Street Journal; Tom Lewis, Empire Of The Air; Eric Rhodes, Radio Ink; and many others. To order call 212-678-6600.

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

Here are some ideas that tie in your listeners' kids ...

Poster Contest. Sponsor a poster contest in your local schools to tie into a local or national event - Soil Conservation Week, Fire Safety Week, or what have you. Give cash awards for the best posters on the subject. Display all the posters at a local mall or retail outlet - or make it a "traveling show," announcing from day to day where the posters are displayed.

Essay Contest. Similar to the poster contest, only the entries are essays on the given topic. In this case, the winners can appear on your station reading their entries. (This is how your publisher made his radio debut, on WMT in Cedar Rapids, in the third grade.)

Good Grades Day. Throw a popcorn-and-pizza party for a local school to celebrate good grades. [Above three ideas from The Voice, WTBF Radio, Troy, AL]

Station Mascot. For a one-time investment of a few hundred dollars you can end up with one of the most versatile and visible station promotions ever - a station mascot. Pick a fun, friendly animal and have the costume done in bright colors (pinks and blues and the like, rather than the actual animal's coloring). Make sure the station call letters are prominently displayed, usually on a tee shirt that the character wears. Select one or two outgoing, "wild and crazy" people to wear the costume - don't have just anybody in it.

In addition to attending all your remotes and public appearances, the mascot should show up at local ball games, picnics and other community events. It can also show up at schools and children's hospitals. Mascots are a high-impact hit with kids - of all ages.

Whose Child Is This? Take a recorder to school and record kids' messages to Mom and Dad. Play them on the air and award prizes to parents who call and correctly identify their sons or daughters.

Out of the Mouths ... Update the old Art Linkletter "Kids Say The Darndest Things" concept. Just rolling tape in a roomful of kids will give you tons of material. Package it into a series of short programs which you can sell to almost anyone. Again, you can tie in a contest - award prizes to parents who hear their kids on the program.

Beautiful Baby, Cute Kid Contest. Tie in with a local portrait photographer to sponsor a contest to find the most beautiful baby or the cutest kid. Display photos at one or more sponsor locations and have your listeners judge, or have a blue-ribbon panel do the judging.

SALES - TRAINING THAT COUNTS

Some thoughts on sales from conversations with our readers ...

Know Your Product. Jim Cameron, WILQ/WLYC in Williamsport, PA stresses product knowledge as an essential ingredient for sales success. He has had good results hiring former programmers and announcers as sales people, because they know and have confidence in the product and its benefits.

All new sales hires in Jim's operation are "pulled into the system" - spending two weeks rotating from department to department, so they understand what each department does and how it fits into the whole. The trainee sits in the studio, goes on remotes, participates in promotions - all to "give tangibility to the audience" and what he or she is selling.

Jim also takes his training beyond the "what is" and "how to" stage. He educates salespeople not just in how to make the sale but in nonverbal communication and neurolinguistics - how to shake hands, how to read body language, how to control your own body language, making eye contact, and so on. He uses a lot of role playing to get points across.

What Is Your Product? A different angle is taken by Dick Gleason of WOXO/WKTQ/WPNO/WPBM in Norway, ME: "The Number One reason small market retailers don't buy advertising is that they don't have a clue about advertising. And we in radio don't train our salespeople about advertising. We teach them how to sell and we teach them about radio, but we don't teach them about our real product, advertising." So Dick not only provides training in pure advertising and marketing skills to his salespeople, but he does presentations to retailers on the subject as well.

Selling In Outlying Areas. Too often, a station's attempts to sell outside its primary trading area meet with failure. The station is less well established, requiring more sales skill, but the station sends in its least experienced salespeople - the salespeople least equipped to do the missionary work, handle the objections and take the rejection. We set the station and the salespeople up for failure.

Again from Jim Cameron, here are some thoughts on how to handle this situation more effectively: He uses account lists but he does not assign geographical territories, so "anyone can go anywhere." Senior salespeople and juniors alike can and do work the outlying areas. He spends extra time coaching his junior people on handling the special objections that come up in those areas. (Example: "I buy my local station, not somebody from 'up there.'" Answer: "We are your local station. We carry your weather, your news, your sports, and most important, your fellow local businesses.")

PROGRAMMING - MEASURING PERFORMANCE

Sorenson Broadcasting Corporation (SBC), like many small market operators, faces the challenge of finding ways to measure the contributions of programming staff objectively. With sales people it's easy - just look at their billing. With programmers in larger markets it's easy - just look at their ratings.

How to can we measure announcer's performance in small markets? Take a look at some of the ideas that came out of a "green-light" (that is, "no ideas are bad") brainstorming session conducted during an SBC managers meeting:

1. On time for shift each day
2. Production done on time
3. Production approved; no re-do's
4. Production times out properly
5. Gets into network feeds cleanly
6. Pronounces words correctly
7. Reads without stumbling
8. Attends station meetings regularly and punctually
9. No dead air during board shift
10. Belongs to one or more community organizations
11. Keeps personal and common work areas clean and orderly
12. Greets phone callers and visitors courteously
13. Takes phone messages accurately and legibly
14. Contributes at least one creative idea per month
15. Contributes at least one cost-cutting idea per month
16. Follows the on-air format
17. Presents a consistently neat appearance (adheres to station dress code)
18. Spends at least 15 minutes per day preparing for board shift
19. Pre-plans each break using Break Prep Worksheet
20. No spots missed - or missed spots reported promptly
21. No errors on programming or transmitter logs

The SBC managers also discussed ways to motivate the programmers to excel in these areas. Ideas:

- Use a point system, awarding points for good performance. The programmer with most number of points at the end of the month receives a reward (cash spiff, dinner out, etc.)
- Use a spiff system for best spot of the week or month, best on-air performance (or even best break), best promotion idea, best cost-saving idea, etc.

We all know that it is difficult, if not impossible, to quantify quality. But it is relatively easy to quantify the actions that lead to quality air and production work. This is what the list above tries to do; your thoughts and suggestions, as always, will be welcome.

Legal & Technical Notes

1990 Census data will be used to evaluate EEO compliance as of June 1, 1993. This will affect all renewals filed after May 31, 1993, as well as all 1993 reports on Forms 395-A and 395-B.

FCC fines for primary studio locations have reappeared. A Colorado station was fined \$20,000 and a Georgia station fined \$17,000, in both cases for moving their primary studios outside the stations' city-grade service contours. Both stations claimed their primary studios were at the transmitter site, but their public files were at the locations outside the contour.

Other guidelines for what constitutes your "main" studio:

- Some staff must be headquartered there (check with your attorney for minimum staff requirements).
- The studio must be the "working home" for at least one top management person.

If you lease facilities or do an LMA, you must be especially careful that the rules are observed.

New edition of FCC rules available - The October 1992 edition of Title 47 of the CFR includes the FCC Rules & Regulations, including all amendments through September 30, 1992. The book containing Parts 70-79 of the Rules provides compliance with the requirement that you have a current set of FCC rules in your station. Cost is \$21. Order from the Superintendent of Documents, P. O. Box 371954, Pittsburgh, PA 15250-7954 ... you can order by fax using Visa or MasterCard; call (202) 512-2233.

Daytimer preference has been clarified by the FCC in two areas:

1. The Commission will grant the preference for a full-time manager/owner of an AM station who pledges to operate the proposed FM station, noting the three-year divestiture pledge.
2. The daytimer preference will not be added to long-term broadcast experience, but the daytimer preference confers the maximum possible credit for broadcast experience.

FCC compliance required of non-licensee tower owners. Tower owners are required to comply with FCC-prescribed painting and illumination requirements, and may be fined for violations without prior citation by the Commission. Based on a Congressional amendment to the Communications Act of 1934, the FCC has modified Section 1.80(d) of its Rules accordingly.

- E. Harold Munn, Jr. & Associates, 517-278-7339

The "L" in LMA Stands for "Long-Distance"

Making an LMA successful is not that easy, as many broadcasters have found ... but Bill Evans has undertaken an LMA with a station 60 miles away - and it's working.

Bill and his wife Marilyn own and operate WQXE in Elizabethtown, KY, and have since 1969 (they bought out a partner in 1986). Now, they are also operating WGGC in Glasgow, KY - not exactly a typical LMA, since the primary signals don't even touch.

"We are running the programming and sales efforts in the true sense of an LMA," Bill says. "[WGGC owner] Moena Sadler and her staff are at the station every day, protecting the license, and I am at the station every day." Since Elizabethtown is on Eastern time and Glasgow is on Central time, Bill can work a couple of hours in "E-town" and then make the 50-minute drive to spend a full day at WGGC.

This unusual LMA came about as a result of a dual tragedy in the Sadler family, which had owned and operated WGGC for over 35 years. In 1991, first Mrs. Sadler's daughter and then her husband passed away, leaving her to operate the station alone.

"The LMA is advantageous to us both," Bill says. "We needed to make some improvements right away, to get the station back in shape." He adds, "We do have an option to buy within five years."

Bill has made some programming changes to enable better community service - and better sales. "For years and years this 100kw FM was programmed to just the two local counties, with the Gospel Hour, Swap Shop, death notices and so on. It was successful in its day, but now we have to change with the times."

The local programming had attracted a large 60-plus audience, but no 25-54s to take to the advertisers. So Bill stripped all the old programs off and put on the Hot Country format from Broadcast Programming, using Format Sentry hardware.

"When we pulled off the Gospel Hour I had to talk to over fifty elderly ladies who didn't understand," Bill says. "I took lots of heat for the change at first, but then lots of praise from our new audience. Even so, it was a tough, tough call."

Bill also beefed up the news, adding the Kentucky News Network (audio and data) and installing a local news person who is also part of the morning show.

To head off charges of carpet-bagging, Bill and his wife immediately involved themselves in the Glasgow community, joining all the area chambers of commerce and meeting with community leaders to explain what was happening. Mrs. Sadler also helped by

redoubling her ascertainment efforts. The upshot has been more programming in response to community needs, including a public affairs show on Saturday morning ... and good acceptance of the LMA arrangement by community leaders and advertisers alike.

How has all this attention on Glasgow affected Elizabethtown? "E-town has held together very well," Bill explains, "because it's a mature operation, all live, with plenty of good people." He also notes that his son has just returned to the area to help.

Bill's philosophy of sales can be summed up this way: "You'd better have an excellent one to one between the salesperson and the client. We have to try to anticipate their needs, what they're trying to do, and suggest advertising and promotion accordingly."

Bill finds himself in the unique position of having a stable, mature sales staff in Elizabethtown - and having to do a lot of recruiting in Glasgow (where right now it's just Bill, Marilyn and one other).

"There's no magic to it," Bill contends. "You have to go through a lot of salespeople before you find one who realizes he's working for himself and not somebody else. He has to take his client's interests to heart. We look for people who are alert and tuned into the needs of the customer."

As if Bill didn't have enough on his plate, he recently was elected to the NAB Radio Board. "I realized a long time ago I didn't have all the answers," Bill says, "so I began associating with more successful operators. That led to my involvement in the Kentucky Broadcasters. While I was president, we successfully killed the service tax on advertising, which gave me a lot of experience that will come in handy on the NAB Board."

Bill has a "special message" to other small market broadcasters: "You can't hide your head in the sand and think you can compete. You have to get out of thinking small market and enlarge your thinking ... get with people who are successful. There are no 'small market' ideas and 'big market' ideas - they're all good ideas. Your state association and the NAB are good ways to enlarge your base of contacts."

"If you have small market thinking, it's going to bury you," Bill says. "You have to learn new things, you have to grow."

"And," Bill concludes, "you have to work your butt off!"

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

Bob Doll - Co-Editor
Jay Mitchell - Publisher and Co-Editor
Lori Morgan - Associate Editor

VOLUME XI - Issue #10 - July 29, 1993

MIDWEST STATIONS HELP FLOOD VICTIMS by raising money. KJAM/Madison, SD ran a 10-day campaign to replenish Red Cross funds. Cash and check donations were requested on the air with no newspaper coverage to promote the drive. The community of 6,000 raised over \$17,000. Many stations in the Midwest have established programs to raise money for the flood victims. Music celebrities are also planning events to raise money for the victims.

FCC MAY ALLOCATE A THIRD FM FREQUENCY TO AN IDAHO TOWN OF 545. The FCC has proceeded to grant new allocations if a technically viable frequency can be recognized. The FCC does not consider the economic impact such allocations make. The new station will have two existing stations, two weekly newspapers, three phone books, and a cable TV station to compete against.

FCC STUDY REVEALS AN INCREASE OF WOMEN AND MINORITIES in the broadcast workforce. Women with radio-TV positions increased from 38.2% in 1991 to 39.5% in 1992; minorities increased from 17.3% in 1991 to 18.2% in 1992. The increase includes four job categories: sales, managers, technicians, and professionals.

871 AM BROADCASTERS RESPOND TO FCC INQUIRY regarding the opening of the AM band between 1610 and 1700 kHz. Jim Burtle, FCC AM Branch Chief, estimated it will take seven to nine months to decide who will receive the allocations, which will be determined by a formula based on station interference. Once the allocants have been determined, there will be time for public comments, then the stations will need to file a technical application to construct in the new band.

AUTO SALES UP DESPITE FLOODING DELAYS. Four of the five major automakers reported a 13% rise in car and truck sales in mid-July, according to Ward's Automotive Reports. Ward's estimates that Chrysler had the biggest increase at 23.4%; GM did not release numbers due to a two-week shut-down. The Midwest flooding caused only minor amounts of lost business.

CONGRATS TO WQLR/KALAMAZOO, MI for being a Billboard Station Of The Year nominee. Winners will be announced in August.

P. O. Box 1285 - Fairfield, Iowa 52556 - (515) 472-4087 - FAX (515) 472-6457

At The F.C.C.

NEW STATIONS (Applied For):

GEORGIA (Cusseta) Gray Communications, Inc., 103.7, 4800w, 195'
(Cusseta) Signature Broadcasting Ltd., 103.7, 6000w, 151'
WISCONSIN (Iron River) Capital Broadcast Services, 107.3,
50,000w, 380'

NEW STATIONS (Granted):

KANSAS (Arkansas City) Robert V. Clark, 102.5, 6000w, 243'
WISCONSIN (Wautoma) Wautoma Radio Company, 92.3, 6000w, 13'

AMENDMENTS TO THE FM TABLE (Proposed):

IDAHO (Lewistown) new, 105.1 A
MAINE (Westbrook) WYNZ-FM, to 100.9 B1 from A
MISSOURI (Halfway) KYOO-FM, to 92.9 C2 from A
(Ozark) KZPF (CP), to 99.1 A from 93.1 A
WASHINGTON (Clarkston) new, 102.9 A

REPORTED SILENT:

KENTUCKY (Greenville) WWHK, 105.5
MASSACHUSETTS (Boston) WSSH, 1510

FORMERLY SILENT:

ALABAMA (Ozark - Dothan) WFSF, 1200
ARKANSAS (Branson) KSNE, 104.3
IDAHO (Gooding) KRXR, 1480
PENNSYLVANIA (Olyphant - Scranton) WWAX, 750
TEXAS (Denison) KTCY, 104.9
(Mineola) KMOO, 1510
WISCONSIN (Sun Prairie - Madison) WMAD, 1190

- Courtesy M Street Journal

TED SNIDER AWARDED NAB'S 1993 NATIONAL RADIO AWARD. Ted Snider is the owner of Little Rock's KARN-AM and the Arkansas Radio Network. The award recognizes contributions and lifetime service and will be presented at the NAB Radio Show this fall.

FCC TO SIMPLIFY APPLICATION PROCESS for adjacent-channel upgrades, downgrades and modifications for co-channels. The first step of petitioning for rulemaking has been abolished in cases where the application process would unnecessarily duplicate that step.

AD REVENUE UP according to a RAB report. The report says that national and local spot ad revenue for the first five months of 1993 has risen 8% from the same time period of 1992. Companies that are actively advertising on the local level are telecommunications companies, travel and transportation companies, and brewing companies.

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

Morning Show Benchmarks. A good morning show will have several regular features that can be used to entertain the listener, promote the show - and generate revenue! These features are usually locked into a specific time each day - or day each week. Your listeners keep time by what happens on your station - as in, "I know that if the Birthday Club comes on while I'm still in the shower, I'm running late" - so your schedule is important.

Some cute, popular morning-show features:

- All About [Market]: ask trivia questions about the area - past history, landmarks, billboards, etc.
- Sounds Like [Market]: listeners try to guess a sound that was recorded somewhere around town.
- Um Game: listeners must say a list without saying "um."
(Examples: list 5 continents, airlines, Main Street stores, hotel chains, flavors of gum, magazines, tv shows, etc.)
- Better Living Through Chemistry: list the ingredients of a food without identifying it; listeners try to guess the food.
- Dead Or Alive: listeners guess whether a popular personality from the past is still living
- Hummin' The Oldies ("Kazoo Tunes"): the announcer hums or plays the kazoo; listeners try to identify the song he/she is playing.
- The Name Game ("The Initial Game," "Actors & Actresses"): the announcer gives a set of initials; listeners try to guess the actor he/she has in mind. Variation: give initials of local personalities, or of local businesses.
- Name Or Not: announce the real name of a celebrity - but the name could be made up. If the listener guesses correctly whether it is, he/she wins.
- The Mystery Voice: play a recording of a famous voice; the listener who guesses correctly wins. Variation 1: use local voices, like sponsors and prominent townspeople. Variation 2: record listeners and have them call when they hear their own voices.
- Battle Of The Sexes: two players, one male and one female, try to answer questions oriented to the other sex. (Example of a question for the man: "What is 'the quicker picker-upper'?") The one with the most correct answers wins.

\$ALE\$ - SELLING SPORTS

When you sell sports, you are selling a lot more than just radio time. Bob Shulberg, in his book, Radio Advertising: The Authoritative Handbook, tells us that you are offering your prospect ...

- A prestigious association with a community institution
- The appreciation of the fans, which translates into customer loyalty and goodwill
- A very favorable selling climate for the advertiser's message
- Excellent frequency - the message is heard by the fans over and over again
- Abnormally high ad recall (proved by research)

The radio sports audience includes higher-than-average household incomes, education levels and career achievement - about 50% higher than listeners to other forms of radio programming.

High school sports, as an advertising vehicle, associates the sports advertiser with a community institution - school loyalties and local names. In a small market, almost everyone has a personal connection to the local team.

In recent years, with increased TV and cable coverage of sports, there has developed a troubling "sports glut." This glut may well show up when you're presenting radio coverage of a college or pro team. It's important to point out to the prospect:

- The widespread practice of watching the game on TV with the volume turned down and listening to the play-by-play on the radio
- On weeknights and weekends, when most sports events are broadcast on radio, around half of the male audience (the heavy sports listeners) listen away from home, in autos and elsewhere - away from television. The actual figures, from RADAR surveys:

	<u>Men</u>	<u>Women</u>
Weeknights	46.2%	22.3%
Weekends	50.7%	34.5%

[Note: More facts and figures about the radio sports listener can be found on Page 8 of this issue.]

LET'S TALK SPORTS

Sports broadcasts are not the automatic money-makers that they used to be, but many stations are still profiting from them. There are several factors that increase the chances for success with sports:

1. **Watch costs like a hawk.** Our "Sports Estimate Sheet" (Page 6) should help you get a handle on your expenses. Other tips:
 - a. Set up home and home agreements, visitor phones and so forth with other broadcasters to avoid buying conventional phone lines.
 - b. Use a cordless mike or cordless telephone to cut costs.
 - c. Use school telephones and a coupler.
 - d. The more organized you are, the more money you can save. Anticipating equipment needs and what is available at each school can make a difference.

2. **Treat the schools like your best customers.** To avoid privilege fees and build goodwill:
 - a. Sell school officials on the fact that sports broadcasts are important benefits for team morale, as well as school spirit and interest.
 - b. Run on-air promos encouraging listeners to attend games.
 - c. Get permission to broadcast the game from each school, and follow up with Thank-You letters.
 - d. Inform school officials of all the things you are doing to promote their sports programs.
 - e. Make sure your play-by-play crew shows up neat, clean, professional and courteous.

3. **Sell your sports programs wisely.** To get the most return on your sports investment:
 - a. Use the packaging that works best for you. There are two basic ways to sell sports, and which one you use will depend on the advertiser mix in your market:
 - i. The "Booster's Club" or "Sports Club" approach - rolling lots of games, sportscasts, commercial schedules and promos into a year-long package.
 - ii. The more traditional approach - four or five advertisers per game, with smaller advertisers buying the pre- and post-game shows and adjacencies.
 - b. Make sure that you are not merely converting more-profitable spot sales into less-profitable sports sponsorships. Ideally, sports advertising is "plus business" - extra billing from regular advertisers, or new billing from nontraditional advertisers (industry, financial institutions, service businesses, etc.).
 - c. Make sure your advertisers get their money's worth. In addition to them supporting the team and your broadcasts, they want to sell something. Even in group booster ads, include a ten-word sell line for each advertiser.

SPORTS EXPENSE/REVENUE ESTIMATE SHEET

1. Station operating cost per hour times length of broadcast(s)	\$ _____
2. Line charges or percentage of maintenance cost and depreciation cost of remote pickup equipment	\$ _____
3. Travel expenses and/or percentage of maintenance and depreciation of station vehicle	\$ _____
4. Broadcast rights	\$ _____
5. Merchandising and advertising	\$ _____
6. Announcer(s) or network fees	\$ _____
7. Profit	\$ _____
8. Sales Commissions	\$ _____
TOTAL	\$ _____

Notes:

1. Annual operating expenses ÷ 365 days/week ÷ 18 hours/day
2. Both remote pickup units and vehicle costs are major contributors to station expenses. A percentage of these costs should be recovered by sports revenue.
3. Some stations deduct direct sports expenses before computing sales commissions. More often than not this is demotivating to salespeople. Therefore, many stations mark up Items 1 through 7 using the multiplier derived from this formula: [commission] ÷ (1 - [commission]). For example, if the commission is 15%, the multiplier is 0.15 ÷ 0.85, or .1765.

Miscellaneous Notes:

- Thanks to Charlie Wright, WBYS, Canton, IL

CHECKLIST FOR PLAY-BY-PLAY ANNOUNCERS

- Monday or Tuesday morning: Obtain probable starting lineup and scouting report from the coach.
- Prepare a spotting board with player name, position, weight, height, etc.
- Day or night of broadcast: Arrive at field early enough to check technical facilities and to correct any problem(s).
- Visit the locker rooms to check any last-minute player or number changes.
- Introduce yourself to officials. Tell them you are broadcasting. Ask if time-outs will be regulation 60 seconds.
- When the teams come onto the field, ask your spotter to call off the numbers. Repeat the names back to him/her.
- Drop lots of names. Keep player history and family ties on index cards - it adds to the local color. Divide the responsibility - announcer concentrates on backfield while spotter tracks line play. In addition to mentioning passers and runners, say things like, "Nice block by _____."
- Rather than filling halftime with boring (to many) statistics and analysis, take a crowd mike and pick up the band. As one broadcaster told us, "There are nine players on the field at any one time during the game, but there are 75-100 youngsters in that band." He gets the list of band members and includes the names of a dozen or so in each broadcast. By season's end, every band member has been mentioned at least once.
- A sportscaster cannot report the time and score too often. The majority of the audience is listening casually, or just tuning in "to find out how things are going."
- Get a spotter who is interested in the game and concentrates on the play. Don't get a "cheerleader" who goes to pieces when things go badly or very well for his/her favorite team.
- Instead of 30 or 60-second commercials, use :25's or :55's. There is less chance of missing play during a commercial.
- At the end of the game, clean up the press box and thank the school officials for letting you do the broadcast.
- Mention the studio board operator in the credits. If he/she isn't paying attention, the whole effort is tarnished.

- Bob Sherman

THE SPORTS LISTENER PROFILE

Some facts to use in selling sports:

Sex ...

- 61.5% are male
- 38.5% are female

Age ...

- 73% are 18-49 years of age
- 48% are 25-49
- 27% are 50-plus

Income, Education, Occupation, Habits ...

- 64% have incomes of \$35,000-plus
- 38% have incomes of \$50,000-plus

- Almost 1/3 are college graduates
- 25% are professionals or managers

- 64% own two or more vehicles
- 49% are the primary grocery shopper for the family
- 65% dine out three or more times per month

Sports listeners are ...

- 37% more likely than the general public to drive a leased car
- 49% more likely to have taken a domestic business trip in the last twelve months
- 32% more likely to have bought a personal computer in the last twelve months
- 35% more likely to own a fax machine at home
- 131% more likely to own a mutual fund account worth more than \$10,000
- 19% more likely to have taken an adult education course in the last twelve months

Where and How They Listen ...

- 28.6% of sports listening by men is in autos and 22.1% at other away-from-home locations - in other words, over 50% takes place out of reach of a TV set.
- Even when they are in front of the TV set, 48% turn down the sound and listen to sports on the radio!

- Simmons Market Research, 1992; Field Research Corp., Chicago Bears two-year study. Thanks to Steve Trivers, WQLR/WQSN, Kalamazoo, MI.

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

Jay Mitchell - Publisher
Lori Morgan - Associate

VOLUME XI - Issue #11 - August 5, 1993

RADIO REVENUE UP AGAIN IN JUNE, capping a string of double-digit months for the first half of 1993. Local was up 10% and national 14%, according to the latest figures from the RAB. For January-June, local was up 9% and national 7%.

FAIRNESS DOCTRINE REARING UGLY HEAD as the House Telecommunications Subcommittee held hearings last week. The four attending committee members expressed a desire to bring the doctrine back. The Senate is also looking into the doctrine. The renewed interest is at least partially because of the growing popularity of outspoken radio talk show hosts.

DUOPOLIES DON'T DOUBLE THE BUSINESS, according to a study from Miller, Kaplan Arase. Based on a study of 62 duopolies, the doubling results in an average of 1.53 times the business of the primary ("base") station. SMRNewsletter hears from our readers that combining strong stations can drive the multiplier up as high as 1.75% ... combining weaker stations results in business at around the 1.3% level. The Miller, Kaplan study reported those figures at 1.77% and 1.33% respectively.

RADIO LISTENING THE MOST IN CARS BUT MOSTLY AT HOME, according to a new nationwide Arbitron diary analysis conducted by Research Director, Inc. The findings show more people listen in the car, but more time is spent listening at home.

TANYA TUCKER SINGS IN TEXAS at the Marconi Awards ceremony, the last night of the NAB show which runs September 8-11 in Dallas.

FIND A JOB AT THE NAB. A confidential employment service, "Job Quest '93," will be a feature of the Fall NAB show. Management-level job-seekers and potential employers can register in advance or at the convention. Cover letter and resume can be sent to Dwight Ellis at the NAB in Washington.

FCC STRENGTHENS RADIATION EXPOSURE REGULATIONS. A recent Notice of Proposed Rulemaking would make RF exposure standards stiffer than they are, underscoring the Commission's "get tough" attitude on this issue. The proposed guidelines set two exposure standards - "controlled environments" (workers) and "uncontrolled environments" (general public).

P. O. Box 1285 - Fairfield, Iowa 52556 - (515) 472-4087 - FAX (515) 472-6457

At The F.C.C.

NEW STATIONS (Applied For):

GEORGIA (Cusseta) Cusseta Broadcasting Corp., 103.7, 2810w, 477'
MINNESOTA (Starbuck) Jerry Papenfuss, 97.3, 50,000w, 492'
(Starbuck) Starbuck Communications, Inc., 97.3, 50,000w, 492'
WISCONSIN (Allouez) Lawrence Henry Zegers, 106.7, 25,000w, 328'
(Allouez) Michael R. Walton, Sr., 106.7, 25,000w, 328'
(Allouez) Odon Communications Group I Limited Partnership,
106.7, 25,000w, 328'
(Sheboygan) The Sheboygan Falls Broadcasting Group, 6000w,
312'

NEW STATIONS (Granted):

CALIFORNIA (Beaumont) Barbara Brindisi, 100.9, 891w, 590'
(Temecula) Artistic Airwave Broadcasters, 94.5, 3000w, 328'
COLORADO (Silverton) Kenneth B. Kendrick, 103.7, 26,000w (h),
-1910'
KANSAS (Arkansas City) Robert V. Clark, 102.5, 6000w, 243'
(Downs) Hoeflicker Broadcasting Corp., 94.1, 28,000w, 292'
MICHIGAN (Mio) Todd A. Mohr, 93.9, 50,000w, 433'
MINNESOTA (Slayton) Wallace Christensen, 103.1, 3000w, 269'
NORTH DAKOTA (Wishek) Stolee Communications, Inc., 100.3,
100,000w, 390'
OREGON (Rogue River) Shirley M. Bell, 94.7, 130w, 2043'
TEXAS (Gollad) Cinco de Mayo Broadcasting, 95.9, 6000w, 328'
WASHINGTON (Castle Rock) Armak Broadcasters, Inc., 107.1, 720w,
1673'

AMENDMENTS TO THE FM TABLE (Proposed):

ARIZONA (Arizona City) KONE, to 106.5 A from 106.3 A
CALIFORNIA (Esparto) new, 97.9 A
(Los Molinos) new, 101.7 A
(Point Arona) new, 102.3 B1
FLORIDA (Micco) new, 95.9 C3
GEORGIA (Donalsonville) new, 107.5 A
MAINE (Isleboro) new, 105.5 B1
MASSACHUSETTS (Provincetown) WOMR, to 92.1 A from 91.9 A
MINNESOTA (Hermantown) new, 92.1 A
MISSOURI (Osage Beach) KYLC, to 100.9 A from 93.5 A
NORTH CAROLINA (Ocracoke) (CP), to 92.7 C1 from 92.9 A
OREGON (Kono) new, 98.5 A
WEST VIRGINIA (Rainolle) WRRL-FM, to 95.3 B1 from A
(Webster Springs) (CP), to 100.3 B from A
WISCONSIN (Menomonie) new, 104.9 A

AMENDMENTS TO THE FM TABLE (Granted):

ALABAMA (Ashland) WASZ, to 95.5 A from 95.3 A
(Valley) WRLD-FM, to 95.3 A from 98.1 A
GEORGIA (Griffin) WQUL, to 97.5 C3 from 97.7 A Griffin
(Hogansville) WEIZ, to 98.1 C3 from 97.5 A
(Sparta) WSKS, to 97.7 C3 Eatonton from 97.7 A Sparta

(Thomaston) WTCA, to 101.1 A from 95.3 A
MINNESOTA (Rushford) KWNO-FM, to 99.3 C3 from A
MISSISSIPPI (Greenwood) WONL, to 104.3 C2 from C3

REPORTED SILENT:

COLORADO (Aspen) KRKE, 1260
MISSISSIPPI (Brookhaven) WJMB, 1340
OREGON (Eugene) KEED, 1600, due to fire

FORMERLY SILENT:

FLORIDA (Arcadia) WKGF-FM, 98.3
(Arcadia) WKGF, 1480
(Avon Park) WKHF, 1390
MINNESOTA (Monticello) KMOM, 1070
TEXAS (Ozona) KXXX, 94.3
UTAH (Tremonton) KNFL-FM, formerly KGSC, 104.9
(Tremonton) KNFL, formerly KUFA, 1470

- Courtesy M Street Journal

From Our Readers

"I enjoyed your checklist for play-by-play announcers in the 7/29/93 SMRN. With tongue in cheek I have to take issue with one item; it does leave cause to wonder where the author did his or her play-by-play.

"That item refers to 'nine players being on the field at any one time.' OK, I'll buy that, but our band doesn't perform at high school baseball games. Do you think this same idea would work with football? In that case, at least in Texas, we are using eleven on each team ... but we Texans are always accused of stretching the facts, so maybe the rest of the country is using only nine.

"On a more serious note, I would suggest that in the spirit of sportsmanship it might be a good idea to gather a little information about the opponent's team and report that as well. While it is difficult not to show enthusiasm for the home team, the visiting team's fans will have a new respect for your professionalism when you mention their players as well.

"Another idea that might help some stations: if you have a permanent (non-transportable) phone in a car with a police scanner, program the scanner to the frequency of your Marti in the booth, then use a mini-jack jumper cable to patch from the external speaker jack of the scanner to the 'hands-free mic' jack of the cellular phone. Adjust the volume of the scanner pretty low and you have an excellent quality signal back to the station on the cellular phone. This is better than a line from the press box to the vehicle, and there's no chance of a disconnect."

- Bill Buchanan, KSHN-FM, Liberty, TX

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

September Business Opportunities include the following businesses, whose sales in the month are above average:

Auto Parts Stores	Bridal Market
Auto Repairs	Building Supply Dealers
Book Stores	Mobile Home Dealers

- RAB's Top 40 Business Survey

September Promotional Opportunities - Events & Holidays

Months

All-American Breakfast Month (National Pork Producers Council)
Baby Safety Month (Juvenile Products Manufacturers Association)
Library Card Sign-Up Month (American Library Association)
National Rice Month (USA Rice Council)
National Hispanic Heritage Month (September 15-October 15)

Weeks

September 12-18 - Adult Dental Awareness Week (American Dental Association)
September 12-18 - National Chiropractic Week (Hilpisch Chiropractic, Oakdale, MN)
September 12-18 - National Housekeepers Week (NEHA, Westerville, OH)
September 17-23 - Constitution Week
September 19-25 - National Farm Safety Week (announcements in an upcoming SMRNewsletter)
September 19-26 - Religious Freedom Week

Days

September 4 - Newspaper Carrier Day
September 6 - LABOR DAY (see announcements, Page 6, this issue)
September 11 - Public Lands Day (Keep America Beautiful, Inc.)
September 12 - National Grandparents Day
September 16 - Founding anniversary of General Motors (1908)
September 16 - Rosh Hashanah (Jewish New Year)
September 17 - Citizenship Day
September 18 - U. S. Air Force established (1947)
September 22 - American Business Women's Day
September 25 - National Hunting and Fishing Day
September 26 - Gold Star Mother's Day

Labor Day Promotional Thought-Starters: Give a prize to the parents of the baby born at the time nearest your frequency on Labor Day (e.g., 1:05 AM if your frequency is 105) ... the first baby born on Labor Day wins a year's worth of diapers ... give a day off with pay leading up to, or on, Labor Day.

\$ALE\$ - "WHY ADVERTISE?" CHECKLIST

- To increase store traffic
- To move more product
- To make the cash register ring more often
- To reduce cycles
- To intimidate the competition
- To support a national campaign
- To promote seasonal activities
- To reposition the competition
- To introduce a new company or product line
- To eliminate a "me too" image
- To initiate, stimulate, or maintain momentum
- To promote a "trendy" item
- To fight off a stiff competitor
- To enhance employee pride
- To create the image of largeness
- To promote extended hours
- To keep up with the competition
- To relate holiday greetings
- To resell customers who have been lost
- To punch up weak days or weeks of the month
- To maximize an annual event
- To move excess inventory
- To retain existing customers
- To build a sense of urgency
- To test new services and products
- To increase internal motivation
- To move higher margin merchandise
- To generate faster turnovers
- To promote a new location
- To promote newly arrived merchandise
- To maximize co-op advertising
- To take advantage of a vulnerable competitor
- To extend into special markets
- To upgrade customer profile
- To promote an "under new management" theme
- To increase average ticket sales
- To fill in last year's slow months
- To expand trade area
- To promote new prices or pricing structure
- To foster goodwill

- Selling Smarter

LABOR DAY ANNOUNCEMENTS

America's working men and women have worked hard to give this country a standard of living that is the envy of most of the world. _____ salutes the working men and women of this area this Labor Day weekend. _____ says, enjoy a happy holiday. You've earned it!

_____ believes that the working men and women of any community are its greatest resource. Labor Day is the special holiday for working people. _____ sincerely hopes it will be a happy and safe one. Enjoy it - you've earned it!

It's the last big holiday weekend of the summer. If your Labor Day weekend plans include boating, _____ reminds you to be sure that your boat is equipped with proper life-saving gear. Be sure to follow the rules of boat safety. Don't forget the most important rule of all - be courteous! _____ sends best wishes for a safe, happy Labor Day holiday.

When our country changed from an agricultural economy to an industrial economy, America's working men and women made the change so successfully that the nation became the envy of the world. _____ knows that we are again facing a major change in our U. S. economy. _____ knows our working men and women will again rise to the challenge. Here's a salute to the working men and women of this community from _____.

Holidays are great - full of the kind of happy times memories are made of. _____ reminds you to drive safely. Don't let carelessness turn this Labor Day holiday into a nightmare. _____ reminds you that alcohol and gasoline are a deadly combination. Don't drink and drive! Watch out for the motorist who does.

This Labor Day weekend, _____ says "thank you" to the working men and women of the community. Your contribution is truly important in keeping this a good place to live. _____ says, enjoy the Labor Day holiday. You've earned it!

During this last holiday weekend of the summer, _____ reminds you that shallow-water dives often cause serious - and sometimes permanent - spine injury. Before you dive, know how deep the water is. The speed of a dive is only broken effectively after the diver has gone through five or more feet of water. _____ says, enjoy a happy, safe holiday. You've earned it!

If you're traveling this Labor Day weekend, _____ reminds you that traffic will be heavy. Start early. Make sure your tank is always half full. If you're traveling unfamiliar roads, drive during daylight hours when possible. From _____, have a happy and safe holiday. You've earned it!

Multiplying In A Bad Economy

The economy in Maine is about as bad as it gets - 14% of the population is out of work - but Dick Gleason is making things work anyway - by expanding his business in a number of ways.

Dick started in radio in high school ... got his MBA at the University of Maine ... then went full time doing an airshift and sales at WGUY in Bangor. From there Dick became the station manager of WTOS in Skowhegan, learning his first radio lesson: "If you want to be in management, have a sales background."

After four years, in 1975, at the age of 27, Dick bought FM station WOXO in Norway "with a lot of borrowed money." A year later, Dick bought WKTQ in South Paris - "the next town over" - and got a crash-course in radio ownership.

"I learned very quickly to give the people what they want, not what I want," Dick recalls. "When I changed the format from Contemporary to Country, sales went up 30%." (He later successfully split off WKTQ, making it Christian.)

A couple of years later, in 1986, Dick bought another AM station, WPNO - a daytimer near Lewiston-Auburn - which he ran for four years. Then a fulltimer became available in Lewiston - WTME - so he turned in the daytimer license and bought the fulltimer. (Dick notes that nowadays he could have kept the daytimer, too!) Finally (so far), in 1990, Dick bought WTBM in nearby Rumford.

So the current tally is two AMs and two FMs, operating out of the same building in Norway. The two FMs are simulcast using tape-automation Country music from Broadcast Programming. The two AMs are simulcast using paid religious programming (mostly supplied on tape cassette) supplemented by Christian MOR music.

Since the AM stations make money from paid programs and not spot sales, Dick's three salespeople work just for the FM stations. Operations for all four stations are handled by two full-time announcers and three weekenders. Production is handled by the two full time programmers and the salespeople (who all came up through the programming ranks), with the Broadcast Programming talent picking up some of the slack.

"The biggest thing people notice is how sales driven we are," Dick observes. "Sure, it's important to serve the public. But you can't have a love affair with radio any more, you have to be in the business because you love selling radio."

Dick believes radio has a lot to learn about selling itself: "We're behind the newspaper in sales because every day the newspaper puts out a media kit." So Dick puts a lot of emphasis on media kits - even for the smallest advertiser. "We in radio

just don't know how to sell ourselves - call 100 stations and ask for media kits - you'd be amazed at what you get."

Dick is always working on his salespeople to present the station better: "We don't assume that people know about our station." He tries to have sales meetings two or three times a week to train, inform and motivate. Dick is particularly big on the latter: "If we beat the same month last year, everybody in the organization is treated to a celebration breakfast."

But the most important element in sales, he feels, is this: "The number one reason small market people don't buy advertising is that they don't have a clue about advertising." So, in the early Eighties, Dick started doing workshops on advertising to retailers in his markets; "After the workshop, it made sense and they started advertising." (Dick now presents the workshop elsewhere in his region, and markets a videotape to radio stations and retailers around the country.)

"We avoid promotions," Dick says. "We used to do the big registration deal three or four times a year, but businesses consider that an annoyance. If we come in with a plan - a relationship - people like it better. The best way to stimulate business is not with packages, it's looking the advertiser in the eye and tell him we want to go to bat for him."

In addition to his four radio stations and his advertising workshops, Dick also opened the area's Radio Shack store. "It all ties together," Dick says, "if you remember you're in the business of selling."

(Editor's Note: In an upcoming issue of SMRNewsletter we will be featuring ways other small market broadcasters are using non-radio enterprises to supplement their broadcast business. We'd like your input! And if you would like more information on Dick Gleason's advertising video, call him at (207) 743-5911.)

THE LAST WORD

To bring our readers closer to one another, next week we will begin a new feature called "Question of the Week" (or maybe month, we haven't decided). Just fax back what, if anything, you're doing with or about whatever the topic is.

Look for our first question next week; over time, we hope this will become a valuable added dimension to SMRNewsletter.

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ASSOCIATE EDITOR

VOLUME XI - Issue #12 - August 12, 1993

NEW BUDGET PLAN CALLS FOR INDUSTRY FUNDING OF FCC. The federal budget plan to be signed by President Clinton allocates \$82 million a year to the FCC. In a rider to the budget plan, radio stations will pay between \$200-\$900 a year, depending on technical class and band, to fund the FCC budget.

Here is how the fees are broken down as of press time:

50 kw Clear Channel Class I AM	\$900
Class B, C, C1 and C2 FM	900
Class A, B1, C3 FM	600
Class II and III fulltime AM	500
Class II and III daytime AM	250
Class IV AM	200
All CPs	100

The legislative package also clarifies the amortization and deductibility of intangibles such as FCC licenses and network affiliation agreements.

BE ACQUIRES BP. Broadcast Electronics, based in Quincy, IL, has acquired Broadcast Programming and its sister company, Sentry Systems. BP and Sentry will continue to be based in Seattle, and will operate as autonomous divisions of BE under current BP/Sentry President Edith Hilliard.

HOUSE WANTS BROADCASTERS TO PAY ROYALTIES TO PERFORMERS in a bill that is waiting for a hearing by the Judiciary Committee's subcommittee on Intellectual Property. These royalties would be in addition to the fees that are already paid to copyright holders.

NAB AND ELECTRONIC INDUSTRIES ASSOCIATION (EIA) CHANGE AMAX SPECIFICATIONS. Car and portable radios can now have a 6.5 kHz bandwidth, rather than the previous 7.5 kHz requirement. The NAB and EIA hope that the relaxed specifications will encourage more manufacturers to produce more AMAX-certified radios.

RAB TO HOLD ADVANCED RADIO MARKETING SCHOOL (ARMS) once a month through the end of the year in five different markets. For information call Gail Steffens at 1-800-RAB-SELL.

P. O. Box 1285 - Fairfield, Iowa 52556 - (515) 472-4087 - FAX (515) 472-6457

At The F.C.C.

NEW STATIONS (Applied For):

OKLAHOMA (Stillwater) Ralph E. Meister, 105.5, 6000w, 328'
WISCONSIN (Allouez) Bayside Broadcasting Corp., 106.7, 25,000w,
328'
(Sheboygan Falls) Michael R. Walton, Jr., 106.5, 6000w, 238'

NEW STATIONS (Granted):

AMERICAN SAMOA (Fagaitua) Aleki Sene, 103.1, 30,000w, 203'
NORTH CAROLINA (St. Pauls) Lumbee Regional Development Assn.,
107.7, 6000w, 328'
WISCONSIN (Birnamwood) Pacer Radio of Mid-Wisconsin, 92.9, 6000w,
328'

AMENDMENTS TO THE FM TABLE (Proposed):

NEW YORK (Grand Gorge) new, 105.3 A

AMENDMENTS TO THE FM TABLE (Granted):

ARKANSAS (Bentonville) new, 95.7 A
(Bentonville) KOLZ, to 98.3 C3 from C2
(Mountain Home) KTLO-FM, to 97.9 C2 from 98.3 A
(Yellville) KCTT-FM, to 101.7 A from 97.7 C2
CALIFORNIA (Crescent North) KPOD-FM, to 97.9 C2 from C3
COLORADO (Glenwood Springs) new, 92.7 A
TENNESSEE (Paris) WMUF-FM, to 94.1 C3 from A
TEXAS (Howe) KHYI (CP), to 95.3 C3 from A
(Temple) (CP), to 101.7 C3 from A

REPORTED SILENT:

GEORGIA (Athens) WXAG, 1470

FORMERLY SILENT:

FLORIDA (Brunswick - Jacksonville) WBYB, 100.7
MASSACHUSETTS (Boston) WSSH, 1510
MISSISSIPPI (Vicksburg) WOTA, 1490
TENNESSEE (Elizabethton - Bristol) WITM, 1520

- Courtesy M Street Journal

FCC FINES GEORGIA STATION \$17,500 for not notifying the FCC within 30 days in 1980, when a fire caused the station to go off the air. The FCC was concerned that the public file was not available during the time the station was off the air.

RADIO SALESPEOPLE LAST LESS THAN ONE YEAR ON THE JOB on average, according to a Memphis State University survey. Dr. Robert McDowell surveyed 107 Tennessee radio stations and determined that the main reason for the high turnover was poor or nonexistent on-the-job training. The areas analyzed by Dr. McDowell included hiring, training, compensation, and management/motivation.

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

Marketers call it "line extension" - taking an established product and moving it (or its name) into new areas - like "Diet Coke" or "Extra-Strength Bufferin."

In radio, line extension means moving your on-air product into other media or moving your sales efforts into other media. Here are some line-extension tricks for listeners and one for clients:

Best-Of Cassette. Put the best moments of your most popular personality's program on cassette.

Joke Collection. Publish a collection of your most popular personality's favorite jokes, original or submitted by listeners.

Recipe Book. Publish a compilation of the favorite recipes in your market, or the best recipes from your on-air recipe show, or a one-subject cookbook published under the name of your most popular personality.

Tips Books. Publish handy hints for consumers, gardeners, conservationists, weather watchers or home repair hobbyists.

Funniest News Stories. Publish a book full of local oddities compiled by your news department.

- Pinpoint Marketing & Research

Database Marketing. Enter all your contest winners and letter-writers and other known listeners into a computer database. Gather demographic information for each listener - such as age, sex, income level and consumption preferences - all of which can be obtained through a simple listener survey. This database offers added value to your clients, as a tie-in to radio advertising, a joint-venture marketing effort, or as a stand-alone profit center.

*** SMRN READER RESPONSE ***

We want to hear from you! Take a moment to fax us your thoughts on the following question; responses will be printed in an upcoming edition of SMRNewsletter.

Question: What are your experiences with digital automation? E.g., type and brand of hardware system ... ease of set-up ... reliability ... satisfaction ... what programming you are using ... how satisfied you are with your programming supplier ... any other comments - or questions.

Fax your note to 515-472-4087 ... thanks!

\$ALE\$ - WHAT IS IMPORTANT TO A CUSTOMER

According to a survey conducted by Inside Retail Sales Promotion & Advertising, the following qualities are judged "very important," "important" and "not significantly important" by the average consumer:

Very Important

1. Quality of goods and services
2. Quantity of goods and services
3. Neatness of establishment
4. Cleanliness of establishment
5. Spaciousness of establishment
6. Uniformity of appearance of establishment
7. Management's knowledge of product or service
8. Speed of service
9. Prestige of business
10. Satisfaction of customer complaints
11. Quality of advertising
12. Dependability of business
13. Employees' knowledge of product or service
14. Helpful attitude of employees
15. Friendly attitude of employees

Important

1. Convenience of location
2. Variety of choice of goods or services
3. Hours and days open per week
4. Availability of latest fashion
5. Adequacy of merchandise display
6. Adequacy of liberal credit policy
7. Adequacy of delivery service
8. Adequacy of return policy
9. Availability of parking facilities

Not Significantly Important

1. Adequacy of lay-away service
2. Employees' appearance
3. Price of goods or services
4. Sales pressure
5. Traffic congestion in store
6. Air conditioning

- Reprinted in Irwin Pollack's Selling Smarter

Bear in mind that all these qualities were judged on a conscious level; the survey does not take into account subconscious reactions. For example, how many customers would be driven away - maybe without knowing why - by a sloppy floor salesperson?

BACK TO SCHOOL SAFETY MESSAGES

When you see a school bus stopped, there are probably children on foot nearby. Never pass! _____ reminds you that it isn't only the law - it's the proper and safe thing to do. _____ reminds you it's back-to-school time. Think safety!

No news story is more tragic than the story of a youngster being struck by a car. It doesn't have to happen. Teach your children the rules of safety. Observe them yourself. _____ says, let's all do our part to make this an accident-free school year.

Many little kids are going to school for the first time. _____ reminds you that most of them don't have much experience crossing streets and watching for cars. Please watch out for them! A reminder from _____.

"Do as I say, not as I do." _____ doesn't think that's very good advice - particularly when it comes to safety and your children. Teach them good safety rules. Set a good example. _____ says, let's make this a happy, successful and safe school year.

_____ reminds you that children don't always watch out for cars. Particularly before and after school, watch for children on foot and on bicycles. Join _____ and drive with extra care.

Parents! Have you taught your children good safety rules? _____ hopes you'll take time to talk to them about safety. Follow the rules yourself. _____ says, let's make this a safe school year.

Your child is taught safety rules at school, but _____ thinks it's even more important that those rules be taught at home. _____ says, tell your children that safety is important. Show them by setting a good example.

Kids, be on the lookout for careless drivers. _____ reminds you that many motorists are not as alert and careful as they should be. Follow good safety rules. Watch out for drivers who don't. _____ wishes you a happy and safe school year.

In the excitement of going back to school, boys and girls can easily forget their safety rules - so it's up to you! _____ reminds you to slow down in school zones. _____ asks you to be especially careful before and after school.

_____ suggests that you make sure your children are familiar with the way to and from school. Make sure they know to go directly to and from school. _____ reminds you that being strict about this will save you worry - and could save your child's life.

WHAT BUSINESS ARE YOU IN?

In his book Future Shock, Alvin Toffler discusses the fact that the success of a company depends on whether that company knows what business it is really in. Toffler uses the example of the once-all-powerful railroads: the railroads that thought they were in the rail business went out of business when the focus shifted to other ways to carry people and products, while the railroads that understood they were in the transportation business were able to "think out of the box" and change - to survive and in some cases prosper by growing into new areas.

The radio business is in a similar position today, with the proliferation of competing media and the uncertain economy. Editing this newsletter is a wonderful vantage-point from which to see the many creative, innovative ways small market broadcasters are rethinking what business they are in. Here are just a few examples from recent interviews appearing in SMRN:

- Dick Gleason in Norway, ME runs four radio stations from one location. He also owns a Radio Shack store and markets a program to teach retailers about advertising.
- George Carl in Napa and Susanville, CA publishes a series of outdoor guides and contributes articles to local newspapers.
- Art Sutton in Union, SC has added a premiums business to his radio operation, to offer a more total advertising solution to his customers.
- Mark Osmundson in Marshalltown, IA put a low-power television station on the air to complement his radio business.
- Steve Trivers in Kalamazoo, MI turned his staff's programming and marketing knowledge into a format-syndication business.

We all love radio or we wouldn't be in it. Unfortunately, that love of the business can be a "velvet trap," keeping us from seeing opportunities outside radio that can help us strengthen our radio business. As Dick Gleason said in a recent interview, "You can't succeed just by loving radio any more; you have to love to sell radio" (and love to sell, period).

Right now we are "reinventing radio" in our markets - finding new markets to sell and new ways to sell them, using technology to reduce costs, and so on. But that will only take us so far. The people who are making radio work today recognize that they are not in the radio business - they are in the communication business, and more importantly, they are in the service business.

By thinking a little bigger, what new ways can you find to serve your customers and your market?

Sixty-Seven Years of Good Radio

After a long radio career, 84-year-old Charlie Persons wants to "take off his gloves and climb out of the ring." But until he does, he'll continue to spend six days a week at the office.

Charlie got started in Duluth, MN in 1926, going to work for WEBC at the age of 6. He stayed with the station for the next 28 years as it expanded into a full-blown network (the Arrowhead Network). Charlie was the VP of Engineering, designing and building all the equipment for the stations in the chain, including WMFG in Hibbing, MN; WHLB in Virginia, MN; WEAU in Eau Claire; and WJMC in Rice Lakes, WI. "Everybody did it [designed and built equipment]; there was no factory-made stuff in those days." In addition to building AM stations, Charlie was among the first to put together FM facilities and even experimental short-wave transmission of the Arrowhead stations.

During World War II, Charlie was the "one little old country boy" on the Army Signal Corps team that developed the radar system. After the war, he went to Ely, MN to build yet another station, WELY - but this time for himself. (He also built the first cable TV system in the state of Minnesota, and two other CATV's in Wisconsin.)

Five years later, Charlie sold WELY and built KVBR in Brainerd, MN, piloting his own plane back and forth between his Wisconsin cable operations and the Brainerd radio station. Finally he sold his cable interests to concentrate on "my first love." But then, eleven years ago - at 73 - Charlie decided to retire and sold KVBR. After four years of rather restless retirement, Charlie bought the station back and actively manages it to this day.

Charlie's passion is flying - he's been a pilot for 32 years - and his greatest radio joy is broadcasting from the air, flying the territory and simply describing what he sees. "There is a certain mystique about it," Charlie says.

What is working for Charlie's station today? He's live during the day, running a format "like WCCO" featuring news and information "and not a great deal of music." He has one newsman, who has been with the station for 23 years, and a morning announcer who has been there about ten years. "Competent people are hard to find," Charlie warns, "so when you find them, hang onto them."

In the evening and on weekends, though, Charlie says, "We can't find competent people, so we use computers." Last summer he installed an automation system and picks up satellite programming from 6 PM to 6 AM. "I don't like to do it," Charlie says, "but we sound better now than when we were live in those time periods. The machine never forgets, never shows up late, never shows up drunk, never has parties in the studio."

"Every station around us is doing the same thing," Charlie notes; "It cost us \$30,000, but it'll pay off in a year and a half." In fact, Charlie's best advice to other small market broadcasters is, "Thoroughly investigate automation and build your programming around it. It's the key to success nowadays."

"We've seen major changes in this business," Charlie observes. "Radio stations look like gold mines, so everybody wants to build one to get rich quick - diluting the effectiveness of the medium. Meanwhile, newspapers have been consolidating; they've become more monopolistic ... they've gone the other way, reducing competition."

As for sales, Charlie characterizes it as "rough and tough." He complains, "You can't find people who want to work. People just want enough to get by." His sales staff is "down to none" at the moment - his wife, June (whom Charlie describes as "my equal partner") and he are handling it all. "We had three drunks selling for a while, but they were just too much trouble."

Charlie notes that he and June could go on selling by themselves indefinitely, but after 67 years in the business, at the age of 84, he figures it's time to cut back a little. "I'd like to get in a few good years of fishing," Charlie says, at his dream home on Sylvan Lake near Brainerd. He also plans to go on flying.

Judging from past history, however, it probably won't be long before Charlie Persons wants to get back to running his radio station again. With Charlie, 67 years is just the beginning.

THE LAST WORD

In keeping with our essay on Page 6 of this issue, it has been interesting for me to discover that the business of this newsletter is not publishing a newsletter - it is servicing small market broadcasters in a variety of ways.

Not a day goes by when we do not get a call or a fax asking for information about something (from "Who offers Big Band programming?" to "Where can I find a good tower guy?") or sharing information about something. It is our pleasure to track down answers - usually from other readers.

We consider our subscribers to be family, and we are always happy to do favors for members of our family. Let us know what we can do for you!

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VOLUME XI - Issue #13 - August 19, 1993

THE FCC WILL REVEAL A NEW FORFEITURE SCHEDULE, reducing fine base amounts for some offenses. The FCC will take the station's financial condition into account. The FCC is also creating new fine categories. However, this does not mean that the FCC is becoming more lenient: a Pittsburg, CA station was fined \$25,000 and granted a short-term renewal for incorrect EEO reports.

THE FCC SCRUTINIZES LMA'S for apparent unauthorized transfer of control. In one case, the agreement called for financial control over salaries, business expenses, advertising revenues and contractual obligations. The broadcaster combined checking accounts, accounts receivable and payable. The FCC is looking at these factors to determine whether the agreement was within limits. The LMA-ing station was fined \$1000 for assuming unauthorized control, indicating that both the brokered station and the broker are at risk.

A SLOW ECONOMIC RECOVERY is credited for a decline in business failures this year, according to Dun & Bradstreet. The first half of 1993 saw 9.9% fewer failures than the first half of 1992. All major industries reported a decline in failures, while the service industry had a sharp decline. Nearly every region, except the Pacific region, had fewer business failures. However, it will take months to determine how many businesses in the flood-damaged Midwest will not recover.

PERFORMANCE ROYALTIES UPDATE: A bill has been introduced in the Senate, similar to one in the House. The bill would allow producers and artists the right to license their work to digital transmission services. The NAB sent a letter of opposition to the Senate last week and promised a battle to stop any effort to force royalties on local broadcasters.

WHILE YOUR CONGRESSMAN IS AT HOME, be sure to talk to him about efforts to revive the Fairness Doctrine. Bills are in the hopper in both the House and Senate. Bringing back the Fairness Doctrine will spell more expense, the threat of license renewal problems, and possible loss of revenue. You need to let your legislators know that the Fairness Doctrine is not only not fair, but unnecessary.

P. O. Box 1285 - Fairfield, Iowa 52556 - (515) 472-4087 - FAX (515) 472-6457

At The F.C.C.

NEW STATIONS (Applied For):

OKLAHOMA (Stillwater) Patrick G. Walters, 98.1, 6000w, 328'

NEW STATIONS (Granted):

CALIFORNIA (Columbia) Gold Country Radio, 98.9, 300w, 1443'
SOUTH CAROLINA (Ladson) Thomas B. Daniels, 106.3, 3000w, 328'
TENNESSEE (Dyer) F. Darrell Boyd, 94.3, 6000w, 328'

AMENDMENTS TO THE FM TABLE (Proposed):

FLORIDA (Indian River Shores) new, 97.1 A
(Panacea) new, 100.5 A
MICHIGAN (Norway) WZNL, to 94.3 C3 from A
(Tawas City) WDBI-FM, to 106.1 A from 107.3 A
MINNESOTA (Slayton) (CP), to 103.1 C2 from A
(Staples) KSKK (CP), to 94.7 C3 from A
MISSOURI (Farmington) new, 99.5 C3
(Moberly) new, 97.3 A
SOUTH DAKOTA (Madison) KJAM-FM, to 105.5 from 103.1 A
WISCONSIN (Marathon) new, 104.9 A from C3
(Stevens Point) WMGU, to 104.9 A

AMENDMENTS TO THE FM TABLE (Granted):

CALIFORNIA (Corning) KCEZ, to 100.7 C1 from B
NEW MEXICO (Española) KIOT, to 92.9 C3 from 102.3 C3
(Los Lunas) KOYT (CP), to 102.5 C from C2

- Courtesy M Street Journal

THE NAB NAMES KAREN FULLUM VP/regulatory affairs. Fullum will work as NAB's chief liaison with the FCC and other federal agencies. Fullum will work with general counsel Jeff Baumann. Fullum comes from the accounting firm Price Waterhouse.

WORKPLACE PRODUCTIVITY WOULD GO UP DRAMATICALLY, according to President Clinton, speaking at a business leaders conference in Chicago, if every employee read three books: Leadership is an Art by Max Depree; The Seven Habits of Highly Effective People by Stephen Covey; and What Every Business Should Know by W. Edwards Deming.

GOOD IMPRESSIONS FOR LESS is the promise of a company called Paper Direct, 1-800-A-PAPERS (272-7377). They sell paper to run through your copier or laser printer - attractive designs that you print your text onto, for a full-color professional-looking piece. They have one-sheets, folders, flip-charts, mailers (bi-folds, some with business-card or Rolodex die-cuts), borders, and so on. A bit expensive, but very classy.

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

One of the oldest but most effective promotions in the business is "Who's Minding The Store?" Here are specific guidelines to make the promotion more effective:

1. Plan to run the contest for three weeks. Play the game on the air four times a day. Sell it to ten advertisers. Divide the ten advertisers into groups of five - several different combinations.
2. When the contest is played, just before a record, the announcer says, "It's time to play Who's Minding the Store. We'll take the [n]th caller to play our game." Listeners call the station during the record.
3. When the correct caller comes in, the announcer says, "We have Mary Smith on the line from Jonestown. Are you ready to play Who's Minding The Store, Mary? She says yes, and the announcer says, "Okay, here we go ... Who's Minding The Store today? Is it Sam Jones at Acme Hardware in Bosco? Or John Smith at Hometown Appliance downtown? Or ..." (Give that treatment to a total of five advertisers.)
4. The listener takes a guess, then the announcer plays a tape containing random cuts of the advertisers' voices saying (for example), "I'm Henry Carathurs at Quality Cars in Smallville, and I'm minding the store."
5. If the listener guesses correctly, he or she wins a gift from one of the advertisers - not necessarily the one that comes up on the tape. If the listener guesses wrong, he or she receives a small consolation prize.
6. Each advertiser is guaranteed to be in the contest two times per day for three weeks (ten advertisers, five at a time, four plays per day). That's 72 name mentions if you play six days a week, plus whenever the advertiser's voice comes up on the tape and whenever a prize from the store is given.
7. To sell the promotion, package it with announcements. Each advertiser gets two spots per day for three weeks, plus two contests per day; the advertiser provides three small gifts to the winners. Your salespeople can take a cassette machine to the store to record the advertiser's announcement for the contest.
8. Price the promotion using your normal spot rate for 36 commercials (two per day times six days times three weeks), plus a 25% contest factor.

- Mike McDaniel, Radio Ink, 7/12/93; reprinted by permission

SALES - IT ISN'T DIFFICULT TO BE OUTSTANDING

A new book by sales trainers Hal Snyder and Richard Pryor is designed to turn the average salesperson in any industry into a Master Performer. Here are some thought-provoking excerpts from It Isn't Difficult To Be Outstanding:

- Unless you are actively seeking out new customers, you will be setting yourself up for a major disappointment or worse - a significant drop in earnings.
- If you are not increasing your business, you are moving backward - even if it is not apparent at the time.
- The calls that result in your making a sale, or those in which the prospect actively refuses to buy, are relatively easy to judge. But how about the large number of calls that are somewhere in between those two points? The temptation is to drop these prospects after two or three calls. Master performers stay in touch with these prospects without making expensive, time-consuming sales calls.
- Have you fallen into the trap of being a "commercial visitor" - a sales representative with a routine that requires visiting all your customers and prospects on a regular basis? You really need to ask yourself, "Is that the best use of your time?"
- Master performers realize that the actual sale takes place between visits. Customers do not change suppliers, banks, or accountants just because someone calls on them.
- As a rule, the sales cycle is a lot longer than we would like it to be. Here are a few low-cost actions that will position you in the mind of your prospects and differentiate you from your competition: send courtesy or thank you letters ... mail articles or clippings that could be of interest ... acknowledge personal events and accomplishments of your prospects and customers and their family members ... send new product information on a routine basis. To get attention, fax information instead of mailing it.
- Master performers realize they must earn the right to ask questions. You have no right to set appointments with prospects and then proceed to interrogate them! Before making a call on a new prospect, learn as much as you can about the person you will be meeting, their organization, and the challenges which face them.

(Editor's Note: We have just skimmed the surface. For more information, contact Quotable Communications, P. O. Box 555, New Providence, NJ 07974; fax 908-464-4483. Recommended.)

From Our Readers

"SMRN continues as a font of information. To my mind, you have affected the changeover without missing a beat. Congratulations.

"Can you stand a couple addenda to the sports broadcast topic? I've always used a low-priced sports booster club approach - just \$100 per month for up to 30 clients year-round. Broadcast coverage includes play-by-play of as many high school sports as possible, including wrestling (boys) and volleyball (girls).

"It's been effective for us with entry level clients. After they become accustomed to using radio, we upgrade them to full advertising schedules.

"We avoid the Howard Cosell syndrome. We do not probe each play with deadly analysis. After all, the players are only 16-17-year-old kids. We use the broadcasts as an excuse to put lots of local names on the air. The announcers try to get as many players mentioned in each broadcast. Example: if a player is hurt, not only is he identified, but so are the ones who help him off the field.

"In small market Iowa, professional sports is a tough sell. We lack the dominant markets/teams, so fan interest is scattered. If pro games are sold, it is usually as a bonus to local sports sponsors."

- George Allen, WHNR, Winter Haven, FL

"You can dispense with the holiday greeting type of scripts. Those kinds of sales packages that are not designed for specific results for specific advertisers are a waste of money for the client and serve to make him think advertising is some kind of expense and not a marketing tool."

- Charles K. Frodsham, KSVS, Beloit, KS

Editor's Note: To some degree the above two letters represent different points of view about selling packages. George uses a low-cost sports tie-in as a door-opener, which might be another example of what Charles refers to as a non-results-oriented approach to advertising.

This is a matter of dispute among small market broadcasters, and our feeling is that there is a place for both types of advertising. We are firmly committed to a results-based approach - as our frequent promotion of the Optimum Effective Scheduling (OES) philosophy demonstrates - but we also believe that it is unfair to deny merchants the opportunity to publicly support local teams through sports ads, and local causes through service messages, which also benefit the station. What do you think?

FARM SAFETY WEEK ANNOUNCEMENTS

Don't take safety for granted on the farm. During Farm Safety Week, _____ reminds you that no farmer ever made money from a hospital bed. Keep yourself and your equipment in good repair. _____ hopes this will be a safe and successful season.

_____ thinks that Farm Safety Week is a good time to check your farm equipment and your farm buildings to make sure everything is up to safety standards. _____ believes that this week and every week, safety needs to be part of successful farming.

Many jobs on the farm are repetitive. _____ knows that it's easy to take them for granted. Repetitive jobs can be dangerous. Think about what you're doing. Don't take any task or equipment for granted. _____ says, "Think safety."

This is National Farm Safety Week! Do you know why? _____ says it's to remind farm families that farming can be a very dangerous trade. Equipment and farmers last longer if the equipment is properly maintained and used carefully. _____ says safety deserves your very special attention.

Have you made a safety inventory of your farm? _____ thinks this week, Farm Safety Week, is a good time to do it. Check every piece of equipment and every building on your farm. _____ knows that you'll feel better knowing that you've taken every precaution to make your farm safe.

Do children help you on the farm? _____ says, make sure those children know about the need for safety. Explain the use of farm equipment carefully. Be sure to point out dangers. _____ thinks that farming is a great experience for a youngster. Make sure it's not marred by an accident.

We've all heard the chilling news about a farmer losing an arm, his leg, or even his life in a farm accident. _____ says the old saying "accidents will happen" is true. But, it is also true that most accidents do not have to happen. During Farm Safety Week, _____ reminds you to take a little extra time and a little extra care.

Safety instructions come with most farm equipment. Don't toss them away. _____ says, read them carefully. Review them from time to time. Avoiding a farm accident takes a little effort - and a little time. _____ thinks it's worth it.

Good farmers take care of their implements and equipment. There's a good reason. They work better that way. _____ reminds you, during Farm Safety Week, that well maintained implements and equipment are safer. _____ asks you to take a good look. Are your implements and equipment in top shape - and safe?

Giving To The Community

Dean Schlitter bought an AM/FM combo in Independence, IA just 18 months ago. Since then, he's done a lot of rebuilding to mold his station into a model of community involvement - on a budget, and using satellite programming 24 hours a day.

Dean wanted to be a disk jockey from an early age. "I always wanted to grow up and be a deejay, but I found you can't do both," Dean quips. After attending Brown Institute he came home to the Waterloo area and started as the afternoon announcer at KXEL. A couple of years later, a tour of KOEL in Oelwein (during his honeymoon) turned into a gig as morning man and public service director; Dean later became the manager of the AM.

Dean's ten years at KOEL were very good to him, but he needed a new challenge ... so he turned some part-time voice-work into a full-time job as sales director with Terry L. Butz Creative, a Waterloo ad agency. This gave Dean valuable experience as he worked with GM dealer marketing associations nationwide.

After three years at Butz, a casual conversation with a friend turned into an opportunity to purchase a station. As luck would have it, the first broker Dean picked out of Broadcasting told him about a station in Independence - 15 miles from his home.

Dean found that the stations had lost touch with the community; they had not been listening to the market. "There were a lot of broken promises, a feeling that radio was not a good investment."

The first thing Dean did was view his acquisition as nothing more than a tower, a signal and some equipment. So, he announced to his staff that "Next week, KOUR is history." He changed the call letters to KQMG AM & FM, changed the name to "Magic," and picked up the "Pure Gold" service from Satellite Programming Network.

"People weren't offended by our move to satellite," Dean says, "because we do a lot of local news, local stories, local PSAs." Dean notes that the stations - which are simulcast - "don't do one live shift. We have extended news in the morning, but Zippo is our morning guy and people love him."

The key to success for KQMG is the happy marriage of the satellite format with localization. Whenever a PSA runs - always local, always recorded by a local community member - the tag line is, "Thanks to KQMG for donating the time for this message." Whenever a local information segment begins, the satellite voice introduces the segment with, "From the KQMG Information Center ...". Thus, morning man Jim Zippo might say, "Hey, let's go to the KQMG Information Center for the latest weather."

"We're here to entertain, not be entertained," Dean says. "When the Independence Motor Speedway asked if I liked racing, I replied, 'It doesn't matter. The public does.'"

Closer community ties are forged by Dean and his staff. Dean himself is a member of Rotary, past president of the Oelwein Lions, on the Chambers of Commerce in several towns served by the stations, a captain in the Ambassadors, and on the "Ham and Cheese Days" committee (an Independence event which takes place every Fall).

Dean's staff includes his news director, who sits the system during the morning, and his production person who works from Noon to 6 PM. On the sales side, he has two salespeople and himself. He's trying to hire another salesperson: "It's the typical radio situation - always one or two short."

Dean believes that in sales, success breeds success. "If our station can deliver a return on investment for a client, if we can bring the number of customers needed into the business, they'll stay with us. There aren't enough merchants around for us to be able to afford blowing one off. We have to take care of our clientele." Dean uses the consultant sell to determine his client's wants and needs and then to fill them.

KQMG serves several towns and counties, including Waterloo: "We present to Waterloo merchants that we're not a Waterloo station, but that area people shop in Waterloo, so the merchants should invite them into their business." Dean takes care, however, not to sell Waterloo businesses that offer what a listener could buy locally.

"We're selling service to our clients first and foremost," Dean says, "but most important to success is the number of commercials a client runs in a day." If a client purchases 20 commercials in the month, Dean encourages the client to run five or six a day, minimum, rather than spreading them out. "We can't teach them motivation," Dean observes, "but we can teach them radio."

How does Dean feel about his progress after 18 months of ownership? "You're never doing as well as you'd like to, but I feel fabulous about what we've done so far, especially the number of clients we've gotten back on the station.

"I thought local ownership for the first time ever would help, and I think it has ... but the key thing is, you have to give to the community before it will give to you."

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Small
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Radio
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**IN OUR
11TH
YEAR**

FIRST CLASS MAIL
U.S. POSTAGE PAID
Fairfield, IA
Permit No. 5

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

Bob Doll - Co-Editor
Jay Mitchell - Publisher and Co-Editor
Lori Morgan - Associate Editor

VOLUME XI - Issue #14 - August 26, 1993

FCC REDUCES FINES 20%-50% for several types of infractions. The revised forfeiture schedule released last week lowers base fines established in 1991 for regulations concerning lotteries, tower lights, power limits, EBS equipment, sponsor identification and station identification. Fines related to indecency, unauthorized transfer and political advertising infractions go unchanged, and penalties for EEO infractions may be raised.

COMPARISON OF FINES: PRESENT & PAST

VIOLATION	1993 FINE	1991 FINE
Exceeding power limits	\$10,000	\$12,500
Failure to respond to FCC communication	10,000	17,500
Improper EBS equipment	10,000	12,500
Failure to light and mark towers	8,000	20,000
Failure to maintain public files	5,000	7,500
Failure to ID sponsors	5,000	6,250
Violation of lottery rules	5,000	6,250
Failure to ID station	1,250	2,500
Unauthorized pro forma transfer of control	1,250	2,500
Failure to maintain records	1,250	2,500
Assorted minor violations	625	1,250

MORE ON THE FCC USER FEES: The fees would normally be due on Oct. 1, 1993 (the start of FY '94), but won't actually be due until calendar 1994 because the rulemaking process may not start until Fall. The FCC may ask stations with smaller fees to pay it all at one time. A 25% penalty will be assessed to those who fail to pay the fees, with possible revocation of license or authorizations, or dismissal of pending applications.

P. O. Box 1285 - Fairfield, Iowa 52556 - (515) 472-4087 - FAX (515) 472-6457

At The F.C.C.

NEW STATIONS (Applied For):

MISSOURI (Kennett) Eagle Bluff Enterprises, 104.3, 6000w, 328'
TEXAS (Littlefield) 21st Century Radio Ventures, 95.5, 25,000w,
115'
WASHINGTON (Ephrata) TRMR, Inc., 93.9, 50,000w, -206'

NEW STATIONS (Granted):

ARKANSAS (Danville) Susan Lynn Adair, 105.5, 1900w, 581'
KANSAS (St. Marys) Shawnee Broadcasting Corporation, 102.9,
50,000w, 492'

FORMERLY SILENT:

ALABAMA (Fayette - Tuscaloosa) WTXT, 98.1
FLORIDA (Williston - Gainesville) WFEZ, 101.3
KENTUCKY (Murray) WNBS, 1340
MISSISSIPPI (Vicksburg) WOTA, 1490
NORTH CAROLINA (Spring Lake) WWKG, 1450

- Courtesy M Street Journal

FCC TO ALLOW FM PERMITS AND CLASS MODIFICATIONS BY APPLICATION, eliminating time-consuming and costly rulemaking. Applicants must demonstrate that an available site meets all criteria and allotment standards.

NAB ANNOUNCES NEW SESSIONS: The Fall NAB Radio Show will have sessions on DAB In-band, AM antennas, duopolies and LMAs to help broadcasters in these areas. For information and registration, call 1-800-324-2460.

FAST FAX FACT from Dean Sorenson: Dean conducted an analysis of his office's fax machine usage and found that of the approximately 45 long-distance faxes he averages per month, only five cost more than 29¢ - which means that he beat the post office 89% of the time!

RODMAN\BROWN & ASSOCIATES acquires R.O.M.S., the Radio Office Management System, from Master Software Systems. Along with other products, the software system will be on display at the NAB Radio Show in Dallas.

THE NAB'S FALL RADIO SHOW MAY BECOME "SUPER" TRADE SHOW in 1994 if an agreement can be reached with the Radio Television News Directors Association (RTNDA) and the Society of Broadcast Engineers (SBE). Each would conduct independent sessions and registration, yet share a common exhibit area.

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

PROMOTION FACTS to help you plan and execute more effective marketing ...

ROAD SIGNS AND BILLBOARDS should include no more than five to seven words. To get the most benefit, always prominently display your call letters, followed by the word "RADIO," followed by your frequency (e.g., "WWWW AM RADIO 1230," or "WWWW FM RADIO 100.9").

Your dial position should always be exact because of digital radios and the crowded state of both the AM and FM dials. The majority of radios now have digital dials.

FOR SIGNS AND BANNERS the best color combinations are yellow on black, black on yellow, white on green, or white on blue.

HOW MUCH SHOULD YOU SPEND ON ADVERTISING AND PROMOTION? Government figures say the average radio station spends a little over 3% of gross. The long-standing rule applies: a little advertising costs money, while enough advertising makes money.

HOW MUCH PROMOTION? Most promotion-minded, profit-orientated managers caution, "Don't do more than you can do well." As Dave Lyman, founder of the International Idea Bank, has said for a long time, "Always be a class act."

GOOD PROMOTION HELPS. IT DOESN'T DO IT ALL. A nationwide research project reveals the source of new listeners:

- Sampling 68%
- Word of mouth 9%
- Billboards 9%
- TV 7%
- Newspaper advertising 4%
- Other 3%

IF YOU'RE DOING A GAME make it interesting and fun for non-players as well as players. No more than 3% of the population will ever play a game or enter a radio contest.

THE BEST PRIZE IS CASH. The huge state lottery jackpots pale the prizes any radio station can give away. Best action: get a lot of winners at \$50.00 or \$100.00 each. Everybody, regardless of his or her financial status, would like to have an unexpected \$50.00 or \$100.00 bill.

Remember, it's not a matter of whether you want to promote -

"IF YOU DON'T PROMOTE, A TERRIBLE THING HAPPENS: NOTHING."

- Mort Small, TV-Radio Features, Northfield, IL

\$ALES - FIFTY PHRASES THAT KILL CREATIVITY

1. We tried that before.
2. Our place is different.
3. It costs too much.
4. That's not my job.
5. They're too busy to do that.
6. We don't have the time.
7. Not enough help.
8. It's too radical a change.
9. The staff will never buy it.
10. It's against company policy.
11. The union will scream.
12. It runs up our overhead.
13. We don't have the authority.
14. Let's get back to reality.
15. That's not our problem.
16. I don't like the idea.
17. You're right, but ...
18. You're two years ahead of your time.
19. We're not ready for that.
20. It isn't in the budget.
21. You can't teach an old dog new tricks.
22. Good thought, but impractical.
23. Let's give it more thought.
24. We'll be the laughingstock of the industry.
25. Not that again.
26. Where'd you dig that one up?
27. We did all right without it.
28. It's never been tried before.
29. Let's put that one on the back burner for now.
30. Let's form a committee.
31. I don't see the connection.
32. It won't work in our plant/office.
33. The executive committee would never go for it.
34. Let's all sleep on it.
35. It can't be done.
36. It's too much trouble to change.
37. It won't pay for itself.
38. It's impossible.
39. I know a person who tried it.
40. We've always done it this way.
41. Top management won't buy it.
42. We'd lose money in the long run.
43. Don't rock the boat.
44. That's what we can expect from the staff.
45. Has anyone else ever tried it?
46. Let's look into it further/later.
47. Quit dreaming.
48. That won't work in our place.
49. That's too much ivory tower.
50. It's too much work.

- Pinpoint Marketing & Research

FROM STATION MANAGER TO GROUP MANAGER
by Dean Sorenson

Running a small market radio station is fun, especially because we can "fix" things many times each day. But running one station is a far cry from running a bunch of them!

Forget "Fix It" and Get Into Business

You wake up listening to your station while shaving, and making notes of improvements you would like to make in the morning show. Or you do the morning show, with a dictaphone in the control room (sure, I always did that) so you can capture those many ideas and improvements which race through your mind while doing the show. It's a real "rush" - and exhilarating.



Dean Sorenson

It's so much fun, you may decide to buy two or four more stations - so you can have two or four times as much fun!

But moving into the position of small market radio group manager or owner puts you "two memos and two weeks away" from any decision. You now become involved in motivating other people, counting on their progress and growth for your success. And frankly, many of those folks fail to see the exciting big picture you do. So you become a hand-holder as you bring them up to speed, helping build the new picture, and helping them buy in. And often they never do!

Where do you start? You build rules and policies into your company. Keep in mind that your policies will be best bought into and followed by your staff when the leader (that's you!) follows them first and best. Because you need to set the example, you need to make fewer impulse and knee-jerk decisions and actions. It's clearly not as much fun or as daring as when you were the flying, growing, entrepreneur group radio builder!

You also need to remove yourself from the "show-biz" arena and become a business operator. Running a group is a business focusing on financing and financial relationships; recruiting; training and building people; and providing an environment for your staffs to excel. If I preferred being on the air, on the street, and "Mr. Radio" in a small town, I should return to running one station (which isn't a bad life at all!).

One of the major advantages we enjoyed at Sorenson Broadcasting Company was starting with a clearly-written goal of building a group of radio stations in the Upper Midwest - and full credit goes to my former partner Jerry Simmons. Every decision, every banking relationship, was made with the idea that we were establishing a precedent for our future group.

Building It Big and Strong

Lines of communication and authority must be defined and respected. An organizational chart which is not followed won't cut it. Staff believes what they observe, not what they are told in the policy manual. If the two are different, trouble may loom.

When SBC named a KCCR Station Manager and I moved to the back of the same building, old-time employees would often wander back, sit on the sofa in my office, and drop tidbits of info about what management was doing. Often the manager would do it differently than I would have when I managed the station.

It was a cardinal rule of mine not to react or get into conversations about whether that was a good or bad change in style. I may have visited with the manager later, but I tried not to get into it with the staffer.

If staff calls me with a problem, suggestion, or idea, I still try to run it back to the manager of the station. I'll keep close track of the progress, but the manager is the point-person for the project.

Remember that when one of your managers takes on a special project, it may not go as efficiently as you remembered it did when you handled it yourself. When constructing a new station or an upgrade, for example, a Group Manager may remember building a station with used gear, and on weekends, all for very few dollars. If that's your deal, fine. (I still like to fix cart machines.) But if you turn the project over to an associate, it will probably work better if you and your manager agree on a budget and a time frame, offer your assistance and then try to keep your mouth shut.

My Red Wing experience has been long and painful. But the manager did what he and I agreed needed to be done, and within the pre-agreed budget.

For the past ten years we've operated our home office in a location separate from any of our radio stations. It has been a good move, but it requires the focus of our four-person staff (three plus myself) to keep our office always in a "service" mode. We remind ourselves daily that our office doesn't sell a dime's worth of radio time; we are a financial expense for our stations and we need to provide accurate, timely and friendly services to the stations to be a "good deal" on their operating statements.

We attempt to provide services and projects to our stations which we can do more cost- and time-efficiently than they can at the stations. This leaves more of their time free for selling, programming, and running the business.

"You Can Never Stop Learning"

With characteristic modesty, Sammy Parker says that he's never had an original idea in his life. One thing is certain: Sammy has applied a lot of ideas - his or others' - very, very well.

Sammy started in radio as a teenager, holding a series of jobs in Murray, KY, Memphis, TN and Searcy, AR. He moved back to Murray when the FCC opened up the AM band and started WSJP, a 250-watt daytimer. Two years later he obtained full-time authorization.

Though he was making progress, Sammy's station "wasn't extraordinarily successful," so he sought out Jerrell Shepherd in Moberly, MO, who runs one of the top-billing small market stations in the country. Sammy learned a simple success principle from Jerrell: make your organization sales-oriented rather than programming-oriented. "Our philosophy is exactly opposite to the big markets," Sammy says. "We honor commercials. Commercials are great - listeners like commercials."

Applying what he learned from Jerrell Shepherd and others, Sammy's station grew to about a half a million in 1987. The following year he bought crosstown 100kw FM station WBLN. In 1990, Sammy sold his two stations and returned to teaching, but bought them back a couple of years later. When the duopoly rules took effect, he also bought his then-dark alma mater, WNBS. Today, all three stations are programmed separately using digital automation - news/talk with Digilink on WSJP, Southern Gospel with Smartcaster on WNBS, and AC with Systemation on WBLN.

Sammy says his success can be attributed to three things. First is his policy of "traceable advertising" - ads designed to sell. Sammy learned that advertisers drop radio and not newspaper when times are tough, because their print ads stress price and item - and get results - while their radio ads are generic and get poor results. So Sammy mandated that all his clients' ads should be price-and-item-oriented - and the results have been excellent.

Second is an emphasis on creating and selling special events throughout the year - everything from a New Year's "Top Songs of the Past Year" program to a Farm and Home Show - "not gimmicks, but things that tie into what our listeners are doing."

Sammy and his staff use a lot of innovation in selling events. They program a Job Bank three times a day for three and a half minutes each, charging \$45 per week for a classified. "That little program brings in \$360-400 a week from non-advertising budgets - places like manufacturing plants, fast-food restaurants, hospitals and nursing homes, and so on. That's \$20,000 a year in brand-new, non-advertising business."

Sammy's staff will take a tape recorder to an event, record it, and play it back the following night, announcing the fact to those attending. "Lots of the people who are there will tune in, along with those who couldn't make it."

The category of "special events" includes aggressive telephone selling, too: "We were only doing about \$500 in Christmas greetings," Sammy says, "because I didn't have a mind big enough to believe it could be done. Now we sell at least \$5,000 worth every year and I'm ashamed we don't do more."

Third is an everyday focus on long-term contracts. "If you don't have long-term business out there every day, you're up a creek," Sammy notes. "We make sure we ask for the annual contract."

Two ideas from Jim Williams help Sammy and his crew sell bigger and longer-term contracts. "We are doing 'financial sizing' on clients and it is working like crazy. You present three proposals - aggressive, moderate and conservative - and ask for big dollars, the equivalent of two or three pages in the paper per week. Clients almost always take the highest or middle package."

Sammy also uses Williams's "high control plan," pitching huge weekly packages - \$10,000, \$7,500 and \$5,000. "What it does is gain us a lot of respect from the merchant," Sammy says. "All of a sudden he knows you're serious ... all of a sudden we're not just 'the \$100 medium' anymore."

"For a long time I thought I needed all these radio statistics," Sammy notes. "What I really needed was a boot in the fanny, so I would go out and ask for a fair share of the budgets."

"I'm still learning, still trying to get all of it figured out," Sammy says. "And it's starting to make sense."

THE LAST WORD

Radio is under siege, and it is up to us to fight off the interests that would deny us the right to carry some types of advertising, prevent us from charging some advertisers a fair rate for a fair schedule, and use our money to fund our keepers.

Radio is under siege because we are a powerful medium - and broadcasters are themselves more powerful than they sometimes realize. It is up to each of us to use that power to persuade our lawmakers to keep free radio free.

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Small
Market
Radio
Newsletter

IN OUR
11TH
YEAR

FIRST CLASS MAIL
U.S. POSTAGE PAID
Fairfield, IA
Permit No. 5

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

Jay Mitchell
Lori Morgan - Associate Editor

VOLUME XI - Issue #15 - September 2, 1993

NAB REQUESTS THE FCC TO RE-EVALUATE OWNERSHIP RULES to give small market broadcasters opportunities to acquire more stations and to utilize joint operating agreements. The NAB has filed a petition to urge correction of "market anomalies" which hurt small broadcasters. The NAB also asked that small markets be allowed a waiver, allowing them to own "up to 50%" of the stations in the market.

THE EXPANDED AM-BAND FREQUENCIES are still several months away from being determined, but for a complete list of stations that sent in a letter of consideration, contact M Street Journal, 304 Park Ave. S., 7th Floor, New York, NY 10010. Cost is \$5.

RAB'S CERTIFIED RADIO SALES MANAGER PROGRAM to be held in Chicago November 5-7, 1993. This is the last session of 1993. For information and registration, call 1-800-RAB-SELL.

NATIONAL AND LOCAL RADIO REVENUE UP 9% in July as compared to July 1992. The East and Midwest regions rose 5% and 8% respectively, while other regions reported double digit gains. Figures are based on the RAB Radio revenue index.

NAB MAY GO TO COURT OVER FCC USER FEES according to NAB President/CEO Eddie Fritts. The NAB is checking into its options regarding a legal case.

RAB'S MANAGING SALES CONFERENCE & EXECUTIVE SYMPOSIUM to be held Feb. 17-20, 1994 in Dallas. The symposium is devoted exclusively to sales and sales management issues such as creative problem solving, managing people, and increasing station revenue. For registration, call 1-800-RAB-SELL.

RAB SPONSORED CHASSIE AWARD ENTRIES BEING ACCEPTED until December 3rd. The cash award recognizes the best Radio commercial production for the automotive industry. Categories are small, medium, and large markets as well as auto dealer associations. For an entry form call 212-387-2100.

CONSUMER CONFIDENCE for August, according to the Conference Board, is down to an index of 57, compared with 57.7 for the previous month.

P. O. Box 1285 - Fairfield, Iowa 52556 - (515) 472-4087 - FAX (515) 472-6457

At The F.C.C.

NEW STATIONS (Granted):

FLORIDA (Gulf Breeze) Breeze Broadcasting Co., Ltd., 95.3, 3000w,
328'

ILLINOIS (Breese) Sabbath Incorporated, 97.5, 6000w, 328'

NEW YORK (Phoenix) Short Broadcasting Co., Inc., 102.1, 3000w,
328'

NORTH CAROLINA (Leland) Hara Broadcasting, Inc., 94.1, 3000w,
328'

OHIO (Richwood) Janice M. Scantland, 104.3, 3000w, 328'

REPORTED SILENT:

CALIFORNIA (Fowler - Fresno) KRGO, 1220

FORMERLY SILENT:

MICHIGAN (Fenton - Flint) WCXI, 1160

- Courtesy M Street Journal

From Our Readers: More About Greetings; Help Wanted

"I for one use the 'holiday and special event greeting' type scripts. In fact, I sold enough of these scripts from my first issue to pay for the subscription.

"You always have some clients that this is all they will ever buy, and your big community supporters will also be glad to add a few to show their community spirit."

- Marvin Hill, WGOG AM & FM, Walhalla, SC

"I agree with Charles Frodsham that holiday greetings are not designed for specific results. However, many merchants buy for strictly emotional reasons. It may make them feel good about themselves or someone else, or they buy just to be a part of the season. Last year we billed \$40,000+ in holiday greetings alone.

"No, it won't move merchandise, but the newspapers will get that money if we don't. Let's save the trees!"

- David L. Shepard, KWIX & KRES, Moberly, MO

"I'm trying to get in contact with users of McMartin AM transmitters, particularly the 2.5kw ones that we use. I'm hoping to form a "users group" to share problems, solutions, ideas, parts, sources, etc."

- Bob Ketchersid, WYXI, P. O. Box 1390, Athens, TN 37303; phone 615-745-1390; fax 615-745-4339

"I have been looking for a place to buy radio bingo cards, the square 4"x4" ones. Our old supplier, Worldwide Bingo in Littleton, CO, has evidently gone out of business."

- Jack Mack, KDET AM & FM, P. O. Box 930, Center, TX 75935; phone 409-598-3304

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

October Business Opportunities include the following businesses, whose sales in the month are above average:

Auto Dealers (Used)	Carpet Stores
Auto Parts Stores	Fabric & Sewing Stores
Auto Repairs	Hotels/Motels
Bridal Market	Laundries & Dry Cleaners
Building Supply Dealers	Tire Dealers

- RAB's Top 40 Business Survey

October Promotional Opportunities - Events & Holidays

Months

Adopt-A-Shelter-Dog Month (American Society for the Prevention of Cruelty to Animals)
Campaign For Healthier Babies Month (March of Dimes)
Computer Learning Month (Computer Learning Foundation) - work with local computer dealer on special computer courses to offer to listeners
Consumer Information Month (Consumers Index to Product Evaluations and Info Sources) - sell additional advertising to clients offering more information about their product and services
Energy Awareness Month (Department of Energy) - work with your local power company on a paid information campaign
National Car Care Month (Car Care Council) - sponsor a "get ready for winter" car campaign involving local auto parts shops, repair shops and dealers
National Dessert Month (Martini & Rossi Asti Spumante)
National Kitchen and Bath Month (National Kitchen and Bath Association)
National Pizza Month (National Association of Pizza Operators)
National Seafood Month (National Fisheries Institute)

Weeks

October 1-7 - American Beer Week (Association of Brewers)
October 3-9 - Fire Prevention Week (National Fire Protection Association)
October 4-8 - National Customer Service Week (Customer Service Association)
October 18-24 - National Business Women's Week

Days

October 11 - Columbus Day
October 14 - National Dessert Day
October 16 - National Boss Day
October 24 - Mother-in-law Day
October 29 - Anniversary of the stock market collapse (1929)
October 31 - Halloween

\$ALE\$ - MORE EFFECTIVE MARKETING

It doesn't have to cost a lot of money to market effectively. A little ingenuity and creativity can overcome the lack of a budget. Here are some ideas from consultant and author Pete Silver to use in your own business, and to help your customers in their businesses.

1. Make a comprehensive checklist of every product or service your business sells. [In radio, that would mean every spot plan, every program sponsorship, every package - Ed.]
2. List the advantages your business offers: location, price, value, quality, attitude, guarantee, financing, reputation, extended hours, "round the clock service", etc. This will be useful for promotional writing (brochures, presentations, etc.).
3. For your private use only, list the disadvantages others might see in your business. This can help you plan future changes and improvements.
4. Gather all of the advertising, publicity and other promotional work you've done prior to today into a folder or box. You'll see old ideas that worked and can be repeated, plus others that failed and should be avoided.
5. Form your own informal Board of Advisors - a reliable network of friendly advisors to talk over emerging ideas. Think of it as your private "think tank." Napoleon Hill called it the Mastermind Concept.
6. A proven formula for brochures: highlight problems and present solutions. You'll be seen as a problem-solver, not a salesperson.
7. Ignore your ego. Prospects don't care about you. Says sales trainer Steve Taback: "Prospects don't care about features and benefits; they only buy to avoid or overcome PAIN."
8. The more PAIN points you include in your text, the more prospects feel you understand them and their problems. Examples: Our costs are too high ... We don't manage time well.
9. A family of small brochures can be more effective than one larger brochure. One brochure for each product or service can make your customer feel you offer a "custom tailored" solution.

- Pete Silver, 153 Ideas for Totally No-Cost Marketing, 1-800-745-8377

HUNTING SAFETY ANNOUNCEMENTS

If you have youngsters in your home who are just learning about hunting, _____ says, teach them personally. Make sure your youngsters understand about safety and guns before going into the woods and fields. Let them know that they must think like a mature adult. Lives are always at stake when a careless hunter is in the woods. A reminder from your friends at _____.

Many heart attacks are suffered on hunting trips. _____ suggests this special tip: Unless you are certain of your physical condition, don't over-exert yourself. Walking in the woods is taxing even for the best of us. _____ says, stop often to rest. Have a happy, healthy hunting trip.

_____ reminds hunters that taking a blind shot at a noise in the woods can lead to the death of another hunter. Be sure you have your game sighted and identified before you pull that trigger. _____ says, have a good time and do your part in keeping the woods safe for everyone.

Part of the fun of a hunting trip is the relaxation and fellowship with friends. But, _____ reminds you that drinking and hunting don't mix. Do your drinking after the day's hunting is over. Alcohol slows reflexes and dulls the senses. That can lead to tragedy in the woods. _____ says, have a good time, but play it safe.

Are you really prepared for your hunting trip? _____ reminds you to be prepared for whatever kind of weather you may find. Dress brightly, warmly and in layers. That way you can take off some clothing as the day warms up. Just remember to leave that bright clothing on top! _____ wishes you good, safe hunting.

_____ knows that nothing is more important on your hunting trip than safety. No matter how much success or experience you have, one careless moment can cause an accident. Proper clothing, positive identification of your target and good gun care are some of the things that can make your trip safe. _____ wants you to have a good time - and to get back safe and sound.

Hunters! _____ reminds you to check your firearms before you start out on that hunting trip. A well-kept rifle can be a trusty companion in the woods. A poorly-conditioned weapon can give you a lot of trouble. _____ believes that proper care of your rifle or shotgun before you leave assures you a good, safe time.

The hunting season is here! _____ knows many of their friends and good customers will be in the woods and fields. They hope you'll make it a safe hunting season by dressing correctly, not over-exerting yourself, and treating your firearms with care. _____ hopes you have a good time - and come back safely.

ABOUT DIGITAL AUTOMATION

Digital automation is a new technology, and a bunch of companies have jumped on the bandwagon. Many are using the same hardware - same audio boards, 386 or 486 computers, 500-megabyte-plus hard drives, etc. The difference lies in the software, in the quality of the switcher, and in the support.

All of the systems work - but some work better than others. Some depend on audio compression to fit all the audio on the hard disk. If you are considering such a system, listen before you buy - some don't sound that great.

Before deciding on a system, make a list of everything you're going to need your system to accomplish - i.e., record network spots at a certain time, join a news network, etc. If a vendor claims that their system can do the job, get it in writing with the understanding that if the system does not perform as promised they will refund your money.

Here are some things to ask when shopping for a system:

1. What sources can the system interface with - satellite, CDs, RDAT, reel-to-reel, news networks, etc.?
2. Is the computer included in the price, or do you furnish it? If included, is the computer a quality one - free from RFI problems, brand-name hard drive, etc.? Does the computer include an accurate clock for real-time control functions?
3. Will the system interface with your existing traffic computer? You certainly don't want to have to type in the commercial data each day. The two systems should "talk to each other" either via a LAN (local area network) or a daily disk dump.
4. If the system uses a LAN, is it included in the system price?
5. Does the quoted price include a unit in production that can serve as a backup? Does the production unit include a digital editor (usually an option)?
6. Does the price include on-site installation? Is telephone support available at all times? Is there a monthly or annual support fee?
7. Is a console required, or can the unit interface directly with your audio processing equipment?
8. What type of logging system is included? Does it create a log after the spot is aired?

9. If the system uses data compression for the audio, is it user-selectable? Have you actually heard how the hard-disk audio sounds? Different computer audio cards sound much different, and the prices vary greatly.
10. How much audio (in hours) can the system handle? Are you sure it will be enough for peak times, promos, PSAs, jingles, etc.? How much does it cost to expand the system, if necessary? Is the system expandable?
11. How much walk-away time will the system give you? Does it include silent-sense in the event of a failure? Is the silent-sense selectable by source?
12. Does the price include music-scheduling software, if needed, for interfacing to CDs or RDATs. Can the software do what you want it to do?
13. Can the system record and play back from its hard drive at the same time?
14. Can the system handle special traffic situations that may arise - special rotations of spots, etc.?
15. Can the system perform "real time" functions without the use of external equipment?
16. Is it user friendly? Many of your announcers and board operators are not computer literate. Can the system be easily learned? Can the kid who comes in on Sunday morning to run the church programs handle the system?
17. Will the vendor be around to provide support? If the vendor is not established and financially sound, you could end up with a worthless system if they are not around in a year to provide support and service.
18. Never buy a system without hands-on experience. Visit a station that has the system and is using it the same way you plan to use it. Be sure that the system does what you need.
- Ray Reich, WDXY & WIBZ, Sumter, SC

We did the Digital DJ thing from The Management in January, 1992. We also purchased their Super Log traffic system to be interactive with the hard disk audio. The outcome has been to speed up our commercial production in the station by about double, and doing the traffic logs is not longer a factor in our operation.

As for ease of set-up ... the Digital DJ was operating and recording commercials within a couple of hours after it arrived. The traffic system took about a week to set up and learn.

As for problems ... we have had no significant software problems. We had one hard disk failure which was covered by the warranty. However, since we only had one system, we lost all of our commercials in the failure.

We use the Jones Satellite Network music feed and feel that they are first class operators.

- Tom Anderson, KOAL & KARB, Price, UT

We are using Audisks on our FMs and Smartcasters on our AMs. Both are remarkably reliable, and both companies are great at fixing problems when they occur.

In every case, initial setup is a complete nightmare. It takes longer than you expect, costs more, and there are numerous bugs to be worked out. So get your contract engineer to commit lots of time to the project.

But once you're up and running, these are great systems. Besides simple spot playback, they offer features like unattended recording (which is a wonderful feature) ... and both systems are great for live assist. We rarely use carts any more.

On our two FMs, we simulcast during some dayparts. One jock in one studio plays music simultaneously on both FMs. When it's time for a break, he hits one button that triggers "K-Lite" on one FM and "The Cat" on the other - 40 miles away.

Another button fires two simultaneous 3-1/2-minute breaks, and then hands it back to the jock. Using this automation, we can afford to be live and local - using half the normal air staff!

The combination of good local talent, solid satellite programming, time-consuming production and reliable digital automation make for four hot, tight, local-sounding radio stations.

- Eric Straus, Straus Media Group, Ellenville, NY

We are using an IBM-compatible 386DX40 computer with a 340mb hard drive and the "Digital DJ" software from The Management, running the "Pure Gold" format from SMN. Digital DJ runs the programming very well. We have to call to get software updates; the company does not send them out automatically. It's sometimes difficult to figure out how to make the software do all we want it to, but we have an annual support contract on the software, and their telephone support is excellent.

- Randy Johnston, KCLL, Lompoc, CA

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IN OUR
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FIRST CLASS MAIL
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Fairfield, IA
Permit No. 5

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

Bill Taylor - Publisher and Co-Editor
Lori Morgan - Associate Editor

VOLUME XI - Issue #16 - September 9, 1993

IF YOU'RE ABOUT TO RENEW YOUR LICENSE, you must tell the FCC whether or not you're on the air. FCC Form 303-S has been modified and is now available.

NEW COMPETITION FOR RADIO comes from Top 40 or Country music played, with commercials, in the hallways of 800 schools. Star Broadcasting of St. Paul, MN provides programming before and after school and during lunch . . . schools receive up to 60% of revenues from national ad sales.

FCC WILL NO LONGER PUT SOME APPLICATIONS ON PUBLIC NOTICE, including assignment of license (Form 314) and transfer of control (Form 315), unless certain information is provided: for all, the sale contract or letter of intent . . . for duopolies, a contour map and - for markets with 15 or more stations - audience share information. And the FCC urges you to be sure you're not using an outdated form - the current one has "August 1992" at the bottom of the page.

NAB TO HOLD SATELLITE UPLINK OPERATORS COURSE November 1-5, 1993 in Atlanta, GA. Norman Weinhouse will conduct the course. For information and registration call Tim Walsh, 202-429-5346.

RADIO SALES & MARKETING CORRESPONDENCE COURSES offered by the RAB and Chris Lytle & Associates. Deadline for registration is September 20, 1993. For information call 1-800-255-9853.

NAB CALLS FOR NOMINEES FOR RADIO & TV ACHIEVEMENT ENGINEERING AWARDS for 1994. The award signifies advancements in broadcast engineering, acknowledging a lifetime's work, or a single contribution to engineering. Nominations must be received by November 29, 1993. For more information, contact the NAB at 202-429-5346.

THE SECOND EBS SYSTEMS TEST will be on September 15, 1993 in Baltimore . This test will be under "real world" conditions. A new EBS system could be in place by mid-1994.

FCC USER FEE UPDATE: The new fee for FM construction permits will be \$500, not \$100 as reported in the August 12, 1993 issue of SMRNewsletter.

P. O. Box 1285 - Fairfield, Iowa 52556 - (515) 472-4087 - FAX (515) 472-6457

At The F.C.C.

NEW STATIONS (Granted):

NEW YORK (Endwell) Maurice F. A. Battisti, 107.5, 3000w, 328'
TEXAS (Amarillo) William R. Lacy, 99.7, 6000w, 328'

NEW STATIONS (Applied For):

IOWA (Sibley) 21st Century Radio Ventures, Inc., 100.3, 6000w,
1561'

AMENDMENTS TO THE FM TABLE (Proposed):

CALIFORNIA (Templeton) new, 100.5 A

AMENDMENTS TO THE FM TABLE (Granted):

FLORIDA (Trenton) WCWB-FM, to 101.7 C2 from A
GEORGIA (Delham) new, 92.3 A
HAWAII (Hali'imaile) KPMW (CP), to 105.5 C from A
(Kahalu'u) KLEO, to 106.1 C from A
MAINE (Potto Camp) new, 95.9 A

REPORTED SILENT:

MONTANA (Sidney - Williston) WGCX, 1480
(Sidney - Williston) KGCH-FM, 93.1

FORMERLY SILENT:

CALIFORNIA (Fowler - Fresno) KRG0, 1220
GEORGIA (Gainesville) WLBA, 1130

- Courtesy M Street Journal

*** SMRN READER RESPONSE ***

We want to hear from you! Take a moment to fax us your thoughts about the following question; responses will be printed in an upcoming edition of SMRNewsletter.

Question: How do you compensate your sales people?

- How much base salary or draw?
- What percent commission? Does the percentage change at different billing levels?
- What expenses do you cover?
- What types of bonuses or spiffs do you use?

Fax your response to 515-472-6457 ... thanks!

MONEY PAGE - \$ALE\$ AND PROMOTION IDEAS

Promotional Home Runs Inspired by Our Readers

"Minnesota Twins fans wait for Dave Winfield to get his 3,000th hit, and we're having a contest where listeners guess the day of the 3,000th hit. The winner gets a baseball autographed by Dave."

- "The Insider," KTRF & FSNR, Thief River Falls, MN

Editor's Note: If it's good enough for United Airlines ... recently I was on a plane that was delayed, and the flight attendants gave away a bottle of champagne to the passenger with the closest guess as to when the official lift-off would be. The concept of "guess when it'll happen" has many possibilities:

- Guess when the temperature will reach (station frequency, zero, 100, etc.).
- Guess when the home team will score its first/last point of the season.
- Guess when the first baby of the month/year will be born.

"We don't usually sell packages, but here is one that has been phenomenal for us: a five-month, non-cancellable contract that runs from August through December. Rather than just sell something gimmicky, we like to put people on their ear in a good way."

- Dean Schlitter, KQMG AM & FM, Independence, IA

Undercover Deejay. Tie in with a series of local businesses (i.e. a book store, a McDonald's, a hardware store) and have one of your deejays pose as an employee at each one on a different day.

Dress the jock appropriately to the business (in uniform if necessary), so things look perfectly normal. Throughout the time allotted, have your on-air jock give out clues every 15 or 30 minutes as to where (at which business) the Undercover Deejay is.

Don't make the clues real obvious. Start off vague and slowly get more specific. Perhaps have the Undercover Deejay broadcast some of the sounds that would normally be heard at this particular place of business.

The first listener to locate and identify the Undercover Deejay wins. Prizes are donated by the sponsor in return for on-air mentions. This promotion can be sold to several clients ... it promotes lots of street talk for the station and for the participating merchants.

SALES - NEW BUSINESS SOURCES

Out here and most other places, the customers we had 25 years ago no longer exist. Local banks have been absorbed by big banks and local management no longer exists. Supermarkets and modern convenience stores have driven out the mom-and-pop stores. The local sporting goods stores have been replaced by chain operations. Auto dealerships have consolidated and disappeared. The truth-in-lending disclosure statements have made radio a very cumbersome medium for advertising leases and other transactions. And, of course, there's Wal-Mart.

Identify the real prospects. We need to do a serious inventory of every business in our markets and identify those that:

1. Still have local decision-makers
2. Are still making money
3. Can be helped by advertising

Our push this year has been to sell credit unions, auto service and repair businesses, plumbing-heating-electrical businesses and insurance agencies.

Share success stories. All of us would benefit by sharing information on who's buying radio and who's being helped by radio. For example, in our part of the country, credit unions are rapidly taking over the family financial business. The big banks don't want the peanut folks, so the credit unions are moving in a big way to take over that business. The credit unions are all locally controlled and unskilled in advertising; they can really benefit from a good advertising program.

Get disclosure rules changed. I think that individual radio broadcasters, and their state and national associations, should mount a campaign to get some change in the credit disclosure rules that would allow a car manufacturer or dealer to advertise on the radio without a twenty-second disclosure statement.

Print isn't harmed by the disclosure since they can use tiny print and comply. TV isn't harmed since they can use tiny print and flash it on the screen for a fraction of a second. Some auto advertisers have tried to make the disclosure into a funny thing, but that just comes out sounding stupid.

I have written a letter to Utah's freshman senator, Bob Bennett, who is himself a radio station owner. I haven't had a response yet, but if it is positive I think radio broadcasters should press for a change in the disclosure rules so we can say in our spots, "Full details are posted at the dealership."

What do other broadcasters think?

- Tom Anderson, KOAL & KARB, Price, UT

FIRE PREVENTION WEEK (10-4/10)

Does your home have adequate fire extinguishers and smoke detectors? During National Fire Prevention Week, _____ says, read the manufacturer's directions to determine where to install them and how to maintain them. _____ reminds you, if you have questions, you can get answers from your fire department.

_____ reminds you that 800-thousand homes are destroyed each year by fire. 22 Americans die each day in fires. If fire breaks out in your home, get everyone out immediately. Don't stop to pick up valuables. When you get out, summon the fire department from the nearest phone. A reminder during National Fire Prevention Week from _____.

There's nothing like a wood fire on a chilly night. During National Fire Prevention Week, _____ says, be sure your chimney is free of harmful creosote deposits. Don't burn green wood. Make sure your fireplace and chimney meet fire safety standards. A reminder from _____.

A smoke detector that isn't working is no better than none at all. _____ reminds you to check the manufacturer's instructions and check the batteries regularly. During National Fire Prevention Week, _____ says, be sure your smoke alarm gives you the protection it was designed to give.

Faulty wiring is a major cause of fire. During National Fire Prevention Week, _____ reminds you, if you have an older home, the wiring should be checked by a reputable and experienced electrician. _____ says, it's a lot cheaper than a fire.

During Fire Prevention Week, _____ wants you to know that fire breaks out every 37 seconds. Check your home now for fire hazards: Do you have enough electrical outlets in each room to avoid multiple attachment plugs and long extension cords? Do you keep lighters and matches out of reach of small children? _____ says, let's make fire safety a priority.

It's too late to get rid of a fire hazard after fire strikes. During National Fire Prevention Week, _____ says, clear your attic, basement, and garage of clutter. Make sure your furnace and stoves are clean and in good repair. _____ believes the best time to stop a fire is before it starts.

If a fire breaks out in your kitchen, caused by cooking grease, try to cover the burning pan - or shut the oven door. Never throw water on a grease or cooking fire. _____ says, if you have time, pour baking soda on the flames. _____ says, if you don't have a fire extinguisher in your kitchen, install one. If you have a fire extinguisher in your kitchen, check it regularly to make sure it works.

SMALL MARKET RADIO STATION VALUES
by Bob Doll

Recent small market station sales and a cross-section of brokers tell us that the starting place for setting a value on a small market AM/FM combination or FM only is 1.5 times its gross sales, compared with 2.5 times gross sales ten years ago.

The change is due to the creation of more than 1,000 new stations since the mid-1980s, and the arrival of major non-radio-using chains like Wal-Mart. Ten years ago, small town radio stations were seen as "franchises with little direct competition, that grew with inflation and the community's business section." That scenario is not as much of a sure thing as it used to be. According to the NAB annual financial reports, this year 62% of America's radio stations showed losses, versus 33% ten years ago.



Bob Doll

But the current 1.5-times-gross factor may not be as big a change as it first appears. First, during the five years prior to 1983 the dollar lost 49¢ of purchasing power. The Prime Rate was 10.79% versus the current 6%. 2.5-times-gross prices were betting on steadily cheaper dollars as the station paid itself off.

During the past five years, the dollar has lost only 11¢ of purchasing power. The Prime Rate is at 6%. So buyers and sellers are probably both better off in the current trading environment, which we for several years have called "The New Reality."

It is true that bank financing is almost nonexistent, unless there are people involved in an acquisition with "stout" enough financial statements to satisfy the bank and the examiners.

The new tax law has two provisions that should help small market trading. First, the value of the license can be amortized over a 15-year period. Second, passive investors who provide cash and borrowing power for entrepreneurs can get a 50% capital gains break, if they maintain their interest for five or more years.

All-cash deals in small markets are almost nonexistent. That is not likely to change. Most stations are going at 20% down, interest-only for six months or a year, then ten years of principal and interest. Seller "paper" is currently at about 8%.

Owners of stand-alone daytimers are unlikely to find a buyer, in the words of the brokers, "at any price." Fulltime AMs will bring about 1.0 times gross if they're profitable.

We have not discussed cash-flow multiples in this article, because from our experience, that has to be reconstructed by the buyer. The question has to be, Can the station service its debt? Further, in the present market, most buyers are unwilling to pay for upside unless there is a CP to improve the station potential - e.g. 3000 watts to 50,000 watts.

"Selling Is Farming"

Eric Straus has a rather unusual background for a small market broadcaster. The son of the owner of a legendary New York City station ... educated at Yale ... sales and management jobs in Denver and New York.

Eric grew up around the business - his grandfather, Nathan Straus, bought WMCA in New York. Eric began his career working the switchboard for the "Good Guys" at the age of 14. After college at Yale (where he ran campus station WYBC), Eric went out to Denver to work in sales, then back to WMCA as sales manager.

In 1984, Eric's father bought "these little radio stations" in Ellenville, NY - WELV AM & FM - and asked Eric to run them. The day Eric arrived in town, the area's biggest employer, ChannelMaster, closed its doors; Eric asked himself, "What has Dad got me into this time?"

Eric changed the badly-automated Beautiful Music on FM, and "whatever the jocks wanted" on the AM, to a simulcast Big Band format (Sullivan County had the oldest population in the state). He doubled revenues in a year and a half, and returned to WMCA.

After his father sold WMCA, Eric went into brokerage and acquisitions. When his father wanted to sell Ellenville, Eric matched his best offer and headed back up the highway. In 1992 Eric also bought WCKL and WCTW in Catskill.

Today, the Ellenville AM is a live, full-service small-market talk station. The Catskill AM is live in the morning, then on Unistar's AM Only for the balance of the day.

Eric's two FMs run satellite programming outside of morning and afternoon drive times - Ellenville on SMN's Hot AC and Catskill on Unistar's AC II. In drive times, the two stations are linked via digital microwave (they are 44 miles apart) for a live simulcast operation, originating in Catskill. "It's the same jock on both stations," Eric says; "the same music and weather, but different IDs, jingles, news and spots." The AM stations both use Smartcaster hardware, while the FM stations use Audisk units.

"We run remotes without anybody at the station," Eric says. "The Marti feeds directly into the Audisk; the whole thing operates from push-button tones."

Eric has a PD, a sales manager and a sales staff of three at each location. Eric serves as GM of both stations, spending two days a week in Catskill and three in Ellenville - "but I don't do much," he says. "About 70% of my time is in sales, community involvement and promotions; the other 30% is working on programming - critiquing the news person, planning music with the MD,

discussing airwork with the PD, and so on." One traffic manager handles the logs for both stations, from Ellenville: she downloads the Catskill program log into the Audisk by modem.

"The Audisks and Smartcasters have allowed us to have much better, much more involved radio stations," Eric says. "We don't have to worry about who's doing the shift at ten on Sunday - we can be concerned with who's going to cover the American Dairy Association remote, things like that."

Eric observes that simulcasting his FM stations in the drive times allows him to spend a bit more money on staff: "Computers don't save you money, but they let you spend your money more wisely."

"The broadcaster's biggest hidden cost is turnover," Eric says. "So I am too liberal with days off, restaurant trades, salaries. My costs are probably higher than usual, but I keep my people longer."

As for Eric's sales philosophy, he says, "Our gospel is the consultant sell, 52-week presentations, flip-charts and spec spots." In sales meetings the emphasis is on monitoring those activities: How many did you do last week? How many this week? "With this long-term approach, we go into every month with 85% on the books."

Promotionally, Eric has had "amazing success" with a home-grown direct-mail coupon, budgeting for 20 sponsors and selling 48. "We just put an ad on the radio saying, 'If you want to reach thousands of people, call us.' It was especially good for clients who don't like radio." He notes that the promotion grossed about \$11,000 on expenses of about \$3,000.

Eric has also found special events to be profitable. "We do a Beach Party twice a year at the malls - remotes dressed up with palm trees and sand - and we sell vendor space. It's a lot of work, but we clear \$20,000 in a weekend."

Packages and promotions are a part of radio life, Eric notes, "But we never go in on a first call with a package. If somebody says, 'I want to go on the air today,' we do everything we can to slow him down, to focus on his business problems."

Eric says his philosophy is summed up in something that RAB President Gary Fries once said: "In Japan, selling is farming; in America, selling is hunting. We have to learn how to farm."

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Lori Morgan - Associate Editor

VOLUME XI - Issue #17 - September 16, 1993

KWOX-FM, WOODWARD, OKLAHOMA DOUBLES UP AT THIS YEAR'S MARCONI AWARDS, winning both small market personality of the year (for Tony "Wradio" Wright, who tied with Max McCartney, WBIZ-FM, Eau Claire, WI) and small market station of the year.

Other awards: large market station of the year - WCKY-AM, Cincinnati, OH ... AOR/Classic Rock - WXRT-FM, Chicago ... Oldies - WCBS-FM, New York ... Religious/Gospel - WAVA-FM, Arlington, VA ... AC/EZ - WHAS-FM, Louisville, KY ... Classical - KLEF-FM, Anchorage, AK ... Black/Urban - WHRK-FM, Memphis, TN and WRKS-FM, New York, NY (tie) ... Big Band/Nostalgia - WOKY-AM, Milwaukee ... major market station - WGN-AM, Chicago, IL ... News/Talk - WGN-AM, Chicago, IL ... medium market personality - Jim Zabel, WHO-AM, Des Moines, IA ... medium market station - WHO-AM, Des Moines ... large market personality - Bob Kevoian & Tom Griswold, WFBQ-FM, Indianapolis, IN.

And special mention goes to SMRN subscriber Frosty Mitchell and his program director, Rick Sellers, for winning MOR station of the year at WMT-AM, Cedar Rapids, IA. Even though Cedar Rapids is a rated market, Rick tells us that SMRN provides him with good ideas for his full-service heritage AM. "Local is local, wherever you are," Rick says.

IT'S OFFICIAL: NAB TO COMBINE FALL SHOW EXHIBITS with those of the RTNDA, SBE and SMPTE in the fall of 1994. Under the new agreement, the annual conferences for each organization will be held separately, but the exhibitions will be combined at one location. The joint-exhibition agreement runs for eight years; NAB will manage the exhibition. The first joint exhibition will be October 13-15, 1994 at the Los Angeles Convention Center.

NEW WAY TO SCREEN POTENTIAL EMPLOYEES is now available from the Omnia Group. Omnia "Priority Reports" provides an economical way to do those all-important background checks on job candidates - including employer references, social security/address verification, criminal convictions, motor vehicle record, consumer and business credit checks, worker's compensation history, five-year employment/earnings history, and verification of licenses, permits and education. For more information, contact Rich Berube at 1-800-525-7117.

P. O. Box 1285 - Fairfield, Iowa 52556 - (515) 472-4087 - FAX (515) 472-6457

At The F.C.C.

NEW STATIONS (Granted):

ARKANSAS (Marianna) L. T. Simes II & Raymond Simes, 105.3, 6000w,
328'
CALIFORNIA (Carmel) J & M Broadcasting, 95.5, 1174w, 515'
FLORIDA (Tavernier) Gilford Broadcasting Company, 96.9, 600w,
232'
PUERTO RICO (Rio Grande) United Broadcasters Company, 97.3, 800w,
1906'

NEW STATIONS (Applied For):

ARIZONA (Bagdad) 21st Century Radio Ventures, 103.9, 1400w, 659'

FORMERLY SILENT:

SOUTH CAROLINA (Darlington - Florence) WDAR, 1350
(Darlington - Florence) WDAR-FM, 105.5

- Courtesy M Street Journal

FCC UPDATES FM TRANSLATOR RULES. Here are the key provisions of the "affirmation and clarification":

Commercial FM stations can own a translator only when the translator's coverage area is entirely within the primary station's coverage contour, though waivers might be granted if translators reach areas not covered by full-service stations ("white areas").

Commercial translators outside the primary station's protected contour cannot be supported by the primary station, except for technical assistance. Waivers for "white areas" might be granted.

FM translators may air a total of 30 seconds per hour of fund-raising announcements or advertisements.

Translators not owned by the primary station must have written permission from the station they are rebroadcasting. A translator may broadcast only the signal of an FM full-service station or another translator.

Commercial translators operated by the primary station within its protected contour may receive the signal by any terrestrial means; other commercial translators may only use off-the-air delivery. Again, there may be "white area" waivers.

250 watts is the maximum allowable power for FM translators. Translators owned by a primary station may not have coverage beyond the station's coverage contour. Other translators' contours may not extend more than 7 km in Zone 1-A and east of the Mississippi; or 13 km elsewhere. Again, there may be waivers for "white areas."

- Radio Business Report

MONEY PAGE - SALES AND PROMOTION IDEAS

(From a program at the NAB Radio Show - Dallas, TX, September 8-11, 1993)

High School Souvenirs. When Chillicothe (Ohio) High School had a reunion for its alumnae, WBEX recorded short interviews with a cross-section of "old grads" who related memories from their years in school. The interviews were broadcast the 10 days before the event on a rotating schedule. A WBEX staffer attended the event and recorded similar features with grads who had moved away. These were broadcast on a rotating schedule the 10 days after the event. Dan Latham, GM of WBEX, calls the series "probably the easiest and overall most profitable thing we've ever done." Each feature carried a radio ad before and after.

Canyon Country 2000. Carl Goldman, KBET, Canyon Country, California, recently did a two-hour broadcast featuring a dozen interviews with community movers and shakers telling what they thought the area would be like seven years from now and what was being done now in that regard. The special was sold to 12 non-traditional advertisers (industries, professionals, etc.). It was edited into shorter features and resold on a rotating basis. Additionally, it was dubbed onto cassettes, placed in a binder, and given to the local library where it will be available permanently in the reference room.

Co-op Opportunities. Also from Carl, FTD florists now accrue ad funds much the same as airline frequent flyers accrue mileage. Each transaction they handle earns them 100% advertising co-op dollars. And, Carl says, one good overlooked source of co-op dollars are religious book and record stores. A lot of their suppliers have generous co-op programs.

Tour Of Homes. Tom Thompson of WTNS, Coshocton, Ohio, recently sold a weekend promotion to local real estate agencies which included pre-announcements promoting the event, ads promoting individual houses available for an open house inspection on Saturday and Sunday, and a live three-minute remote from each home. "We had hoped for a half dozen houses," Tom says. "We ended up with 50. Traffic was very good. We'll be doing it a couple of times a year."

Worth Repeating: Dan Latham closed his part of the program by telling the audience: "Being great at what you do isn't all that hard. If you improve just a tenth of a percent every business day, in a year you'll be 25% better."

\$ALE\$ - HIDDEN HELPERS

Consultant and author Pete Silver reveals several easy and low-cost ways to increase your selling effectiveness:

1. Don't order just 500 business cards - next time, buy 5,000 - and challenge yourself to find creative ways to get them into the hands of more qualified prospects. Here's how:
 - a. Hand each person two cards and encourage pass-alongs.
 - b. Enclose your business card when you pay local bills.
 - c. Design your card to sell. You've got seven square inches of selling space - so use it!
 - d. Print your photograph on your business card. People remember faces even after a long time.
2. Whenever you mail to a client or a prospect, you may have extra room for an insert without tipping the scale into the next ounce. Good idea: insert testimonial letters.
3. Increase your personal "likability" if you have any concerns about this at all. Two resources: Toastmasters International and the Dale Carnegie course.
 - a. Tell jokes, if you feel that is a good way to establish rapport with others. Tips: (1) Write down jokes in abbreviated form as soon as you hear them; (2) Tell the joke three times in the next six hours.
 - b. Be "rememberable" - for your sense of humor, or listening skills, or careful analysis, or quality presentations - whatever you like most about yourself.
 - c. Be responsive to people who call you - no matter how "big" you are. The head of a major Hollywood studio returns calls the same day.
 - d. Learn a magic trick you can perform to break the ice with virtually anyone. It works as well with secretaries and receptionists as with senior corporate executives.
4. Be willing and able to listen effectively. Being an effective listener is an acquired skill.
5. Send descriptive invoices. Turn your invoices into statements of value by citing all of the "extras" you are including.

- Pete Silver, 153 Ideas for Totally No-Cost Marketing, 1-800-745-8377

4-H WEEK MESSAGES

During 4-H Week, _____ salutes 4-H members and their leaders. 4-H introduces young people to career opportunities. 4-H teaches them about the environment and good health. The 4-H experience is a good experience for its members and the community. Best wishes to everyone in 4-H from _____.

During 4-H Week, _____ salutes the young people and their leaders who are touching the future in 4-H. 4-H is putting many young people on a successful career path with programs in veterinary medicine, engineering, and fashion design. _____ salutes 4-H - getting our young people ready for the 21st Century.

If you're looking for something worthwhile to do in your spare time, consider 4-H. Volunteer leaders are needed to help young people "touch the future in 4-H." _____ encourages you to contact your 4-H agent to find out about helping make the 4-H experience available to young people in our town.

During 4-H Week, _____ salutes the area 4-H clubs for their interest in the environment. 4-H clubs in this area are active in conservation programs and recycling projects. _____ is proud of the efforts being made by the 4-H to help make this a more beautiful and healthy area.

There is a real shortage of scientists in the U.S. 4-H is doing something about it. _____, during 4-H Week, reminds you that 4-H young people are being introduced to electricity, energy, rocketry, computers and more. _____ joins you in thanking 4-H leaders for helping to get our young people ready for the 21st Century.

4-H members develop lifelong skills, enjoy great experiences and friendships. _____ salutes the 4-H volunteer leaders for making 4-H possible for the young people of this area. _____ salutes area 4-H leaders for helping to get 4-H youngsters ready for the 21st Century.

The young people in our area will become adults in a much more competitive and challenging world. _____, during 4-H Week, commends the work being done in the 4-H program. That program and its volunteer leaders are getting area youngsters ready for the 21st Century. _____ believes 4-H really makes a difference.

_____ salutes area 4-H clubs during 4-H Week for their contributions toward making this a healthier community. 4-H-ers are active in blood drives and fun-runs. They're taught lifesaving C.P.R. and they find out how good, good nutrition tastes. _____ knows that a healthier community is a better community.

GETTING USED TO IT

Not long ago, we had a broken upstairs window at our house. It was a blemish—not the way our house should look. It took more than four weeks to get that window repaired. It's a broken window, but after a while we got used to it. It didn't bother me as much as the first time I saw it.

Upstairs in the dressing room we have a chest of drawers with mirror fronts. About a year ago, the glue on one of those mirrors dried out, causing one to fall off. We still haven't done anything about it. You see, we've gotten used to it.

In the bathroom, one of the leads to an electric light shorted out, and we disconnected the fixture so it wouldn't be a fire hazard. That was about a year ago. I still haven't done anything about it. I'm used to it this way.

What are you getting used to? A small paycheck on the first of the month? A small paycheck on the fifteenth? What are you allowing yourself to get used to? Being treated without respect and consideration?

Do you know what you are doing to yourself - what takes place inside you - when you get used to something? You lose the drive to change, just like I lost the urge to fix the broken window now that I'm used to it.

What would happen to a salesperson who got used to not making a sale on any given day? What happens to a kid who gets used to getting Cs and Ds in school? Or to athletes who get used to turning in mediocre performances?

It's just like that broken window, the light fixture, or the mirror on the drawer. Once you get used to it, you ride with it another day, and another, and another ...

But what if the salesperson gets used to making a sale every single day? And what if the student gets used to As and Bs? What if you get used to living in a beautiful home or to traveling all over the world with ease, or having people treat you with kindness and respect, or living a comfortable, productive life?

If you see yourself being treated with respect or a higher income or a beautiful home 50 times a day - and you feel what that feels like over and over again - that's what you'll get used to.

Then, it'll be the old reality that's out of place - out of your comfort zone - and at the same time, you'll be creating the drive and energy to change that old reality to match your new picture.

-Lou Tice

Giving 'Til It Helps

Joel Swanson of KTRF and KSNR in Thief River Falls, MN, is living proof that the path to success is paved by service to the community.

Joel got his start as an air traffic controller in the Marine Corps, then worked on the air and in sales around Minnesota, and ended up as GM of the Thief River Falls stations in 1982.

"KTRF has been on the air since 1947," Joel tells us, "a typical small market community station. We hang our hat on news and information - lots of networks, a full time local news director, and lots of sports." The music is a live-programmed blend of "inoffensive" contemporary Country and uptempo AC.

KSNR has been a 100kw FM since 1987, programming the "Pure Gold" format from SMN. With antenna height of 620 feet and terrain that is "flat as a pancake," KSNR has a strong signal in Grand Forks, MN. Joel uses an old BE automation system to run the satellite: "We'd rather be live, but nowadays it's not always possible."

His staff consists of a separate program director for each of his stations - the FM PD pulls a short AM shift - and a full set of announcers for the AM (who monitor the FM as well). In sales, Joel has four full-time sellers in Thief River Falls plus himself - all selling both stations - and two in a separate sales office in Grand Forks, selling the FM.

Joel's sales philosophy can be summed up in one word - service. "I was brought up in radio learning from people like Don Wohlenhaus [now MNN president] and Jim Williams: don't keep a lot of accounts - we stay with 50 and below - and service them like crazy." Joel cites something Jim Williams once told him: "You lose a client faster from lack of service than from lack of performance of your product."

Another key component of Joel's sales plan is results. "We subscribe to Arbitron in Grand Forks, but we don't use it," he says. "The main thing in sales is the relationship - the one on one between the sales person and the advertiser, and between the station and the advertiser." Joel makes a point of getting out and talking to his advertisers on a regular basis - and most of his community-service contacts are also advertisers.

Community service is what it is all about, says Joel. "We are involved in just about every service club in the area," he says. "I myself am a member of about ten different clubs." Joel's staff is in five different Chambers of Commerce, Jaycees, the Fair Board, Sports Boosters, etc. In addition, the air people emcee pageants and events ... the PD gives addresses on major holidays and to church councils.

Recent station activities have included the "Everybody's Market," a food/craft fair, where the stations throw a free lunch (beans, wieners, chips and soda) provided by co-sponsors. "We served 900 people in two hours," Joel says.

Other activities: the station serves as the local pledge headquarters for the Jerry Lewis Telethon ... they are a major sponsor of the Labor Day Thief River Falls Stampede ... of the "Summer Jam" music festival ... an oldies music jam ... even the Thief River Falls Concert Association. "These aren't money-makers for us," Joel notes. "They're things we do as good members of the community."

But, Joel notes, there is still a climate of pessimism in the business community. "Not only has it been a struggle to keep our head above water, but a struggle to continue to have fun," Joel says. "As Pogo said, 'We have met the enemy and he is us.'"

"But I am optimistic about the future of radio, and small market radio is what I enjoy doing the most. In the face of the increasing reliance on automation, we have to remember that this is a people business - that's what keeps it interesting and fun and alive."

THE LAST WORD

This past week, the last radio only convention was held in Dallas. Beginning next October in Los Angeles, "The Radio Show" will be held in conjunction with the Society of Broadcast Engineers, Radio-Television News Directors Association, and the Society of Motion Picture and Television Engineers. The consolidation, which seems to be opposed by the majority of radio people, was necessary, NAB says, because the radio only convention was "not profitable enough."

We wonder if the lack of financial success is not in some measure because the radio only convention has largely ignored over half the radio industry. While over half the nation's radio stations are located in towns of 25,000 and under, only one of the 20 members of the convention committee came from such a station; of 130 station people on convention programs, only six were from small market stations. Of 26 Marconi Awards, only two went to a small market station - KWOX, Woodward, OK. A KWOX principal, Doug Williams, is an NAB director and was the only small market member on this year's 20-member Radio Show convention committee.

- Bob Doll

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VOLUME XI - Issue #18 - September 23, 1993

SUPER GOSPEL COUNTRY GOES UNDER, leaving 21 affiliates instantly without service last week. On Monday, September 13, the network held an affiliate conference call, asking their stations to pray for them. On Tuesday, September 14, at 4 PM, they pulled the plug - giving affiliates an hour and a half notice.

Jim Michaels of Sparta-Tomah Broadcasting in Sparta, WI tells SMRN that the affiliates not only lost their programming, but are now stuck with unique satellite receivers and dishes that they will probably want to liquidate. Jim requests that if any readers have ideas on how to resell the equipment - IDC SR250/BA digital receivers and six-foot Prodelin dishes with NORSAT 2000A Ku LNBS - please let us know.

SMALL MARKETS SHOULD GET DUOPOLY BREAK, SAYS NAB. The NAB is recommending to the FCC that some exceptions be made to the new ownership rules to help operators in small markets. The recommendations include: discounting big signals that alter the definition of the local market; waivers of the rules on a case-by-case basis, with good cause; allowing any owner to obtain one more station on either band; allowing small market ownership to be 50%, not just up to 50%.

FRIES REVERSES VIEW ON DOCKET 80-90. In a talk at the NAB convention in Dallas, RAB President Gary Fries credited Docket 80-90 for forcing radio into "micro-marketing" - advertisers targeting extremely narrow demographics - taking the lead over other media sources in targeting consumers. Fries admitted to a reversal of his feelings about Docket 80-90, saying that without more stations on the dial, owners would not have been forced into niche formatting. Fries says he believes that with our head start, radio can prosper more than other media in the micro-marketing environment.

THE NATIONAL RELIGIOUS BROADCASTERS will hold their convention January 29-February 1, 1994 in Washington, DC at the Sheraton Washington Hotel. For information, call 703-330-7000.

THE RAB '94 MANAGING SALES CONFERENCE AND EXECUTIVE SYMPOSIUM will be held February 17-20, 1994 at the Loews Anatole Hotel in Dallas. For information, call 1-800-722-7355.

At The F.C.C.

NEW STATIONS (Granted):

ARKANSAS (Hardy) John W. Shields, 104.7, 7000w, 249'
NORTH CAROLINA (Beech Mountain) Frances Atkinson, 102.3, 730w,
915'
TEXAS (Haltom City) Hispanic Coalition, Inc., 93.3, 50,000w, 492'

NEW STATIONS (Applied For):

GEORGIA (Mableton) QRW Partners, L. P., 102.5, 3000w, 328'
MARYLAND (Pocomoke City) Big Bay Broadcasting, 92.5, 6000w, 325'
NEBRASKA (Falls City) KNZA, Inc., 101.3, 3400w, 266'

AMENDMENTS TO THE FM TABLE (Granted):

FLORIDA (Miami) WTMI, to 93.1 C from C1
KENTUCKY (Lebanon) WLSK, to 100.9 C3 from A
NEW YORK (Chenango Bridge) new, 104.1 A
(Norwich) new, 95.3 A
VIRGINIA (Falmouth) new, 104.5 A

REPORTED SILENT:

MASSACHUSETTS (Middleborough) WCEG, 1530
PENNSYLVANIA (Patton - Altoona) WBRX, 94.7

FORMERLY SILENT:

ARIZONA (Coolidge) KAZR, 103.9
GEORGIA (Soperton) WKTM, 101.7
IOWA (Clarion - Ft. Dodge) KIAQ, 96.9
KENTUCKY (Murray) WNBS, 1340

- Courtesy M Street Journal

In Other FCC News

FCC PROTECTS APPLICANTS FROM CUTOFFS in a new ruling. The Commission has determined that applications are entitled to protection against conflicting rule-making petitions at the same time (the close of the filing window) that they are protected against filing of additional mutually-exclusive applications. Paragraph 73.208(a) of the Rules has been so amended.

WIRELESS MICROPHONES ARE EXEMPTED FROM STATION IDENTIFICATION RULES. Paragraph 90.425 of the Rules requires ID every 15 minutes, but the Commission has determined that the normal settings and range for such mikes make such interruptions disruptive and unnecessary.

- E. Harold Munn, Jr. & Associates, 517-278-7339

WSJ CALLS FAIRNESS DOCTRINE THE "HUSH RUSH" RULE. A Wall Street Journal editorial (9/1/93) says that the Fairness Doctrine could be reinstated primarily because Talk radio hosts - especially Rush Limbaugh - are shaking up members of Congress because of their conservative, anti-Congress bent.

MONEY PAGE - SALES AND PROMOTION IDEAS

EATING & LISTENING. The Media Audit surveyed over 41,000 adults in 39 markets to correlate format choice with fast-food patronage. The top ten for each of the three top chains, ranked by "index" (using 100 as average):

McDonald's		Wendy's		Burger King	
Format	Index	Format	Index	Format	Index
CHR	142	Urban	142	CHR	146
Urban	138	AOR	135	Rock	146
Black	132	Religious	135	Sports	139
Contemporary Christian	131	AC	127	AOR	132
AOR	129	Classic Rock	124	Black	132
Sports	125	CHR	121	Contemporary Christian	127
Oldies	122	Country	117	Country	116
Rock	119	Rock	117	Oldies	115
Classic Rock	119	Jazz	110	Jazz	115
AC	118	Oldies	105	Soft AC	114

RADIO REACHES NEWCOMERS BEST, according to The Media Audit. Among those who have lived in their cities for less than a year, nearly 80% had listened to the radio the previous day, 74% had read the front page of a newspaper, 41% had watched the early TV news and 21% had watched the late TV news. Above-average activities:

Percent of Newcomers Who . . .	Index
Take three or more domestic air trips a year	163
Plan to buy stereo equipment	154
Have been to a health club in the past year	151
Plan to buy a home	146
Plan to buy video equipment	136
Plan to buy a vehicle	129
Have gone boating or sailing	124
Plan to buy new furniture	123
Saw a movie in the past month	122
Play golf three or more times a year	122

SALES - DOES YOUR CUSTOMER'S ADVERTISING WORK?

Some advice for your clients from an advertising and marketing expert who now owns a radio station ...

Berkshire Hathaway executive Charlie Monger recently related a story about browsing in a tackle shop. Looking at the thousands of brightly-colored and unusually-shaped lures, Charlie asked the proprietor, "Do the fish bite on all these lures?"

The proprietor promptly replied, "I don't sell lures to fish, Charlie."

Every time you sit on the hot-seat of advertising evaluation, remind yourself that you should evaluate your advertising from the viewpoint of the fish, not the fisherman.

The first and most important rule of advertising evaluation is, look at the advertising from the eyes of your customer. The best way to go about that is to write on a sheet a paper these three questions:

1. Who is my customer?
2. What do I want them to believe about my product or service?
3. Why should they believe it?

The second most important rule in evaluating advertising is to look at the overall message, not the individual words. In other words, don't nitpick. Changing a word to "soften" the message sounds to me more like you don't really agree with the tone of the spot. Telling the writer or salesperson that the ad is "okay, but doesn't tell the whole story," really means that you are about to dilute the message or focus of the spot.

Finally, the third important rule of evaluation is to feel a little nervous about the spot or ad. A mentor once told me your palms should sweat a little when you evaluate advertising that works.

Too much advertising is done to appeal to the fisherman, not the fish. So when it finally gets to the fish (excuse the analogy), it looks and sounds like all the other lures that fisherman - not fish - buy.

Use these guidelines when you evaluate your advertising. If it doesn't meet these criteria, you may not be catching all the fish you could be!

- Tim McMahon, Omaha advertising agency executive
and President of KLIR, Columbus, NE

From Our Readers

[Editors Note: The following reader letter was accompanied by a letter clipped from Radio & Records (8/27/93) decrying the fact that entertainer Reba McEntire has been lobbying Congress to support performance rights payments for every time a record is played on radio or TV. The R&R letter, from Phil Roberts, President of the New Jersey Broadcasters Association, concludes by saying, "Each individual radio station may want to let the performers know that the trade-off they get by having their recordings played on the radio is a lot more valuable than having a per-play performance fee of a few pennies."]

"Upon reading this I yanked all of this poor mistreated little girl's records from the station. We still play them if we get a request, but no more free publicity. I didn't realize how helping to build her into a star had screwed her over so badly.

"I've contacted my congressional delegation, but knowing who we've sent to Washington, if the millionaire artists kick in only a small percentage of their take, they can buy almost any politician.

"I can understand paying performance rights to composers; these guys don't get to work the fairs or get a share of the gate.

"You would think if the artists want to charge us to play their recordings, then we should be able to charge them for the promotion ... not ... let's leave well enough alone - the big stations and the satellite services would get all the money, and we'd still pay the royalties.

"I would suggest your readers contact their satellite feeds to see how they stand. Since they won't be paying the fee, not being the end user, they may not care. But it would be interesting to see what they say.

"For your readers who are on the bird and Country, every time your service sends down a Reba record, just grit your teeth. She may be out to screw you, but since you've delegated your programming responsibilities to somebody else - since you are a licensee with programming on the air that is not in your best interest - there's nothing you can do about it.

"That's just one of the reasons we are live."

- Bill Taylor, KQSS-FM, Miami, AZ

"Our female salespeople usually have to go home after a full day of work, and then cook and clean. A great spiff for them is a cleaning service - or a make-over - or something like that for them personally."

- Chuck Thornton, WAGE, Leesburg, VA

ABOUT SALES COMPENSATION

Readers responding to our questions about how sales people are compensated ...

Dave Land, WFIW, Fairfield, IL:

- Base: \$150 salary
- Commission: 15% paid the second Friday of each month, based on collections ... 20% commission if the sale is made 30 or more air miles from the station
- Expenses: up to \$150 per month in gas trade
- Spiffs & Bonuses: an extra \$100 if the sales person's monthly goal is reached by the 20th of the current month ... an extra \$100 if the sales person opens the month with at least 80% of goal

Dean Sorenson, Sorenson Broadcasting, Sioux Falls, SD:

- Base: whatever meets the sales person's need
- Commission: 20% - no change at any billing level
- Expenses: gas trade
- Spiffs & Bonuses: as per need - determined by sales manager

Fred Hirsch, WDME, Dover-Foxcroft, ME:

- Base: advance draw against commission, settled at the end of the month if they've sold more than estimated
- Commission: 20% on billing, not collections (we feel it is the sales person's job to handle selling, writing, producing, scheduling and servicing; it is the GM's job to handle collections)
- Expenses: 20 cents per mile
- Spiffs & Bonuses: none reported

Marvin F. Hill, WGOG AM & FM, Walhalla, SC:

- Base: \$500/month
- Commission: 10% on collections ... 15% on collections of \$5,000 and up ... 20% on collections of \$10,000 and up
- Expenses: \$100 gas trade they must arrange (none have, yet)
- Spiffs & Bonuses: have tried them, but haven't worked - it seems that when a sales person wins a contest, they quit.

Name Withheld:

- Base: none
- Commission: straight 16% commission; no change at any billing level
- Expenses: all expenses paid by sales person except for the occasional lunch
- Spiffs & Bonuses: bonus day off for exceptional productivity

MORE ON DIGITAL AUTOMATION

I agree with the points made in your 9/2/93 issue, although hands-on experience may not be necessary if most of your programming comes via satellite.

WSDM has two Smartcasters, one for AM and one for FM. Both stations utilize satellite programming, with some live assist. Both Smartcasters have been upgraded since originally purchased in early 1991.

We feel that we have learned a lot about digital automation systems - I have seen many others - but what is most important?

SUPPORT. You will have a problem or two along the way, sometimes when you least expect it. If you are off the air, or greatly inconvenienced, you will want to know that help is available. (I commend Smarts Broadcast Services for their support - it has been excellent.)

There are a lot of features; each user will have a list of what's important. But - like cars - the more bells and whistles, the higher the cost, the more to go wrong, and the harder it is to train your personnel. However, our FM Smartcaster, which is their most advanced machine, is easy for even our high-school part-timers to operate.

Personally, I highly recommend the higher cost of having the ability to record and play back from the hard drive at the same time. It eliminates going "off line" and other problems. I also highly recommend a traffic log interface, if needed, so logs can be entered quickly and accurately.

Some things to consider and remember:

These units are not maintenance-free. However, your engineer will probably not be the person to perform preventive maintenance - you will, or your operations manager.

Hard disk drives need to be "defragged" [defragmented] occasionally - an office computer, maybe once a year, but audio material that is changing every day really gives these drives a pounding. We have found that running the defrag program weekly helps a lot. There are several such programs available, including PC Tools Compress and Norton Speed Disk.

You will also need to run disk-fix programs, like the Norton Disk Doctor, to isolate bad sectors, etc. These programs take time to run, so you will have to allow down-time for this.

Remember, a backup of your commercials is important in case of system failure. Either you have them on tape, or - much better - you have a backup of your hard drive. Floppies won't work for

this, but a mirrored hard drive or a tape backup system will. BE SURE YOU BACK UP YOUR HARD DRIVE ON A REGULAR BASIS!!!

Also, these systems are not like cart machines or other old-fashioned broadcast hardware. Cart machines bought in the Sixties are still playing carts the way they always have. And you can still get parts for them. Not so with the new systems. They are obsolete the day you get them, so plan on upgrading as necessary. If you don't, you may find that the hard drive that failed is no longer available and you'll be forced into an upgrade. Technology moves very fast today, and vendors have no choice but to keep up.

We like our systems a lot - I could not go back to carts again. Our systems run satellite programming very well, and work very easily when we play breaks manually. I have been amazed at how easily our people made the transition from carts to Smarts ... in fact, it is much easier to train people to use our new systems than to use "conventional" equipment.

- Mike Petersen, WSDM AM & FM, Brazil, IN

We are using the Broadcast Sentry system from Broadcast Programming. The quality is unbelievable - clean, clear, with no cart warbles.

The music sounds much better on this system, and we're getting lots of comments around town that "You're playing the good stuff." (Without going to this system, we'd never have a music library like this.)

We're saving \$100-150 a week now, and we'll save more when baseball season is over.

- Chuck Thornton, WAGE, Leesburg, VA

The only thing wrong with the new digital automation systems is that they do exactly what you tell them to.

- Tom White, Chief Engineer, WDBQ/KLYV, Dubuque, IA

THE LAST WORD

Comments on our Reader Response Surveys have been very positive. We feel that SMRNewsletter is at its best when we are passing along what has worked for other broadcasters.

If you have been in the habit of skipping our broadcaster profiles, give them another look - lots of good ideas there, too!

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Small
Market
Radio
Newsletter

IN OUR
11TH
YEAR

FIRST CLASS MAIL
U.S. POSTAGE PAID
Fairfield, IA
Permit No. 5

ADDRESS CORRECTION
REQUESTED

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Lori Morgan - Associate Editor

VOLUME XI - Issue #19 - September 30, 1993

YOUR SUPPORT NEEDED TO BRING \$20 MILLION PLUS TO RADIO.

Legislation was introduced in the Senate two weeks ago making it possible for auto manufacturers and dealers, banks and others to advertise leases and loans on the radio. (Right now, as we all know, disclosure rules make such advertising nearly impossible.)

S. 1447, introduced by Senators Richard Bryan (D-NV) and Alfonse D'Amato (R-NY) would permit advertisers to use other means - such as toll-free phone numbers or point-of-sale materials - to inform consumers about lease and loan specifics.

RAB President Gary Fries estimates that this legislation will mean an immediate \$20 million windfall for radio in new business from major auto manufacturers alone, plus "untold new revenue" from local car dealers, banks and other businesses.

Here's what you can do now:

- Contact both of your U. S. Senators today (202-224-3121) and urge them to co-sponsor S. 1447 as soon as possible.

Selling points: (1) Lengthy disclaimers take up too much time on the radio, so potential advertisers are lost. (2) Consumers are hurt by this inability to use radio, because radio advertising means more information about loans and leases, sparking more competition and ultimately lower prices. (3) Alternate means of disclosure will be much more detailed and understandable than anything that could be aired in a radio spot.

- Follow up with a letter urging support, or thanking them if they've already pledged it.
- Report responses, including copies of any letters you receive, to NAB Government Relations - voice 1-800-424-8806, fax 202-775-2157.

For more information, call the RAB at 1-800-424-3121. We all need to get behind this right away - especially small market broadcasters, who often have better congressional relationships.

AT THE F.C.C.

NEW STATIONS (Granted):

ALABAMA (Brundidge) Troy Broadcasting Corp., 94.7, 2000w, 394'
CALIFORNIA (Santa Barbara) Delta Broadcasting Inc., 107.7,
25,000w, -151'
GEORGIA (Dalton) Lowrey Communications, L. P., 104.5, 3000w, 328'
TENNESSEE (Mt. Juliet) Jamal Broadcasting, L. P., 106.7, 6000w,
328'
WISCONSIN (Ashland) Gerald James Hackman, 93.3, 100,000w, 981'

NEW STATIONS (Applied For):

CALIFORNIA (Garberville) Brett E. Miller, 103.7, 8000w, 2590'
ILLINOIS (Colfax) Cornerstone Community Radio, 92.9, 6000w, 328'
(Colfax) Mark L. Rollings, 92.9, 6000w, 328'
(Fairbury) Mark L. Rollings, 107.7, 6000w, 328'
KANSAS (Sterling) Ad Astra per Aspera Broadcasting Inc., 95.7,
6000w, 328'
MARYLAND (Pocomoke City) Sound Enterprises Inc., 92.5, 6000w,
328'
NORTH DAKOTA (Walhalla) Norex Bcstg. Inc., 106.7, 33,000w, 600'
WISCONSIN (Altoona) Metro Media Broadcasting Inc., 1560,
2500/1000w, 1700 CH
(Three Lakes) Kathy Jean Fejzuli, 93.7, 50,000w, 492'
(Three Lakes) Northwoods Bcstg. Inc., 93.7, 50,000w, 305'

AMENDMENTS TO THE FM TABLE (Granted):

ARIZONA (Globe) KRXS (CP), to 97.3 C3 from A

AMENDMENTS TO THE FM TABLE (Proposed):

MINNESOTA (Park Rapids) new, 92.5 A

REPORTED SILENT:

ALABAMA (Selma) WTQX, 1570
FLORIDA (Century - Pensacola) WKGT-FM, 105.7
GEORGIA (Columbus) WHYD, 1270, pending sale
(Springfield - Savannah) WQQT, 103.9
ILLINOIS (Quincy) WZLZ, 103.9
MONTANA (Hardin) KKUL, 1230, pending sale
OKLAHOMA (Sallisaw) KKID, 1560, due to fire
SOUTH CAROLINA (Chester) WGCD, 1490
TEXAS (Denison) KTCY, 104.9, pending upgrade

FORMERLY SILENT:

FLORIDA (Cantonment - Pensacola) WKGT, 1090
ILLINOIS (Casey) WKZI, 800
INDIANA (Terre Haute) WLEZ, 102.7
LOUISIANA (West Monroe) KMBS, 1310
MINNESOTA (Stillwater - Minneapolis) WTCN, 1210
OKLAHOMA (Nowata) KRIG, 94.3
VIRGINIA (Narrows) WNRV, 990
WYOMING (Rawlins) KIQZ, 92.7
(Rawlins) KRAL, 1240

- Courtesy M Street Journal

MONEY PAGE - SALES AND PROMOTION IDEAS

Halloween promotion ideas ...

- Sponsor treat bag X-rays in cooperation with a local hospital.
- Give away your own treat-filled bags at a local mall. Fill the bags with candy, station goodies, and coupons from stores in the mall. (Don't forget the entertainment - magicians, clowns, sports figures.)

- One To One (209-226-0558)

- Throw a big Halloween party at a local venue. Families are encouraged to come in costume for trick-or-treating, games, and a storyteller telling ghost stories. The candy, bags and prizes are supplied by participating sponsors.
- Haunted Bus can be sponsored by your local transportation company. Decorate the interior of the bus and painted Halloween designs on the outside. Families walk through the bus and receive treats as they leave.
- Do a "Trick or Treat House" promotion with local sponsors. In advance, pick out several "WXXX Trick or Treat Houses" around town, telling listeners when they are trick-or-treating, to ask at each house, "Is this the WXXX Trick or Treat House?" If it is, they receive a prize from the co-sponsor.
- Black Cat sings the call letters is a fun promotion that gets media attention. Your station gives a cash or merchandise prize to the owner of a black cat (or any cat, for that matter) that can sing the station call letters. Make it a station event where contestants and other listeners come to participate. Goofy but fun.
- Halloween Parade is done as a huge event with lots of sponsor tie-ins. Listeners come in costume for an evening of food, beverages and fun. This is a great downtown event: stores can stay open and give special deals and free goodies.

- Radio Ink

- KXXX Trick Or Treater is a variation on the "WXXX House" from above - a costumed character parades around town on Halloween day, giving goodies to people who identify the KXXX Trick or Treater.
- War of the Worlds is a perennial listener favorite (and sponsor favorite, too). The classic 1938 radio play is available from Charles Michelson, 1-800-648-4546.

SALES - 14 Hints for Radio Advertising

1. **Feature one item**, or a limited number per commercial to insure listener remembrance. You can't sell ten items in ten to thirty seconds.
2. **Use one price only**, or a limited number. This way you won't confuse the listener.
3. **Is a phone number necessary?** If it can't get an order or sell a customer, don't use it.
4. **Time your announcements to customer buying time.** Don't try to change his or her habits.
5. **Try to catch listeners while they are using your product**, or aware of it (in the kitchen, at work, driving, etc.). Buy commercials in specific times to accomplish this.
6. **Take full advantage of favorable programs or happenings** - sports news for sports equipment, roofing after a bad rain, hot soup for cold weather, etc.
7. **Spend a reasonable amount of money.** Don't expect to meet or surpass newspaper results unless you make a similar expenditure.
8. **Buy selectively.** Combining different announcement lengths for volume rates. Consider long term contracts for extra reductions.
9. **Use saturation for fast!!! hard-hitting!!! impact!!!** One spot a day is usually less effective than six spots a day. Repetition is one of radio's biggest persuaders. [Editor's Note: OES works!]
10. **For gentle persuasion**, try one, two, three or more spots per day or per week.
11. **To pre-Sell a market**, use both media: radio for frequency and the personal approach, newspapers for visual approach.
12. **Remember that distinction is an effective tool in attracting people.** That sound effect, music or gimmick will help your commercial make an impression. It is not wasted nonsense!
13. **Don't select programs for your own personal likes or dislikes**, but for the audience you intend to reach!
14. **Have confidence in your salesman!** He's a pro in his field like you are in yours!

- DeVan-Moore Communications, Inc.

MANAGING YOUR BUSINESS BETTER: THE REAL COST OF EMPLOYMENT

An annual employee benefit statement can show employees how much they really make. The most effective is a one-page document listing gross wages and the dozen or so benefits most employees receive. This helps encourage loyalty because employees see what they may lose if they quit or change jobs.

In today's environment, most companies pay close to 50% beyond base salary. Where benefits are not valued as part of the wage package, unrealistic wage expectations can develop among employees. The following example shows an employee benefit statement for a worker earning \$40,000 per year (some of your percentages may be different, of course):

BENEFIT	VALUE
Gross taxable wages	\$40,000
Social security - 6.2%	2,480
Medicare - 1.45%	580
State unemployment	351
Federal unemployment	56
Profit sharing - 15% of wages	6,000
Health insurance	5,400
Life insurance	300
Disability insurance	120
Vacation - two weeks	1,538
Holidays - six days	925
Sick days - five days	768
Total employer cost/employee benefit	\$58,518

- Miller, Kaplan, Arase & Company

Editor's Note: I doubt many small market broadcasters have a 15% profit-sharing plan, but even without that benefit, your total cost for an employee is likely to be 30-35% more than wages.

While all the extras are tucked away in your budget, often we forget to factor them in when considering questions like whether to give that raise, whether to add that news person, whether to buy that hardware (a capital expense) to save a salary or two (a budget expense), and so on.

HALLOWEEN SAFETY MESSAGES

Parents! Before your youngsters start out on their trick or treat adventure, _____ reminds you to be sure hats do not cover their eyes, use makeup instead of masks to assure that your trick or treater can see easily. Don't allow them to dress in costumes with big, baggy, sleeves and long, flowing skirts that could brush against a flame and catch on fire. A Halloween safety reminder from _____ .

_____ sends best wishes for a happy, safe Halloween - and reminds boys and girls to be sure to stay in neighborhoods they know well. Do not enter a house unless you are accompanied by an adult. Make sure you are carrying identification - your name, address, and phone number. A Halloween safety tip from your friends at _____ .

Parents of Halloween trick or treaters, _____ reminds you to be sure your youngsters' costumes are made of flame-resistant materials. Affix reflective tape trim to the costume so that your youngster can be spotted easily. Have your youngsters wear shoes that are comfortable and easy to walk in - no high heels. A Halloween safety reminder from _____ .

_____ reminds you youngsters who will be trick or treating this Halloween: visit only well-lighted houses. If there's no sidewalk, walk on the left hand side of the road or street - facing traffic. Don't cut across lawns or go between parked cars. _____ hopes this will be a safe, happy Halloween.

Make your home safe, as well as welcome this Halloween. _____ reminds you to remove toys and other items from your steps and sidewalk. Keep jack-o'-lanterns and other Halloween decorations away from curtains that could catch on fire. Don't leave a jack-o'-lantern burning while unattended. A Halloween safety reminder from your friends at _____ .

_____ reminds boys and girls who will be trick or treating: this Halloween to be sure you don't eat any treats until an adult as checked them out. _____ hopes this will be a safe, happy Halloween for everyone.

Most of you don't expect to see children on the street on a dark night. But, _____ reminds you that on Halloween the "little goblins and ghosts" can appear unexpectedly. Watch for them. In the Halloween excitement, they may forget to watch for you. Join the folks at _____ in driving with extra care this Halloween.

Make this Halloween extra fun and safe, says _____. Kids - stay together and watch traffic. Adults - watch out for the little ones. A safety reminder from _____ .

Marconi Is Listening to Small Market Radio

At this year's Marconi Awards, only one small market station - by our definition of the term - won awards: KWOX (K-101) in Woodward, OK took Small Market Station of the Year and Small Market Personality of the Year. We talked with the owner, Doug Williams, about what he's doing in Woodward ...

Doug's career path is about as unusual as you'll find in the business - law school, practicing attorney, FBI agent, radio station owner. "I played radio as a kid and I worked my way through law school as a deejay," Doug says, "and didn't like practicing law all that much. So when another fellow in Woodward approached me about putting a new FM station on, I got involved."

Doug didn't know much about the business side of radio, so he called the FCC, who told him to get an engineer and do a frequency study. They found a 100kw assignment that would fit, but it took four and a half years "and an enormous amount of bureaucracy" to get the station on the air. In the meantime, the Commission dropped in two Class As - unrequested - before finally granting Doug his Class C.

"So, instead of being the third station in the market when we applied, we were now the fifth," Doug says ruefully. "But that didn't change our plans to become the community station ... everybody else was on satellite."

The station started out in a trailer (the bathroom was the newsroom, with an old-style teletype machine sitting on the commode), but now it occupies a 6500-square-foot space above a shopping center that Doug also built.

Getting from there to here wasn't always easy. Doug points out that when he was granted his CP in 1983, "the oil-based economy in Oklahoma and Texas was just starting to fall apart."

Doug says, "We became successful because I wasn't a broadcaster. When times got bad, I didn't complain about how bad they were, I realized we simply had to have other revenue streams. We put on a trade show ... we looked for promoters who would front concerts in exchange for advertising and then split the door ... I got a beer license for the events we're involved in ... we built the shopping center ... and we started a print business."

The print business started by accident, but today it's a good profit center. "We started an all-star football game about five years ago, since there was very little coverage of the regional teams. Part of the package was a program guide, which we farmed out. It was so successful that it led to other sports guides and ultimately a monthly entertainment guide - so we started a printing company."

Doug notes that lots of small market businesses cannot afford (or don't think they can afford) radio schedules, but they all have print budgets - which he can tap into with his newspaper division.

But Doug hasn't stopped growing yet: "We've just received our CP for a low-power TV station as well," Doug says - "yet another revenue stream, since regional and national advertisers have separate TV budgets."

Summing up why he got into the business - and why he stays in - Doug says, "I make a fourth of what I made as a lawyer, but I love everything I do every day."

THE LAST WORD

The steady barrage of criticism being leveled at the national administration and members of Congress by talk show hosts and their callers is clearly getting under their skin. Since most of those participating in the barrage are without education, training, or work experience in public policy, it is easy to understand the officials' frustration. A South Carolina Congressman said recently that the activities of the talk show hosts and their callers "are making it impossible to govern."

It is in this atmosphere that Congress and ultimately the President are preparing to bring back the Fairness Doctrine, a set of FCC rules in effect from 1949 until the mid-'80s. When Congress tried to overrule the FCC, President Reagan vetoed the legislation. The best guess now is that President Clinton will not take similar action.

The First Amendment says, "Congress shall make no law respecting an establishment or religion, or prohibiting the free exercise thereof, or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances." There is no mention of fairness.

The Bill of Rights has no provision for making governing an easy task. Certainly, the often shrill voices that show up on broadcast talk shows make political folks uncomfortable, but that's an important part of what makes representative democracy work. Reviving the Fairness Doctrine will seriously impede broadcasters' ability to run their businesses and serve the public. No broadcaster can take neutral stance on this.

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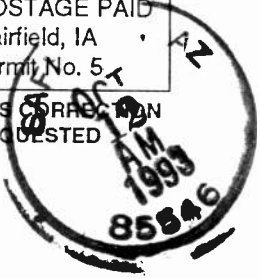
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ADDRESS CORRECTION
REQUESTED

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Lori Morgan - Associate Editor



VOLUME XI - Issue #19 - October 7, 1993

SUPER GOSPEL AFTERMATH: REACH SATELLITE NETWORK now has over 60 affiliates. Reach offers Southern Gospel/Christian Country full-time on a cash/barter basis. For specifics, call 1-800-334-2630.

RADIO REVENUE UP 9% FIRST EIGHT MONTHS OF 1993, according to RAB Radio revenue index. Combined national spot and local revenue rose 9%. For the month of August, national revenue rose 7%, and local 9%. Gary Fries said that radio revenue is growing at a faster rate than television, magazines, and newspaper.

STATION SALES UP 62% in the first two quarters of 1993 vs. 1992, according to NAB's Trends in Radio Station Sales: 1991-1993. For information, call 1-800-368-5644 or 202-429-5376.

MODULATION LIMITS COMMENTS are being sought by the FCC, in particular on measuring and defining FM modulation. Comments due by November 5, 1993; replies due by December 15, 1993.

RAB'S CORRESPONDENCE RADIO MARKETING DIPLOMA COURSE for salespeople has sold out its first session. The next deadline is January 10, 1994. Call 1-800-255-9853 for information.

NEW PROGRAM TO COMBAT TURNOVER IN RADIO ADVERTISERS will be offered by Interep. Radio has a 43% turnover of national spots, and 40% turnover of local business. The program, Attrition Reduction Program (ARP), will do station follow-ups and analyze the effectiveness of the ad copy.

U.S. COURT OF APPEALS HEARS INDECENCY ARGUMENTS regarding a law that would only allow "indecent" programming between Midnight and 6 AM. The court could make a decision in three months.

SELECT MUSIC SYSTEMS BUYS SOUNDSERVE, INC. Select, operator of "MusicLink," has signed 200 stations in 10 days. Stations market music to their listeners by using a toll-free number. Service is available nationwide to stations on a format-exclusive basis.

A NEW RADIO INFOMERCIALS SOURCE is being offered by IDB Communications Group and AS SEEN ON TV, Inc. "InfoRadio" allows consumers to order by using toll-free numbers; stations are paid per product sold. Call Peter Hartz at 213-240-3721.

P. O. Box 1285 - Fairfield, Iowa 52556 - (515) 472-4087 - FAX (515) 472-6457

At The F.C.C.

NEW STATIONS (Granted):

HAWAII (Waimea) Hawaii Broadcasting Company, 99.1, 39,000w, 2820'
IOWA (Cedar Falls) Thin Air Investments, Inc., 98.5, 25,000w,
328'
NORTH DAKOTA (Bismarck) James & Konnie Bartels, 97.5, 100,000w,
1063'
SOUTH CAROLINA (Branchville) Eagle of Orangeburg, Inc., 105.1,
6000w, 328'
WASHINGTON (Eatonville) Barbara J. Geesman, 104.9, 6000w, 295'

NEW STATIONS (Applied For):

FLORIDA (Yankeetown) Citrus County Assn./Retarded Cit., 96.3,
6000w, 328'
(Yankeetown) Star Radio Inc., 96.3, 6000w, 328'
ILLINOIS (Colfax) BNC Broadcasting, Inc., 92.9, 6000w, 328'
(Colfax) Daniel Wayne Keister, 92.9, 6000w, 328'
(Colfax) Howard G. Bill, 92.9, 6000w, 328'
(Colfax) Nancy L. Foster, 92.9, 6000w, 328'
(Fairsbury) McLean County Broadcasters, 107.7, 6000w, 328'
IOWA (Alta) Buena Vista College, 97.5, 6000w, 328'
(Alta) Mahn Broadcasting, 97.5, 6000w, 328'
(Lake City) Ames Broadcasting Company, 106.7, 25,000w, 328'
OREGON (Cannon Beach) Cannon Beach Broadcasting Co., 96.5, 970w,
784'
(Seaside) Ken's Corporation, 98.9, 6000w, 327'

AMENDMENTS TO THE FM TABLE (Granted):

MONTANA (Kalispell) KDBR (CP), to 106.3 C2 from A

AMENDMENTS TO THE FM TABLE (Proposed):

ALABAMA (Hayneville) new, 107.9 A
(Pike Road) new, 97.5 A

REPORTED SILENT:

ALABAMA (Union Springs) WSFU-FM, 94.1
COLORADO (Rifle) KKGD, 810
(Rifle) KZKS, 105.3
FLORIDA (Madison) WMAF, 1230
TEXAS (Boerne - San Antonio) KBRN, 1500

FORMERLY SILENT:

ARIZONA (Quartzsite) KBUX, 94.3
ARKANSAS (Huntsville) KFAY-FM, 99.5
CALIFORNIA (Petaluma - Santa Rosa) KTOB, 1490
TENNESSEE (Chattanooga) WJOC, 1490
TEXAS (Robstown) KGLF, 1510
(Rockport) KPCB, 102.3

FINE: Westerville Broadcasting Company, L. P. of Ohio fined \$25,000 for inconsistent financial information. Westerville was applying for a new FM when discrepancies among financial documents was discovered. The application process was dismissed.

- Courtesy M Street Journal

MONEY PAGE - \$ALE\$ AND PROMOTION IDEAS

November Business Opportunities include the following businesses, whose sales in the month are above average:

Appliance Stores	Furniture Stores
Book Stores	Jewelry Stores
Carpet Stores	Men's Wear Stores
Consumer Electronics Stores	Music Stores
Department Stores	Shoe Stores
Discount Stores	Women's Wear Stores
Fabric & Sewing Stores	

- RAB's Top 40 Business Survey

November Promotional Opportunities - Events & Holidays

Months

Aviation History Month
Child Safety and Protection Month (National PTA)

Weeks

November 14-20 - American Education Week (Natl. Education Assn.)
November 15-21 - National Children's Book Week (The Children's Book Council, Inc.)
November 19-25 - National Farm-City Week
November 28-December 4 - National Home Care Week (National Association for Home Care)

Days

November 2 - Broadcast Journalist Day
November 2 - General Election Day
November 3 - Sandwich Day
November 11 - Veterans Day
November 13 - National Moms and Dads Day
November 15 - American Enterprise Day
November 15 - American Federation of Labor Founded (1881)
November 18 - Great American Smoke-Out
November 22 - Anniversary of John F. Kennedy Assassination (1963)
November 25 - Thanksgiving Day

The Tour of Homes is a weekend real estate open house promotion for October that ties in real estate brokers, your local realtor association and a home financing institution. Brokers purchase spots and remotes from the 2-15 houses they feature. The financial institution offers special rates for the promotion.

Three weeks ahead, begin running spots describing the featured homes and distribute flyers listing the homes on the tour. Hold live remotes to "tour" the homes and interview the realtors. To boost listener participation, offer them the chance to register for a grand prize drawing at each home - the more places they register, the better their chances of winning. Sell other sponsorships to furniture stores, hardware stores, decorators and plumbers. [Tom Thompson, WTNS, Coshocton, OH - featured in RAB's Radio Sales Today]

SALES - HIRING A SALESPERSON

1. One third of all existing salespeople, no matter what the industry, are not true sales personalities. Some are technicians who sell by presenting the package and expecting it to sell itself on its own merits. Some are public relations people who cannot ask for the order. Some are non-performers for other behavioral reasons, such as immaturity, insufficient energy or intelligence.
2. Beware of the referrals of friends. People tend to refer other individuals because they like them. The "passive charmer" and "professional interviewer" types fall into this category. People are attracted to this type of personality and assume their persuasive nature is vocational assertiveness. They tell them they are so good with people that they ought to be in sales - then they contact you to tell you about their latest find. Personality testing can help you determine if they are all talk or really sales oriented. It will also help in situations where the referral source or the prospective candidate is a family member.
3. Avoid people from "soft-close, order-taking" sales positions such as retail, newspaper advertising, telemarketing, etc. Only consider the Number One salesperson in these areas - an individual who has been Number One for a considerable period of time. It is appropriate to ask a clerk at your local Sears or Penney's who their best salesperson is. Find them. Observe them. Check their selling style; if they appear to aggressively "ask for the order," then approach them. In soft-close environments, the salary and commission are generally low. The true salesperson, stuck in a soft-close sales environment, will be interested in listening to you.
4. Look toward sales jobs which require persuasive skills - the ability to create a need. Since the majority of top-billing salespeople are aggressive, persuasive people, you should seek those personality traits in prospective candidates. They are found in industries like door-to-door sales, cosmetics, home party products, advertising, autos, boats, RVs, and fund-raising. If the sale involves a big-ticket item, the true salesperson likely makes too much money to be interested in your opportunity, unless economic conditions have caused the market to dry up. Remember, though, that good salespeople do not have bad markets - they just work harder.
5. Look for the person who goes out of his/her way to sell you additional products and/or to meet goals. Salespeople who attempt to sell additional products without being trained to "suggestion sell" may be sales-oriented. When they suggest additional products, ask them if they are required to offer you additional products or services by management. If the answer is, "No, I'm just trying to beat last week's sales," you may be talking to a real salesperson.

- Dale Smrekar, Omnia Group, 1-800-525-7117

Products and Services You Should Know About

Holiday Programming - The Christmas Music Network offers a satellite-delivered Adult-Contemporary holiday special on a total-barter basis. Although this is only the second year of syndication, the program ran for several years at a local station in Dallas. The show can last from 17 hours to 27 hours; all local breaks are covered for a minimum of dead air. For more information, contact Ross Reagan at 1-800-423-XMAS (9627). (We've heard this program and it is very good.)

Inexpensive Music Research - If you are programming your music locally and cannot afford your own music research, the Trapman Company offers the next best thing - music monitors of top stations in your format (AC, Oldies, Classic Rock and Album Rock) that do conduct research. For small markets (101-plus), the service is \$495/year for the computer program, the data and several updates. For more information, contact Craig Erikson at 813-454-1199. Mention that you are a SMRN subscriber to receive a discount. (We have done business with Trapman for years and find them to be honorable and reliable.)

Keep Up To Date On FCC Rules - The Broadcast Rules Service from Pike & Fischer, Inc. is a regularly-updated, indexed set of FCC Mass Media regulations ... plus the active documents that discuss proposed rulemaking and rule changes. The company also offers the FCC rules on computer disk, as well as other products to help radio stations stay legal. For more information, call 301-654-6262. (This information is from a company mailing.)

Low-cost Interactive Phone Systems are available from Henry Engineering. These systems allow callers to choose from a menu of options (personnel extensions, time/weather, ski report, and so on). You can sell a number of sponsorships for different call-in features, and improve the efficiency of your operation as well. For more information, contact Hank Landsberg at 818-355-3656. (This information is from Gary Grossman, KRKT, Albany, OR, by way of RAB's Radio Sales Today.)

Weekly Parenting Talk Show called "Working Mom On The Run" is now available from Sweet Talk Productions. WMOTR is one hour per week, hosted by veteran comedian/radio personality Debbie Nigro. (Most stations run it Saturday morning.) Debbie's humorous commentaries have lots of good information "for working parents who are struggling to make ends meet and have fun." The show is all barter (Avon is the title sponsor). For more information, call Jeff Tronccone at 212-546-7118. (Information supplied by Sweet Talk Productions.)

Engineering Book For The Rest Of Us is from veteran Texas radio engineer George Whitaker. Entitled Radio Engineering For The Non-Engineer, George's book steps the layperson through the basics - enough to perform light maintenance duties yourself, and enough to communicate more effectively with your engineer. For more information, call 1-800-572-8394. (Recommended.)

GET OUT THE VOTE

_____ reminds you that democracy suffers when people stay home on election day. Democracy flourishes, freedom lives when good citizens cast an informed vote. _____ reminds you that your country needs you. Vote [DAY].

_____ believes that no one should be too busy to vote. Election time means another test of the democratic principles upon which the nation was founded. _____ says, whatever your party, be sure to number yourself among good Americans. Vote!

_____ says, don't let democracy down. Let your voice be heard at the voting machine. It's your privilege and your duty as a citizen. Don't let others make the decisions alone. _____ says, vote [DAY].

_____ reminds you that every vote is important, and none is more important than yours. _____ says, be sure to take the time [DAY] - Election Day. Take part in our democratic process - vote!

It's a fact: John F. Kennedy was elected President by less than one vote per precinct. _____ reminds you that your vote does count. _____ says, be counted on [DAY] - Election Day.

You often hear people say they don't bother to vote because one vote doesn't count much. _____ believes we'd be in a sorry shape if everyone felt like that. Make your vote count. _____ says, have your say on Election Day.

When you vote, you do have a say in how your government is run. That's why _____ thinks it's important that you cast ballot [DAY]. _____ says, play a part, lend a hand in making democracy work. Vote!

Government of the people, by the people, for the people is only possible when citizens cast an informed vote. _____ reminds you that [DAY] is Election Day. _____ says, cast your vote. You can do something to make democracy work.

_____ reminds you that you can't complain later if you don't vote. Do your part for democracy by casting an informed vote. _____ says, if democracy means something to you, do something for democracy on Election Day.

_____ thinks voting is important. They believe every citizen should play a part - lend a hand. _____ urges you to get out and vote Election Day.

Don't take freedom for granted! Vote! _____ urges you to take time to cast an informed vote [DAY]. _____ asks you to join them in playing an important part in our democracy.

MORE ABOUT SALES COMPENSATION

Patrick A. Chambers, KNEM, Nevada, MO:

- Base: \$600 per month, which covers collections for the first \$2,400 per calendar month
- Commission: 15% on collections from \$2,400-5000 ... 20% on collections over \$5,000
- Expenses: \$75 per month gas allowance
- Spiffs & Bonuses: "Very basic" - days off when goals are met ... tickets to a ballgame, theme park, Branson, MO shows, etc ... no cash bonuses as a rule

G. Fender, WSRW, Hillboro, OH:

- Base: \$100 + \$100 draw (account rep "A"); or \$200 (account rep "B")
- Commission: 15% on collections
- Expenses: Gas
- Spiffs & Bonuses: "Working on a year-end bonus when we hit goal ... for now, the only spiff is you get to keep your job"

From Our Readers

"Here's an idea I borrowed from somewhere, I just can't remember where. Small market radio stations that have car dealer advertisers can use this idea to boost radio usage and sell cars for their clients. Since everyone over the age of two is now required to hold a Social Security number, this appeals to everyone in the family.

"The car dealer runs a strong schedule over a 30-day period urging listeners to compare the last four numbers of their Social Security number to the last four numbers of the V.I.N. numbers on every vehicle on the lot. The first person to make a match wins \$1,000 cash; every other winner receives \$100 during the period.

"The dealer also prints up a card to make it easier for the potential car buyer to write down the entire family's Social Security numbers to make the comparisons as they walk the lot. There is a coupon on the back of the card for an additional \$100 (or more) savings if they buy a car or pickup during the promotion. This allows the salespeople to make contact with every prospect before they walk the lot comparing their numbers.

"The possibility of having a winner is very slim; however, with the coupon, every car buyer will be a winner by getting the extra discount if they purchase. The other way it works is to have the promotion as a three- or four-day blitz with hot dogs, soda, etc. - maybe tied into an anniversary or new car showing."

- Rod Goeman, CRMC, KJAM, Madison, SD

"I don't understand why programming in general over a period of years has been allowed to go on the air and treat a commercial as a problem. We don't do that. We block commercials out so they're very palatable for the listener, and they're not a problem. I could rip my radio out whenever I hear 'Another commercial-free hour' or 'Another long set without commercial interruption.'

"Radio only gets 6% of the revenue, as great as we think we are. That's because one-half of the team is going in saying we're great, while the other half is going on the air treating commercials like dirt. If you treat a commercial as a problem, then it'll be a problem - for both listeners and advertisers."

- Jim Cameron, WILQ/WLYC, Williamsport, PA

"In July we made the switch on our AM to all sports. We had been carrying about 400 play-by-play games a year - first the Cubs and Bears and Basketball as a day-timer; then, when we went full-time we added the Pistons, Redwings, Bulls, and the NBA Network.

"In 1985 we were the highest rated Country daytimer in America, but by 1993, AM stereo Country was a little bit of a non-event; we were looking for a more unique position for the station. We had a prior relationship with the Sports Entertainment Network, and we were impressed with the opportunities to position ourselves as the sports station in the market.

The change created a lot of buzz - talk is where it's at for AM in markets of this size. It's easy to sell, even without numbers, because agencies may buy efficiencies but retailers buy results - they're not the same. Even if we have a big fat book, if we let ourselves be bought on that basis, we've lost.

- Steve Trivers, WQLR & WQSN, Kalamazoo, MI

"All of our markets are surveyed by Arbitron one year with the results coming in the following year - we end up with useless, yes, useless data. In addition, the sampling size is so small that not a single qualified researcher would accept the findings.

"Less than ten percent of radio revenues are driven by ratings in the Midwest. With parity developing in all markets, results for advertisers is still the number one criterion. Qualitative research that helps the station and the advertiser is the principal form of research that has value."

- Roger Dodson, Radio One Broadcasting, Sioux Falls, SD

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DON'T FORCE EBS CONVERSION, says NAB President Eddie Fritts to the FCC. Fritts remarked that many stations would face hardship if a realistic timetable is not established. There is concern that high demand for, and limited supply of, the new equipment would create inflated prices.

DIARY RESPONDENTS RECORD MORE LISTENING ON THURSDAY, the first day of Arbitron's survey week, but the difference between Thursday (59.0%) and Friday (56.8%) is not as large as previously thought. Research Director, Inc., a research analysis firm, reviewed 55,000 diaries from the Fall 1990-Spring 1993 surveys. The company also discovered that the average listener tuned in 6.3 times per week for 5.4 quarter hours at a time.

NAB MULTIMEDIA WORLD 1994, Las Vegas, March 20-24, will feature - in addition to the exhibits and product demonstrations - 80 sessions and workshops involving ways multimedia technology can reduce production costs, improve customer service, and make more money. For information on seminars and workshops, call Andy Butler at 202-429-5345.

BROADCASTERS WORLDWIDE MUST FIGHT PERFORMANCE ROYALTIES, according to NAB's Eddie Fritts. Fritts told Australian and Japanese broadcasters that all broadcasters needed to unite and oppose the royalties. U.S. broadcasters spend \$300 million a year for music rights. Performance royalties might add hundreds of millions of dollars to that figure.

AMERICAN POP MUSIC NETWORK to reveal a national edition of WQEW in New York. The NY Times-owned Adult Standards station is scheduled to hit the satellite on January 1, 1994. The format will be offered on a straight barter basis with affiliates receiving sales support. For information, call 212-767-1100.

EMPLOYEES ARE MORE PRODUCTIVE when they have a nice view from their windows, according to psychologist Rachel Kaplan of the University of Michigan. Employees are more patient and enthusiastic, and less likely to get sick and frustrated. Workers in rooms without windows are more distracted, irritable, impulsive, and less capable of problem solving and flexible thinking.

At The F.C.C.

NEW STATIONS (Granted):

FLORIDA (Ormond-by-the-Sea) Gloria Bell Byrd, 95.7, 3000w, 328'
ILLINOIS (Teutopolis) John W. Kirby, 102.3, 6000w, 328'
OKLAHOMA (Elk City) Brooks D. Brewer, 94.3, 1800w, 599'

NEW STATIONS (Applied For):

GEORGIA (Sasser) Albany Radio, Inc., 107.7, 12,500w, 462'
IDAHO (Gooding) Idaho Broadcasting Consortium, 100.9, 100,000w,
1578'
NEBRASKA (Blair) Joseph A. Nugent, 97.3, 25,000w, 325'

AMENDMENTS TO THE FM TABLE (Granted):

LOUISIANA (Amite) new, 96.5 A
(Blanchard) new, 102.1 C3
MISSOURI (Chillicothe) KCHI-FM, to 103.9 C3 from A
MONTANA (Livingston) new, 100.7 C
TEXAS (New Boston) new, 95.1 A

AMENDMENTS TO THE FM TABLE (Proposed):

FLORIDA (Panama City) WGNE, to 98.1 C1 from C2
HAWAII (Hawaii Ocean View Est.) new, 95.3 A
ILLINOIS (Taylorville) new, 94.3 A
KENTUCKY (Clasgow) new, 94.1 A
NORTH CAROLINA (Tabor City) WYNA, to 104.9 C3 Callabash, from A
Tabor City
OHIO (Pleasant City) new, 94.3 A
OKLAHOMA (Pauls Valley) KGOK, to 97.7 C3 from A
PENNSYLVANIA (Fairview) new, 107.5 A

REPORTED SILENT:

NORTH DAKOTA (Wishek) KDRQ, 1330
WASHINGTON (Vancouver - Portland) KVAN, 1550

FORMERLY SILENT:

TENNESSEE (East Ridge - Chattanooga) WJRX, 107.9

- Courtesy M Street Journal

SMRN READER RESPONSE

Let us hear from you on the following question:

Duopolies: Are they working? What trends are you seeing? Are they being sold separately or as a group? Are they being run out of one building or more than one?

Please fax your responses to 515-472-6457. We'll print them in an upcoming issue.
Thanks!

MONEY PAGE - SALES AND PROMOTION IDEAS

Christmas is just around the corner, and here are some ideas to share with your customers, from Farm Store:

1. Teach holiday selling skills to staff during off hours. Provide refreshments.
2. Use employee sales contests to spur sales. Recognize and reward workers who achieve high sales or improve abilities.
3. Have employees add "because," "holidays," "Christmas" and "gifts" to their sales vocabulary. Example: "Your husband will love this wrench set as a Christmas gift because ..."
4. A profitable upselling expression: "Now that you've bought a gift for someone else, how about one for yourself?"
5. Instruct salespeople to start conversations and answer the phone with "Merry Christmas." It's festive and friendly.
6. Use blinking red and green Christmas-tree lights on signs announcing special holiday merchandise.
7. Tape red and green arrows to the floor to direct customers to "Red and Green Tag" holiday specials.
8. Decorate a Christmas tree in the store with gift items from your inventory. Spread some good ideas under the tree, too.
9. Fill your store with holiday music. Break in occasionally with specials and discounts on merchandise store-wide.
10. Participate in Christmas parades and other civic events. Give out balloons imprinted with your store's name and message.
11. Invite local groups to do caroling in front of your store. Give out song sheets with specials printed on the back.
12. Conduct a children's Christmas Art Contest, using local art teachers as judges. Post entries in your store.
13. Double-label expensive merchandise twice to prevent tag-switching. Christmas is an active time for shop-lifters.
14. Collect customer names with a drawing or sign-up book for a good direct-mail list for 1994 target promotions, sales and other special events.
15. If a long line forms at the check-out, offer people a number so they can browse instead of just standing in line. Feature impulse merchandise nearby.

SALES - THE VALUE OF REFERRALS

Are you making the most of the opportunity to use your present customers to find new ones? Here are some tips on getting more - and better qualified - referrals from marketing consultant and author Pete Silver:

1. Are you letting enough people know you appreciate referrals? Make a list of everyone who could be providing you referrals. The longer the list, the better.
2. Identify your centers of influence - the people who can and could refer business to you. Find out what prompts them to make referrals.
3. Seek referrals from your vendors. To get more referrals from them, refer more people to them.
4. Do your referral sources know what conditions cause people to need your product or service? To be sure, write a "plain English" list of what you offer, and describe the conditions under which people need you, so your referral sources can be on the lookout.
5. Follow up with both the person who made the referral and the person referred. Failing to do so sends the message that you don't appreciate their help. Create a system to ensure prompt follow-ups.
6. Reward referrals. It is not always necessary or appropriate to use money; give a creative "thank-you" - like flowers, a magazine subscription, a dinner gift certificate - or at the very least send a handwritten note of thanks.
7. Ask satisfied clients for letters of recommendation - then use them, in presentations, as stuffers, on the walls, etc. Or bind them into a "success book" to show prospects.
8. Your banker, lawyer and accountant and other professionals can be invaluable sources of referrals.
9. Ask your clients and prospects what other services and products they are seeking. If possible, introduce them to a good source for a "win-win-win" situation: the buyer gets a good vendor; the vendor gets a good customer; and you get the appreciation from both.

Remember, referrals lead to more and better sales - with higher price tags. That's why referrals are so important to good marketers.

- Pete Silver, 153 Ideas for Totally No-Cost Marketing (1-800-745-8377)

VETERANS DAY MESSAGES

Please join _____ in remembering why we observe Veterans Day. Pause and reflect on the sacrifices made by men and women in the defense of our liberty. A Veterans Day message from _____.

American men and women have been called upon many times to defend freedom. Many paid the ultimate price. _____ believes it is fitting that we reflect on their sacrifices. _____ is proud to join the observance of Veterans Day.

To save the nation and make this a better place in which to live. _____ were proud to serve in time of national emergency. In peacetime, they dedicate themselves to the well being of fellow veterans and community service. _____ thinks Veterans Day is an ideal time to thank the community for their generous support and continuing interest.

It is too easy to forget wars and emergencies and the sacrifices of men and women who serve their country during such times. That's why, each year, one day is set aside as Veterans Day. _____ asks you to join them in paying tribute to those whose sacrifices have made our freedom possible. Join _____ in thinking about what Veterans Day really means.

The _____ is made up of men and women who served their country in time of war. Now, in time of peace, these men and women and their families serve their fellow veterans and the good of the community. _____ works hard to make [COMMUNITY] a better place in which to live. Join them in observing Veterans Day.

_____ asks you to pause and reflect on the sacrifices made by men and women in defense of our liberty. _____ asks you to join them in remembering why we observe Veterans Day.

This Veterans Day, _____ reminds you that every time our nation's liberty has been threatened, American men and women have come to her defense. They sacrificed to make sure our freedom was preserved. _____ salutes the veterans of this area and asks you to join them in saying, thank you.

The members of _____ are proud to have served the nation in time of national need. Today, they and their families continue to serve fellow veterans in need and other members of the community through the organization's service projects. Join the members of _____ in observing Veterans Day.

_____ says, Veterans Day is the time to remember ... to remember what so many American men and women have done to preserve our freedoms. Join _____ in saluting them.

IT'S BEGINNING TO LOOK A LOT LIKE CHRISTMAS

It's not too early to starting planning for this biggest retail period of the year. How big? According to Francine Schwadel in The Wall Street Journal, "Retailers like to say that the rest of the year is a dress rehearsal for Christmas."

Consider ...

- 94% of all adults 18 or older will buy and give Christmas presents. Almost 50% will buy ten or more gifts.
- 86% send Christmas cards.
 - 42.7% hobby items.
- 86.3% buy clothing.
 - 35.1% sports equipment.
- 65.6% buy toys and games.
 - 25.9% home entertainment.
- 58.9% buy jewelry.
 - 25.8% gift certificates.
- 52.5% buy flowers & candy.
 - 8.0% lawn/barbecue items.
- 44.6% small appliances.
 - 7.4% major appliances.

- Harvard Business School Research

The gift-buying bulge means big volume around holiday time. Here is the percentage of the year's business done in November and December for a variety of industries:

Appliance Stores	23.3%	Hardware Stores	18.2%
Book Stores	24.0%	Jewelry Stores	33.0%
Camera Stores	21.0%	Mens Stores	26.0%
Children's Clothing	22.0%	Music Stores	23.9%
Consumer Electronics	24.2%	Restaurants	16.5%
Department Stores	26.4%	Shoe Stores	20.1%
Drug Stores	19.7%	Sporting Goods	21.9%
Discount Stores	25.0%	Supermarkets	17.1%
Fabric & Sewing	21.3%	Variety Stores	25.7%
Florists	19.8%	Womens Clothing	23.3%
Furniture	18.8%		

- U.S. Department of Commerce

Get your unfair share of the season's business by helping your customers get theirs:

1. Check the buys on your station for the last three seasons. Check print activity for the same period. Good promotions tend to repeat.
2. Set up a Christmas fact-finding call with big spenders ASAP. Ask good questions; listen to the answers; make thoughtful suggestions. Create a custom plan and customers spend more.
3. Make sure every ad (a) makes an offer; (b) prices it; (c) includes benefits backed by features; (d) asks for specific action; (e) sets a time limit; (f) justifies the offer.

Involved and enjoying it

How does a radio station establish and maintain rate leadership in a competitive market? Ask Sue LaRose ...

Sue got her start in radio sales in New Jersey and Pennsylvania. She joined WVPO and WSBG in Stroudsburg ten years ago, first as sales manager and for the past six years as General Manager. Even though she has the only stations in Stroudsburg (the FM is Top 40, the AM Full-Service AC), she is up against two other stations in the trading area; a local newspaper; several shoppers; and tourist paraphernalia (placemats, calendars, maps and so on).

How does Sue maintain rate integrity and rate leadership in such an environment? "The value of our stations is very strong," She says. "If you walk into different businesses, you'll hear one of them in the store."

Sue's news director and two newspeople "cover everything local, aggressively. We're at all the meetings." The station won the 1992 Joe Snyder Award from the Associated Press for best small market news station in Pennsylvania, nine other AP awards, and two first-place awards from the PA Association of Broadcasters.

Other local features include local high school and college football; broadcasts from nearby Pocono Raceway; a local call-in show; a buy/sell/trade show; and five or six local talk shows. "We have a team of doctors, a veterinarian, a financial consultant, a commodities specialist - all donating their services for promotional value."

Both the AM and FM morning-show hosts are deeply involved in the community (one is on the local Red Cross board, while the other works for the Cancer Society) and feature local guests each morning. Sue herself is on the Chamber of Commerce and the YMCA boards. "Everybody has a personal commitment, as well as on behalf of the station," Sue says.

Sue proudly points to two recent examples of her stations' involvement: "We developed a program with our local Midas Muffler shops and the Highway Safety Council, raising enough money to equip 41 ambulances with child safety seats. And when the Easter Seals asked us to do their on-air auction this year, we tripled their cash intake."

Sue is justifiably proud of winning the 1992 Athena Award from the Chamber of Commerce, awarded each year to a woman who demonstrates, to quote Chamber literature, "excellence in her profession and valuable service to the community."

Naturally, the tradition of involvement extends to sales in a big way. "We're involved with what's going on with our clients," Sue

says. "Through our contacts in the community, we're always first to know about new businesses, special events and other opportunities."

But the most important thing is client satisfaction: "We're concerned about developing relationships," Sue says. "We depend on repeat business so much, we want to develop marketing programs for our clients, not just run in and out."

Sue's advice to other small market broadcasters: "In spite of all the technological advances now and in the future - DAB, computer music, cable music - we have got a tremendous advantage in the future of radio, because we can be local - your emphasis definitely must be on being local. That's how you win."

THE LAST WORD

A few weeks ago, the "sold sign" went up at WDME, Dover-Foxcroft, Maine. It is the final chapter of a remarkable small market radio story.

Fred Hirsch bought the station in 1981, after college and six years in a variety of posts at small stations in the Northeast. He put know-how and hard work into the business. Within five years, it was well on its way to being one of the very best small stations in the country.

In 1986, Fred learned first-hand just how fragile life is. He was paralyzed in a skiing accident and to this day is in a wheelchair. Despite his handicap, Fred has continued to give his community a first-rate radio station. In 1990, his was one of seven Marconi Award small market stations.

Fred's community in recent years has suffered the effects of the well-known New England economic depression, but by doing a lot of the work himself, Fred has maintained the high level of community service that has been the hallmark of his operation since he became its owner in 1981.

"After 13 years," he says, "I guess I've finally burned out." At 40, Fred hopes for a medical breakthrough that will take him out of the wheelchair. He will remain with the station to help the new owners get started. Then, he says, "I'm sure there'll be something worthwhile to do."

Fred, good luck. You're due for some!

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Small
Market
Radio
Newsletter

IN OUR
11TH
YEAR

FIRST CLASS MAIL
U.S. POSTAGE PAID
Fairfield, IA
Permit No. 5

ADDRESS CORRECTION
REQUESTED

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Lori Morgan - Associate Editor

VOLUME XI - Issue #21 - October 21, 1993

WAL-MART FOUND GUILTY of "predatory pricing" practices in Conway, AK, and ordered to raise its prices. Three local pharmacies brought the complaint, asserting that Wal-Mart lowered prices to below cost to drive them out of business. Wal-Mart has promised to appeal; consumer groups have complained that the real losers in the case are customers forced to pay higher prices no matter where they shop. (See also Page 7.)

LEASING DISCLAIMER BILL GAINS SUPPORT IN CONGRESS as 13 House members weight in as co-sponsors. Three Senate members have signed as co-sponsors to the Senate's version of the bill. Let your people in Congress know ~~how important this~~ is for radio!

FCC TO SET AM STEREO TRANSMISSION STANDARD this month, after years of controversy. The Motorola-C-QUAM system, long the de facto standard, will now become official. By statute, the Commission has until the end of the month to take action.

"POSSIBLE SCAM ALERT" from SMRN reader Dave Land, WFIW, Fairfield, IL: "Last week we received an order from Admedia Services, Inc., 76 North Maple Avenue, Suite 140, Ridgewood, NJ 07450, phone 201-251-9398; for 180 sixty-second spots @ \$13.50 each, or \$2,430 net to station, advertising "Oldies" and "Big Band" tapes, similar to a PI. One of our salespeople took the order while I was gone and failed to do a credit check. Upon my return, three days into the schedule, we started calling. All we got was a message on an answering machine. We faxed them a message telling them to contact us or we would stop the schedule. We did stop the schedule and faxed them the fact, and still heard nothing. Has anyone else had a similar experience?"

UNISTAR ACQUIRED BY WESTWOOD ONE. The merger joins into one company what was five separate ones ten years ago: Mutual Broadcasting System, NBC Radio Networks, Transtar, United Stations and Westwood One.

POSTAL RATES TO RISE 20% NEXT YEAR if the Postal Service has its way. The USPO is expected to ask Congress for the increases early next year, to raise \$9 billion in new revenue. This would include a 20-23% increase in third-class rates, a 15-19% increase in second-class rates, and a 35¢ first-class stamp.

— THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS —

P. O. Box 1285 - Fairfield, Iowa 52556 - (515) 472-4087 - FAX (515) 472-6457

At The F.C.C.

NEW STATIONS (Granted):

CALIFORNIA (Hanford) Hanford FM Radio, 94.5, 3000w, 328'
FLORIDA (Pensacola) Pensacola Radio Partners, 98.7, 50,000w, 492'
NEW YORK (Bridgehampton) Peconic Bay Broadcasting Corp., 102.5,
4500w, 367'

NEW STATIONS (Applied For):

ALABAMA (Columbia) Charles E. Gilmore, 92.1, 3300w, 444'
(Columbia) James Wilson III, 92.1, 6000w, 328'
(Columbia) Vincent Fruje', 92.1, 4500w, 328'
FLORIDA (Yankeetown) Nature Coast Communications Corp., 96.3,
2750w, 489'
GEORGIA (Sasser) Marshall W. Rowland, Sr., 107.7, 25,000w, 328'
IDAHO (Gooding) Idaho Broadcasting Consortium, Inc., 100.9,
100,000w, 1578'
TEXAS (Point Comfort) BMW Broadcasting of Texas, 94.1, 25,000w,
328'
WYOMING (Cheyenne) KRAE, Inc., 104.9, 6000w, 1'
(Cheyenne) Rule Communications, 104.9, 6000w, -17'

AMENDMENTS TO THE FM TABLE (Granted):

IDAHO (Lewiston) new, 105.1 A
(Rexburg) KRXX-FM, to 98.1 C1 from C3
ILLINOIS (Lena) new, 102.1 A
KANSAS (Lindsborg) KQNS, to 95.5 C3 from 95.9 A
(Sterling) new, to 94.7 A from 95.7 A
WASHINGTON (Clarkston) new, 102.9 A
(Wilson Creek) KVYF (CP), to 103.3 C3 from A
WYOMING (Afton) KRSV-FM, to 98.7 A from 98.3 A

REPORTED SILENT:

CALIFORNIA (Granby) KRKY, 930
(Kremmling) KRKM, 106.3
ILLINOIS (Chester) KSGM, 980
MINNESOTA (Litchfield - St. Cloud) KMXK, 94.9, pending sale
NEW YORK (North Syracuse) WEZG, 100.9
(North Syracuse) WNSS, 1200
TENNESSEE (Etowah) WCPH, 1220
(Maryville - Knoxville) WCGM, 1120

FORMERLY SILENT:

CALIFORNIA (West Covina - L. A.) KBOB, 98.3

- Courtesy M Street Journal

REACH SATELLITE NETWORK offers services on a cash basis only. Our October 7, 1993 issue incorrectly stated it as cash/barter.

SELECT MUSIC SYSTEMS PURCHASES SOUNDSERVE, INC. Select offers the "MusicLink" service to radio stations in all market sizes on a format-exclusive basis.

MONEY PAGE - SALES AND PROMOTION IDEAS

Copy ideas for early Christmas ads:

- "Today, you'll see the smartest people in town strolling through _____, browsing and buying."
- "Why get the short end of the pick? Shop now!"
- "Show now! Mail early!"
- "Shopping early means better selections, better service, more time for comparison, more time for mailing ... and less strain on your feet and your nerves."
- National Retail Merchants Association

Letters to Santa - invite kids to write letters to Santa and "mail" them at special Santa Claus mailboxes located in participating stores. Three times a week, from late November to just before Christmas, read the letters on the air. (This could be a contest: "Listen for your/your child's letter, call in and win.") Send each child a letter on special "Santa's Station" letterhead, expressing thanks for his/her letter and mentioning the store where it was deposited.

Special mailbox for Santa - set up a 20-foot-tall Santa Class box. Work with participating merchants to promote the box, and to make sure that all letters are answered by Santa, postmarked "North Pole."

Food for the needy - Christmas carolers make the rounds in December, leaving baskets with downtown stores and firms for collecting food donations. Merchants place the baskets in their stores/offices, where patrons leave donations. The baskets are collected a few days before Christmas; the food is distributed by the local Council of Churches.

The Sharing Tree - Several trees downtown are decorated with special hand-made ornaments. Visitors place gifts for the needy under the trees, then select an ornament to take home for their own trees as a memento.

The Tree of Hope (Part I) - Shoppers buy tree light bulbs at participating merchants; the bulbs are donated by the downtown organization, and the profits go to charity. The shoppers take their bulbs to the Tree of Hope and screw them into open sockets. The goal is to completely light up the Tree of Hope - which spells meaningful donation(s) to the charity or charities.

The Tree of Hope (Part II) - A variation: start with the tree lighted with white bulbs; each donation changes a bulb to color.
- Downtown Research & Development Center, 212-228-0246

SALES - GETTING THE MOST OUT OF CHRISTMAS

A SMRN holiday tradition - our tips for a more profitable season:

1. Stay away from institutional copy. Remember that 94% of your listeners are in the market for what your advertisers have for sale. Good price-and-item advertising - a valid and compelling message - is more welcome than ever.
2. Don't allow yourself to get sold out too easily. Present schedules that cover all days and all dayparts. This type of schedule reaches more of your listeners three to six times - the level necessary to get them to act on the message. (In other words, use Optimum Effective Scheduling.) Charge a premium to advertisers who want to run only on your busiest days (usually Thursday and Friday).
3. Give your small advertisers more frequency by combining complimentary - but not competitive - businesses into three-in-a-minute cluster ads. Perhaps you can work them into special programs, like "Phone calls from Santa"; holiday season event announcements; holiday cooking and decorating tips; Christmas traditions; etc.
4. Make a list of special Christmas events in your area. Sell a combination of pre-event announcements and event coverage. One of our subscribers sells a package with the participating advertisers' messages in the pre-event schedule and only name mentions on the actual event coverage. This makes the broadcast cleaner and more beneficial to the customer.
5. Start selling your holiday greeting announcements ahead of the pack. Telemarket a combination Thanksgiving/Christmas/New Year's package in early to mid November. Then rework the unsold inventory in early to mid December for Christmas and New Year's only.
6. Get more listeners and higher prices for local holiday programs - school, church and community choirs - than for tracking Christmas albums. Make your contacts with these local groups early. Many of the groups will send you tapes, which can be easily edited.
7. Make up three plans - low, medium and high - for your Christmas schedules, packages and promotions. That gets the salesperson out of a "Yes/No" offer and into a much easier "This/That" proposal. Several of our subscribers tell us that they experience healthy growth by setting the low price the same as last year; the medium at 50% higher; and the high at 100% higher. Let the customer set the ambition level.

8. Play Christmas music early and often on your station - it is an advertiser service that gets listeners into the holiday (buying) spirit, and it will not alienate most of your audience. Here is a suggested schedule for layering in Christmas music, using "songs" and "carols":

November 15-27 one per daypart - songs only
November 28-December 5 . . one per hour - songs only
December 6-15 two per hour - songs only
December 16-24 two per hour - 2/3 carols, 1/3 songs

9. Check the account activity on your station for the past three years. Check last year's print advertising as well (newspaper and shoppers). Good promotions tend to repeat. Then go over Items 1-8 again ... and good luck!

WAL-MART'S GLORY DAYS COMING TO AN END? Not only has the giant retailer - and radio nemesis - been hit with charges of unfair competitive practices (see Page 1), but rival chains are adopting Sam Walton's unique retail strategies and Wal-Mart's growth is leveling off. Problem areas, according to a recent article in Advertising Age:

The Sam's Club membership stores have been under-performing badly - as has the warehouse concept in general.

Wal-Mart's size is a drawback: the chain has lost some of the folksy image that helped build it into a winner, primarily in rural markets, over the past twenty years.

The death of Sam Walton has robbed the company of leadership and personality - important to the company's success.

And now, Wal-Mart is hardly the only game in town. The chain has forced competitors into everyday low pricing (EDLP), efficient consumer response, and integrating private-label brands into the general merchandise mix.

"Wal-Mart has been very successful up to this point, but there are serious problems ahead for this company," says Carl Steidtmann, chief economist with Management Horizons, a retail consulting firm. "They were great at beating up mom-and-pop retailers in small towns, but there are no more mom-and-pops to beat up now."

Even so, Wal-Mart is hardly dead. Their private label brands are leaders in their respective categories. The chain will generate \$68 billion in sales this year. It is planning expansion into international markets. And by the end of the year, it plans to open 80 "Supercenter" stores, offering both general merchandise and groceries under one roof.

MANAGEMENT - UNIQUE COMPUTER SOLUTIONS

If you use computers at your station, you may be interested in some software that is off the beaten path, but interesting and potentially valuable:

Special Days. This is a computer program that may be a valuable tool for your station. You choose a date ... then choose the format (birthday, anniversary or "Flashback") ... and then print out a recap of the headlines, songs, awards, people, prices and events for that day.

This program is great for doing research for programming and sales events, but it is also great to take along to your next remote, public appearance, fair booth or sales event. Print out anniversary and birthday commemoratives for people at the event.

"Special Days" is available from Power-Up Software, 1-800-851-2917. Power-Up also has a variety of other software that can help your business, including:

- Calendar Creator Plus - creates calendars, organizes work
- Address Book Maker - store, sort and print your contacts
- Top Priority - time manager
- TimeClock - tracks employee hours, computes weekly reports
- Quick Schedule Plus - project manager with several formats
- PoliciesWrite Now! - helps you write an employee manual
- BizPlanBuilder - expert templates to develop a business plan

Station-Branded Software. Pinpoint Marketing and Research offers a collection of PC software products that your station can offer to your listeners; each of the programs includes advertising for your station and for participating advertisers.

- BowlStat - tracks bowling statistics and league schedules
- Houstrak - creates permanent records of household possessions and vehicles
- WedOrg - organizes a wedding, from invitations to flowers
- EZShop - makes grocery lists easy; offers product suggestions

For more information, contact Mike Anderson at Pinpoint Marketing and Research, 314-878-0673.

Quality Is A Profit Center

Many of us remember Jim Hooker as an effective and successful sales consultant. But now Jim is practicing what he preaches - and it's working.

Two years ago Jim bought WAIT and WZSR ("Star 105.5") in Crystal Lake, IL, and decided he would run them like he taught them - including a system called Total Quality Management, or TQM.

Jim's interest and expertise in management began during his graduate degree program at the University of Chicago. Then, when he started his consulting business, he worked with McDonald's at their "Hamburger University" corporate training center, picking up real-world experience in ground-breaking management styles. Then, after his wife graduated from the same U. of C. program and went to work for Motorola, he began learning about Total Quality Management (Motorola pioneered it).

When Jim bought his stations, he decided that being a customer-driven business was a central part of his mission. He hired two of Motorola's TQM consultants and together they researched the advertising community to find out what was really important to the customer.

"We've always thought the emphasis should be on slick presentations, fancy charts, persuasive features/benefits and so on," Jim says. "But the customers told us that while those things have their place, what they really want is somebody who makes an appointment instead of just dropping in; somebody who understands what their business is about; somebody who will come up with a workable idea, even if he or she isn't glib about it. If we say we're going to do something, they expect us to do it. They want to know that the right copy gets on the air, that they can understand the invoice - simple stuff! - and they don't want to have to deal with a new sales person every couple of months."

Based on this information, Jim and his staff went through a highly structured problem-solving technique called "process mapping." "You graphically map out every step you go through, from the time a customer gives you the copy, through scheduling, through billing, until we get the check," says Jim. "You identify the 'disconnects' - the problem areas - and find a way to fix them and measure them so you can keep them to a minimum."

"Most dissatisfied customers won't tell you they're not happy," Jim observes, "they just fade away. So we call every client at least every six months, with a prepared questionnaire, to attempt to identify areas of dissatisfaction."

Jim notes that the companies that are legendary for quality and service have one thing in common: they over-deliver. "They do

things that surprise the customer," he says. "They give the customer more than expected - like birthday, anniversary and holiday cards; taking them a copy of their commercial on tape; setting up voice-mail system so they can dial up their commercial anytime they want, for friends and employees."

When Jim took over the stations and introduced TQM, many employees thought, "This too shall pass." But today, achieving a 25% revenue increase each year and surpassing the five-year goal in two, his people (some old, some new) are believers.

"One part of our mission statement says, 'Our employees will think this is the greatest place they've ever worked.' We aren't totally there yet, but everybody knows that's the intention." So, Jim Hooker's story isn't over yet - but it has a happy beginning.

THE LAST WORD

As a consumer, I have to confess that when Wal-Mart opened in our town, I was excited. I had been frustrated by not being able to find many items around town, and by paying higher prices for those I could find. And as a marketing and communications "expert," I was excited to see how Wal-Mart treated the customer: a friendly retiree giving you a shopping cart with a welcoming smile; floor clerks eagerly running to find what you want instead of just telling you where it is; and check-out clerks greeting you cheerily by name. No wonder they had grown so far, so fast!

But over time I saw another side of Wal-Mart: after creating the perception of low prices, gradually raising them (sometimes higher than their competitors in town); cutting back on personnel, including the nice shopping-cart lady; and rotating stock so fast I could never find the same item twice. Then there were all the stories from my retailer friends, and their suppliers, about Wal-Mart's brutal and high-handed way of treating competitors and even their own vendors.

Now a judge in Arkansas has made official what small market merchants have felt for years: that Wal-Mart is an unfair competitor. That Wal-Mart has gone over the line.

Many sharp retailers around the country have found ways of fighting back. They have demonstrated that the little guy can succeed against Wal-Mart, if the competition is fair. Let the Arkansas court ruling serve as a warning to the retail giant - and a sign of hope for small business.

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Jay Mitchell - Publisher and Co-Editor
Lori Morgan - Associate Editor

VOLUME XI - Issue #22 - October 28, 1993

SMALL MARKET BROADCASTERS ELECTED PRESIDENT of their state associations. Longtime subscriber Harold Greenberg, KMAS, Shelton, WA has been elected president of the Washington State Association of Broadcasters; Harold is currently completing a four-year term as a member of the NAB board. Another longtime subscriber, Paul Tinkle of WCMT AM & FM, Martin, TN, has been elected to the top job at the Tennessee Association of Broadcasters; Paul began his radio career as the janitor at WCMT nearly 25 years ago, then returned to the station many years later to become owner and manager. Congratulations to both!

MORE STATIONS SCAMMED by Admedia Services of Ridgewood, NJ. As reported in last week's SMRNewsletter, this company has been placing radio schedules, apparently without any intention of paying for them. Latest victims: Eric Straus, Straus Communications, Ellenville, NY, who reports running and billing a schedule, "for much longer than some other guys," with no response. He tried locating the sponsor through their "800" fulfillment service, but the fulfillment service allegedly did not know how to reach the sponsor.

Also, Mel Goldberg of WHJB, Greensburg, PA, told us he lost over \$3000 on the deal. We at SMRN have attempted calling Admedia, but there is a recording on the line stating that the number "is being checked for trouble." We have also been unsuccessful at reaching either the Ridgewood Chamber or Better Business Bureau as of press time. Have any other readers had problems with this company? Has anyone been successful in contacting them?

NAB IS PROVIDING ACTION PAK FOR KIDS which suggests programming to address tough issues facing children today. NAB radio members may request a copy by calling 202-429-5447.

THE MOST IRRITATING VOICE CHARACTERISTICS were the subject of a nationwide survey conducted by New York voice coach Jeffrey Jacoby. Most irritating to the average person: a whining, complaining or nagging tone (44%); a high-pitched, squeaky voice (16%); a loud and grating voice (12%); mumbling (11%); talking fast (5%); a weak and wimpy voice (4%); a flat, monotonous tone (4%); a thick accent (2%). (Air personalities, sales people and telephone receptionists take note.)

P. O. Box 1285 - Fairfield, Iowa 52556 - (515) 472-4087 - FAX (515) 472-6457

At The F.C.C.

NEW STATIONS (Granted):

TENNESSEE (Dyer) F. Darrell Boyd, 94.3, 6000w, 328'

NEW STATIONS (Applied For):

SOUTH DAKOTA (Lowry) James River Broadcasting, Inc., 106.7,
100,000w, 587'

FORMERLY SILENT:

MICHIGAN (Zeeland - Grand Rapids) WISZ, 640

MISSOURI (Brookfield) KZBK, 1470

NEW MEXICO (Clovis) KERC, 107.5

- Courtesy M Street Journal

FCC IS GETTING TOUGH with stations that don't report being silent. The FCC has threatened stations WDTL, Cleveland, MS and WYNO, Nelsonville, OH with possible \$250,000 fines for being dark beyond the time authorized.

FCC IS SETTING SIGHTS ON STATIONS that violate certain FCC rules. Some of the violations: various EBS violations, missing or incomplete public inspection file, remote control operation, overpower operation, various antenna-related violations, and operator infractions (no license, no posting of license, etc.).

FCC SIMPLIFIES AM STATION CLASSIFICATIONS to be consistent with international classes. They are as follows:

Old Classification	New Classification
I-A, I-B or I-N	A
II, II-A, II-B, II-C or III	B
IV	C
II-D, II-S, III-D or III-S	D

FM station classifications have not changed. The new fee schedule is based on the above classification. If you have any questions, call the FCC at 202-632-0923 and ask for the public notice entitled "FCC to Implement Regulatory Fees."

ARBITRON TO DISCONTINUE LOCAL MARKET TELEVISION AND CABLE RATINGS as of January 1, 1994, because of a lack of resources and demand.

NAB SUPPORTS PLAN FOR FAIR-MARKET FEES FOR TOWER SITES ON FEDERAL LANDS. A federal advisory committee plan has the NAB's support to raise station fees 200-800%. The U.S. Forest Service and other agencies have sought to raise the fees as much as 8,000%. The NAB claims that the higher fees do not reflect true market value.

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

Offer to publish the annual business calendar for your local Chamber of Commerce or business association. List all the key retail sales dates, special town events, holidays and - of course - your station promotions. Distribute the calendar to every business in the area. It will probably be posted, providing year-round promotion for your station.

- Broadcast Programming

More Christmas ideas

Sponsor a business open house in early December, perhaps on a Saturday and Sunday. Merchants advertise on the air and send invitations to their mailing lists, inviting people to "Experience the special magic of a hometown Christmas." Stores welcome their "guests" in the Christmas spirit and serve refreshments.

Have a contest to find the best decorated homes in your area this Christmas. Arrange tours to view the decorated homes. Award prizes for the best decorations, the most creative, the most number of lights, etc. Work with your Chamber or downtown association, perhaps charging a small fee - donated to charity - for the tours.

Set up a free gift-wrap service in a central shopping location (at a mall and/or downtown). This is a service to the shoppers, but also to the merchants - their staff is relieved of the chore and able to serve more customers. Wrapping materials can be supplied by the downtown group or mall association, while a senior citizens group can be recruited to do the wrapping.

A variation: charge a nominal amount - perhaps tied to your frequency - and donate it to a local charity.

Establish a "Gift Registry" where people can leave hints for friends and relatives about what they'd like for Christmas.

Set up a "Holiday House" in a vacant store or other convenient location in a shopping area. Shoppers will appreciate a place to sit down and rest and to enjoy holiday refreshments. This is also a good place to visit Santa and have a picture taken ... to have gifts wrapped ... and to check that Gift Registry (see above).

Make a "Childrens' Activity Center", where parents can leave their five-to-twelve-year-olds for up to two hours while they shop. Cookies and hot chocolate can be provided to both parents and children. Volunteers from youth groups (4-H, Boy Scouts, etc.) supervise activities, including a visit from Mrs. Claus, Christmas movies shown via VCR, arts and crafts, and caroling.

- Downtown Research & Development Center

\$ALE\$ - "COST PER POINT BUYING SUCKS!"

[Editor's Note: the following copy is from a flyer distributed by Great American Broadcasting of Wichita, KS, included in Selling Smarter Radio and reprinted by permission. The basic ideas are adaptable to any format, and the wording certainly grabs the attention of local and regional reps, agencies and advertisers.]

Cost Per Point Buying Sucks!

Pardon our bluntness, but it does ... it sucks!

It sucks because it assumes that every listener is worth the same thing.

Buying by the ton assumes that since no results for the advertiser are expected, it must be purchased as cheaply as possible.

To those of us in Country radio, that's pretty offensive.

You see, we know first-hand how much more responsive a Country music listener is to a commercial on a good Country music radio station.

Country music listeners respond because the music we play enlists their attention.

Country songs tell stories. They're like little plays with a plot - a beginning, a middle and an end.

Country music listeners buy stuff. Houses. Cars. Food. Furniture. They eat out a lot.

Local advertisers know this. They typically spend a lot of money with Country radio stations because Country radio makes their cash registers beep.

They NEVER ask what the "CPP" is.

Fact is, if you pass over the Country station because it's a few bucks more per point, you may be missing the best opportunity you have to make your clients' radio advertising REALLY efficient.

Country music listeners pay more attention to their favorite Country station - and hence to your clients' commercials.

That's why we're worth more than the other guys.

We should know. We're Great Empire Broadcasting and we'll sell more stuff to Country music fans than any other radio group in America.

1994 BUSINESS PLAN

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
1991												
1992												
1993												
AVG.												
1994 GOAL												
CUMULATIVE												
1994 ACTUAL												
CUMULATIVE												

1994	JANUARY	APRIL	JULY	OCTOBER
SPECIAL	FEBRUARY	MAY	AUGUST	NOVEMBER
EFFORTS	MARCH	JUNE	SEPTEMBER	DECEMBER
	MISC.:			

THANKSGIVING ANNOUNCEMENTS

_____ hopes you'll join them in giving thanks for friends, family and other blessings. Thanksgiving is a festive holiday. Enjoy it, but don't forget the real meaning of the day. Give thanks. The best Thanksgiving holiday wishes are from _____.

_____ have much for which to be thankful. Among the most important is the friendship and patronage of their many friends and customers throughout our area. During this very special holiday, please accept the thanks of _____.

Remember why the Pilgrims observed the first Thanksgiving? _____ says, as the Pilgrims did, "Let us recognize His hand in our lives and give thanks." To you and your family, _____ extends best wishes for an old-fashioned Thanksgiving.

Loving family ... good friends ... a good meal. They're all part of the traditional American Thanksgiving Day. But, isn't there something missing? _____ says, sometimes we forget what the real meaning of Thanksgiving is. Count your blessings. Give thanks. _____ extends best wishes for a Happy Thanksgiving.

Many of us spend time complaining about what's wrong. This Thanksgiving, think about all of the things that are right. _____ says, think about the good things and give thanks. _____ says, let's put "Thanks" back into Thanksgiving.

_____ hopes you'll pause for just a moment to think about the good things in your life. There's a lot to be thankful for! Each of us has been richly blessed. _____ hopes you'll have a happy holiday - a real day of Thanksgiving.

Thanksgiving is a family holiday. That's what makes it such a great holiday. _____ hopes you and your family are together this Thanksgiving. _____ hopes this Thanksgiving is truly a happy one for you and yours.

Pause for a moment to think about the good things in your life. _____ believes there is much for which to be thankful. Each of us has been richly blessed. _____ hopes that your Thanksgiving will be a happy one and a real day of Thanksgiving.

America is still the best place on earth. _____ says, we are truly lucky to be here. They hope you'll join them in giving thanks. _____ extends best wishes for a Happy Thanksgiving.

The Pilgrims started our Thanksgiving holiday. They set the day aside to thank God for their blessings. _____ hopes that you and your family will observe the day in the spirit of the Pilgrims. _____ believes there is much to be thankful for.

FROM OUR READERS

"I am now working in the automotive industry and am like a fish out of water! Do you know anyone who could use my help?"

- Dave Lyman, 12 Hathaway Drive, Courtice,
Ontario L1E 1T6, Canada; phone 905-432-2141

Editor's Note: Dave's letter was accompanied by a clever piece offering a reward: "I'm a veteran broadcaster, now employed outside the industry, who will pay \$500 to you personally, or to the charity of your choice, if you're the first person to advise me of the availability of a job which I'm ultimately offered and which I accept!"

Dave has long been a great friend to many of us, and to the industry at large. He founded the International Idea Bank. He has served several broadcasters' associations. The fact that he is not active in radio today is a real loss to our business.

"Are you aware of anyone who markets PC software that automatically cranks out sales proposals when you feed in dollar budgets?"

"Also, what do most stations do for monthly statements? Who has the best software? How much time does it take to do? Who usually does it? I spent \$5,000 last year on accounting and I wonder if anyone else did."

- John David, KMPL/KSTG, Sikeston, MO

"Would it be possible for you to list sales of radio stations such as Broadcasting Magazine does, perhaps condensing them for easier reading? This would help me track prices that stations are going for these days."

- John Frew, WYXC, Cartersville, GA

Editor's Note: Is this something that would be of interest to other readers? If you want it, we'll figure out a way to give it to you!

"It seems to me that the time is long overdue for small market radio stations to do something about the Arbitron ratings. We are losing millions of dollars in revenues because of this overrated, inadequate data.

"We asked a local university professor who teaches statistics, research and marketing to review the methodology of Arbitron. [A copy of his evaluation was enclosed, the conclusion being that

Arbitron's statistical error ranges are too wide for the surveys to be useful in the process of "advertising rate negotiations."]

"I would like to know if other small market stations would be interested in forming some kind of coalition or association to fight whatever battles may be needed to solve this problem."

- Bob Spradlin, WKXO AM/FM, Richmond, KY

"We do a 'sales tally' every day at 4:45 PM, with all our sales people present. On a big board we write down the daily sales figure for each person, then we total down (by sales person) and across (week to date). We make a big deal about what people have brought in, very motivational, and we keep our attention focused on the one thing in the station that's really important.

"Every month we try to do something special for the sales team when they make goal. Tomorrow morning I'm cooking them breakfast at my house - which is a very big deal, as anybody who knows me will tell you."

- Betty Baudler, KASI/KCCQ, Ames, IA

"Your promotional opportunities section is very helpful, and this year the Halloween Safety Tips were a life-saver. We used them this year as part of our yearly Halloween campaign, conducted mainly as a phone blitz. Advertisers received name mentions on one safety tip per day on each station [AM/FM], October 25-30, for a total of 12 mentions. We wound up with over 35 sponsors at \$40 each - more than paying for the cost of the newsletter."

- Ken Osborn, KIIK/KMCD, Fairfield, IA

THE LAST WORD

The developing story of an "ad agency" in New Jersey defrauding a number of radio stations is unfortunate, to say the least. The broadcasters we've talked to who have been burned seem to share two emotions: a sense of loss - their radio inventory has value! - and a firm resolution never to let such a thing happen again.

There are simple steps we can all take to check out our customers and protect our business. This latest scam has served to remind us all not to neglect to take those steps. Hopefully, in the long run, it will turn out to be an inexpensive lesson.

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Small
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Fairfield, IA
Permit No. 5

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

Bob Doll - Co-Editor
Jay Mitchell - Publisher and Co-Editor
Lori Morgan - Associate Editor

VOLUME XI - Issue #24 - November 4, 1993

FCC ADOPTS AM STEREO STANDARD - as expected, Motorola's C-Quam. Some critics believe that it came too late to make an impact on consumers. But the Japanese, who once believed there was no market for AM stereo radios, have changed their minds and are now mass-producing the chips.

FCC MAY FINE STATION \$250,000 FOR MISREPRESENTATION. An unidentified individual associated with KARW, Longview, Texas, filed a license application on behalf of Kenneth Tuck, who died in May of 1990. Tuck was the licensee, but no ownership reports had been filed. A hearing for the license renewal has been scheduled concerning lying about the current licensee, illegal transfer of control, and failure to respond to letters of inquiry by the FCC.

FCC MAY FINE MISSISSIPPI STATION WDTL-AM, owned by Delta Radio, which has been off the air since June 4, 1990, for unsatisfactory attempts to put the station back on the air. The FCC will either pull the license or fine WDTL up to \$250,000. WDTL-FM is not involved with this action.

EBS MONITORING BEING CHALLENGED by Tony Welch, WROD-AM, Daytona Beach, Florida. Welch wants to use technology that allows him to operate his station unattended from 6 p.m. to 6 a.m. ... but someone has to monitor the EBS tests, so he cannot. This puts financial constraints on small broadcasters; Welch's attorneys are seeking a FCC declaratory ruling on minimal EBS obligations in order to determine the consequences.

NATIONAL ASSOCIATION OF STATE RADIO NETWORKS ENROLLS IN RAB. NASRN, which represents over 1600 radio stations in 25 states, is now an RAB member. NASRN President Tim Shears stated that among the attractions of joining the RAB was that organizations's commitment to trumpet benefits of radio advertising to advertisers.

1994 NAB SPRING SHOW will actually consist of eleven simultaneous conferences. Topics of interest include management, laws and regulations, engineering, marketing and sales, broadcast education, and digital transmission. For information, try the free NAB '94 Fax-On-Demand Service at 301-216-1847.

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

P. O. Box 1285 - Fairfield, Iowa 52556 - (515) 472-4087 - FAX (515) 472-6457

At The F.C.C.

NEW STATIONS (Granted):

CALIFORNIA (Arnold) Clear Mountain Air Broadcasting, 95.9, 500w,
1095'
(Fresno) John Edward Ostlund, 99.3, 3000w, 328'
GEORGIA (Mableton) Gonzales Broadcasting, Inc., 102.5, 3000w,
328'
INDIANA (Seelyville) Victory Christian Center, 95.9, 6000w, 328'
NEW MEXICO (Hobbs) Ojeda Broadcasting, Inc., 96.5, 3000w, 302'
NEW YORK (Syracuse) Salt City Communications, Inc., 105.9, 3000w,
328'
TEXAS (Coahoma) Drew L. Ballard, 94.3, 6000w, 328'

NEW STATIONS (Applied For):

ARKANSAS (Bentonville) Cherokee Broadcasting Company, 95.7,
6000w, 328'
(Bentonville) JEM Broadcasting Company, Inc., 95.7, 6000w,
216'
(Bentonville) James Kermit Womack, 95.7, 6000w, 328'
MISSISSIPPI (Hattiesburg) Abundant Life, Inc., 93.1, 3900w, 406'
OREGON (Bandon) Coquille River Broadcasting, 96.5, 7500w, 590'

AMENDMENTS TO THE FM TABLE (Proposed):

ILLINOIS (Herrin) WVZA (CP), to 92.7 B1 from A
MISSOURI (Bismarck) new, 99.5 C3
(Centerville) new, 92.3 A
(Ironton) KYLS, to 99.5 C3 from 92.3 A, counterproposal
(Ironton) KYLS, to 99.5 A from 92.7 A, counterproposal

REPORTED SILENT:

FLORIDA (Jacksonville) WPDQ, 690
INDIANA (Salem - Louisville) WKJK, 98.9

FORMERLY SILENT:

CALIFORNIA (Fowler - Fresno) KRGO, 1220
MISSISSIPPI (Vicksburg) WVIX, 1490
NEW YORK (North Syracuse) WEZG, 100.9
(North Syracuse) WNSS, 1200
TENNESSEE (Oak Ridge - Knoxville) WKNF-FM, 94.3
WASHINGTON (Vancouver - Portland) KVAN, 1550

- Courtesy M Street Journal

FCC GRANTS WAIVER FOR RADIOTHON to Minnesota Public Radio. The purpose of the 35-hour radiothon is to raise funds for the St. Paul Chamber Orchestra to finance the balance of their fiscal year. KSJN in Minneapolis is permitted to lift its non-commercial status for two days to air the radiothon.

RECRUITING BY TELEMARKETING is an innovative idea from Dean Sorenson. He hired a telemarketing firm to contact all broadcast managers in his area; they generated several qualified leads.

MONEY PAGE - SALES AND PROMOTION IDEAS

December Business Opportunities include the following businesses, whose sales in the month are above average:

Appliance Stores	Hardware Stores
Auto Repairs	Jewelry Stores
Book Stores	Life Insurance
Camera Stores	Men's Wear Stores
Consumer Electronics Stores	Movie Theaters
Department Stores	Music Stores
Discount Stores	Shoe Stores
Drug Stores	Sporting Goods Stores
Fabric & Sewing Stores	Supermarkets
Florists	Tire Dealers
Furniture Stores	Women's Wear Stores

- RAB's Top 40 Business Survey

December Promotional Opportunities - Events & Holidays

Weeks

December 9-16 - Chanukah
December 10-16 - Human Rights Week

Days

December 7 - Anniversary of Pearl Harbor (1941)
December 8 - Anniversary of Soviet Union Dissolution (1991)
December 10 - Human Rights Day
December 14 - Anniversary of George Washington's Death (1799)
December 15 - Anniversary of the Bill of Rights (1791)
December 16 - Anniversary of the Boston Tea Party (1773)
December 17 - Anniversary of the Wright Brothers First Powered Flight (1903)
December 25 - Christmas
December 31 - New Year's Eve

More Holiday Promotions from the Downtown Promotion Reporter

Encourage holiday shoppers to contribute toys for the needy (clean, repairable toys). Downtown retailers and other businesses serve as drop-off points for the toys; the businesses then take the toys to a special pick-up point for the Salvation Army, United Way, etc., to collect and distribute.

Set up a baby-sitting service using students at the local high school or college. The students watch over the kids, age two to ten, for a dollar an hour - which is donated to charity.

Throw a "Just For Kids" party at a local theater in the afternoon during holiday shopping season. Children get in for a small fee plus a coupon given out by downtown merchants.

\$ALES\$

From Ink To Air: 10 Ways To Make Those Newspaper Dollars Yours

Newspapers are taking away advertising dollars that should go to you. Radio gets just less than seven percent of the advertising dollar; other media get the rest. It makes sense to go after newspaper advertisers for two reasons:

1. Newspaper readership is on the decline. People today depend on electronic media.
2. These non-readers are the "baby boomers" who compose 44% of the 18-plus adults, and account for almost 60% of consumer spending.

Selling Points

Here are some pointers on how to convert newspaper dollars to radio dollars. Remember, do not ever attack newspapers or someone's decision to use newspapers.

1. Call on accounts that aren't presently using radio. I once hired a lady who had no broadcast or sales background, and she got everyone else's rejects - the all-newspaper accounts. Within six months she was top biller, and she said that it was because I had given her such a good list. Everyone knows the all-newspaper accounts spend the most money.
2. Ask about the client's total advertising budget. If you ask a client what they spend on radio you may get an answer of several hundred dollars. However, if you ask for their total advertising budget, the answer will be several thousand dollars. Set your sights higher and start the conversation on a higher monetary level.
3. Don't let budget objections get in the way of selling. There's no such thing as a budget being spent; the excuse simply means that you haven't generated enough interest. And there's no such thing as a fixed budget. If you are talking to the decision-maker, he can change the budget at any time, if he is convinced that it will add more profit.

Standing Out

4. Use psychology. Concentrate on the fact that radio will make their newspaper ad stand out. Talk about the Reticular Activating System at the base of our brain. It is a filter that causes us to block out some things and let other things through, such as when you hear your name among the 50 conversations at a crowded party. The same thing happens with newspaper ads. What causes us to notice certain ads? Those

that we notice are the ones that we have been pre-programmed by radio to notice. Tell the advertiser, "After you've been on the radio for several weeks, you'll notice that your newspaper ad is working better." Now, when his customers tell him that they saw the ad in the newspaper, he'll give credit to his radio message.

5. Demonstrate how radio fits today's lifestyle. In today's information age, people are bombarded with so much data that they don't have enough time to take it all in. It takes approximately 34 minutes to read a newspaper, and that requires pre-planning. Radio doesn't require this planning - people listen to their radio everywhere.
6. Sell the long-term effect of radio. Let clients know that they will get more response in the second month than the first, and the fourth month more than the second. Newspaper ads work over a period of approximately two days, so the all-newspaper advertiser expects this type of response from any advertising. Radio spreads its response over a period of several months. If you make sure the client understands this in the beginning, there will be fewer cancellations and more satisfied advertisers.

Subliminal Effect

7. Outline the types of customers reached by radio. Retailers are interested in three different types of customers: (1) Those who need it and know they need it; (2) Those who need it but don't know they need it; and (3) Those who don't need it now but will need it later. Newspaper appeals only to the first group. Radio's subliminal effect brings in all groups.
8. Show the frequency comparison with newspaper. How many times would that advertiser have to re-buy their newspaper ad in order to get the same frequency as radio? The average is 50 radio commercials for one full-page ad in the newspaper.
9. Sell yourself, then radio, then your station. A common mistake is to sell the station before the client is sold on radio. Only when that client is sold on radio are they interested in hearing about the specifics of your station.
10. Use facts and figures. Gather all the subscription, readership and advertising information about the newspapers in your city and work out comparisons to your station's rate in advance. Calculate the percentage of the population who subscribe to the newspaper; you might be surprised at how low this figure is - and so will your clients. It's often 30% or less.

- Pam Lontos, Radio Ink, used by permission

CHRISTMAS SEASON SAFETY

_____ says, be sure to include safety in your holiday plans. When selecting a Christmas tree, look for a fresh, natural tree. Fresh trees are less likely to catch on fire than older trees. And when you put your tree up, give it plenty of water to keep it from drying out. A reminder from your friends at _____ who send their best wishes for a safe, happy holiday season.

Getting ready for that visit from Santa Claus is a lot of fun. Your friends at _____ remind you to avoid small toys with removable parts - they can be swallowed or become lodged in a child's throat. Avoid toys made of brittle plastic or glass - they can break easily - and avoid toys with sharp edges.

_____ says, let's make this a happy, safe Christmas.

Here is a Christmas-tree buying tip from your friends at _____: Stay away from "flocked" trees. Children often think the flocking is powdered sugar, but it's actually poisonous. A safe holiday reminder from _____. They want this holiday season to be a happy, safe one.

_____ sends best wishes for the holidays with this holiday safety reminder about candles: Don't place candles near draperies or near anything else that might catch fire easily. Teach children not to touch burning candles. Encourage them to admire the candles from a safe distance. Replace candles before they burn too low. Holiday safety reminders from _____.

_____ reminds you to set up your Christmas tree away from heat sources like a fireplace or radiator. Decorate your tree only with U.L. approved lights and cords. Examine the lights carefully for frayed wires, loose connections or broken sockets. Make sure all the sockets are filled with lights. _____ says, think safety. Don't let a fire mar your family's holiday season.

_____ wishes you and your family the happiest holiday season ever. Keep it safe with these tips: Trim the tree with children in mind. Don't put breakable ornaments, or ornaments that look like food or candy, on the lower branches where small children can reach them. Always turn off tree lights when you go to bed or leave the house. Best wishes for a happy, safe holiday season from _____.

_____ sends best wishes for a happy holiday season. As you're preparing for the holidays, here are some tips to make them safer: Don't overload extension cords with lights. Use no more than three strings of lights on one extension cord. Keep toddlers away from electrical fixtures. Always unplug and cover electrical sockets when they're not in use. Safety reminders from your friends at _____.

UPHOLDING RADIO'S CONSTITUTION
by Dave Lyman

The radio industry is like government. Both started out as relatively simple concepts, but years of "refinements" have made them unworkable. It's time to go back to the basics and separate theory from fact.

FACT: A radio station exists to supply a segment of the marketplace with entertainment and information - not one or the other, but both! I know of no radio station, in any market, that's thrived for the long term with only one.

Stations providing an uninterrupted music flow, regardless of format, are simply the second choices of tape and background music consumers. In every market, the radio personality with the longest rating success is the one who most effectively combines music and information. The same is true in reverse. Information without entertainment is simply dry statistical data. Long-term success has traditionally belonged to the people who could effectively combine both.

FACT: It isn't necessary for a music-based radio station to emulate the year's most publicized format. Nothing is more boring than driving through an area filled with cookie-cutter formats.

Go out into your marketplace and talk to the community leaders in the market segment you want to serve. What would they like to hear? What do they like best about your station? What do they like the least? If they had your job for a day, what three things would they change? Then go back to your station and meet with each staff member, individually, asking the same questions.

When you've finished your interviews, you'll have your formula for success - not in any individual answer, but in the areas of consensus that will almost leap from your pages of notes!

FACT: Most radio stations with poor financial performance don't understand what they're selling. If you went out today to buy a refrigerator, would you want it delivered in a red truck, a green truck, or a blue one? It doesn't matter, of course, because the truck is the delivery vehicle - not the product you're buying. The same is true in radio. The advertiser is buying people, not spots ... and radio, like newspaper or television, is the delivery vehicle. Radio delivers more people per dollar than any other mass medium; it deserves the lion's share of the ad dollar!

FACT: You don't need a huge audience to produce results for an advertiser. If your station is reaching only 3,000 people a week, that could be many times the number of new customers attracted by a retailer in a year. To deliver people, do three things:

1. Provide adequate reach. Use the broadest rotation period possible, to maximize audience delivery. Never sell fixed-

time spots, even in morning drive, because they limit reach.

2. Maximize frequency. Follow the principles of OES, to be sure that the listener hears the message often enough to respond.
3. Provide motivation. Ten-year-old Chevrolets for \$20,000 each will not sell, regardless of the reach and frequency. Brand new Chevrolets for \$5,000 will attract buyers the first time.

FACT: Successful radio stations should be fun places to work. If your station isn't, correct the situation. If there are feuds between staff members, insist that they meet and resolve their differences. If there's an unrepentant troublemaker in the group, help that person find another job.

Set up a staff social club to arrange small parties. Have a monthly "brown bagger" staff lunch, when team members can openly discuss the station's progress. Arrange small incentive contests, with achievable objectives, and a reward for everyone if the objectives are met. A radio station staff is a family, and no one performs effectively in an unhappy family environment.

FACT: The only thing unique about your radio station is its local flavor, and it must be promoted - but only when you're satisfied with the product! The church on the corner has been there for 100 years, but it still rings its bell every Sunday to attract parishioners. The retailer must continue to advertise, to attract new customers, and to replace those who die or move away.

The same principles apply to a radio station. When your product is entertaining, informative, and local, tell people about it! Large budgets are optional. You can set up a speakers bureau, or an entertainment bureau, and book local talent under your masthead. Offer free garage sale signs with your call letters on them. Have off-duty staff volunteer for community events and charity telethons. Have each announcer phone 10 people, at random, every day, and invite them to listen!

There are no magic formulas or secret strategies, except in the minds of those who offer them for sale. The broadcasting industry, like any government, was originally based on logic and common sense. If we're unhappy with the performance of either, it may be time to turn back to sound constitutional principles.

Editor's note: Dave Lyman founded the International Radio Idea Bank in the early Sixties. He is available for new management challenges and/or short-term consulting. He can be reached at 12 Hathaway Drive, Courtice, ON LE 1T6; phone 416-432-2141.

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Jay Mitchell - Publisher and Co-Editor
Lori Morgan - Associate Editor

VOLUME XI - Issue #25 - November 11, 1993

ECONOMIC OUTLOOK BRIGHTENING, according to several reports issued this past week. (1) The National Association of Purchasing Management's manufacturing index rose to 54% in October, up from 50% the previous month - the highest reading since February. (2) Construction spending was up nearly 1% in September, the fifth monthly increase in a row, led by single-family home construction (up 1.7%). (3) The annualized gross domestic product growth rate doubled in third quarter, from 1.4% to 2.8%; many economists predict a steady 2.5-3% growth rate into next year. (4) Low interest rates are boosting home sales and encouraging business capital investments; these trends are also expected to continue. (5) The unemployment rate is expected to fall, though slowly, from September's 6.7% to perhaps 6.2% a year from now. These trends do not indicate a boom, but economists say the slow, steady slow growth should keep inflation in check.

LOCAL RADIO REVENUE UP 9% THROUGH THIRD QUARTER OF 1993 compared to the same period of 1992, according to the RAB Radio revenue index. National spot revenue increased 7%. The Southwest and Southeast saw local revenue increases of 16% and 12%, respectively, while the Southwest and Midwest experienced national revenue increases of 12% and 10%, respectively.

LEASE DISCLAIMER BILL GAINS TWO MORE SPONSORS, Representative Norm Dick of Washington and Representative Dan Burton of Indiana. Fifteen House members are co-sponsoring the bill.

FCC FINES STATION \$10,000 for not identifying the sponsor on several spots. Jacor's KOA, Denver aired spots for the Cripple Creek Chamber of Commerce. The FCC reviewed the spots for possible lottery provisions, but not for sponsorship ID.

BROADCAST PROGRAMMING PURCHASES BONNEVILLE BROADCASTING SYSTEM. The supplier of tape- and CD-based programming is the first BP acquisition since they were acquired by Broadcast Electronics.

FCC WILL NOT FINE MISSISSIPPI STATION WDTL-AM as reported last week. The station is still off the air, but apparently the station did file the proper papers, requesting continuing silence, after all.

At The F.C.C.

NEW STATIONS (Applied For):

ARKANSAS (Bentonville) Kimberly Hope Hendren, 95.7, 6000w, 328'
(Humnoke) Humnoke Corporation, 101.7, 6000w, 328'

AMENDMENTS TO THE FM TABLE (Proposed):

GEORGIA (Montezuma) WLML (CP), to 105.9 A from 95.1 A
IOWA (Madrid) new, 96.1 A
MISSOURI (Monroe City) KDAM, to 107.5 A from 106.3 A
TEXAS (Denison) KTCY, to 104.9 C2 Pilot Point

AMENDMENTS TO THE FM TABLE (Granted):

ALABAMA (Columbiana) new, 101.5 A
ARIZONA (Window Rock) KHAC-FM, to 102.7 C1 from 103.1 A
COLORADO (Limon) new, 103.1 C2
OREGON (Newport) KCLM, to 92.7 C2 from C3
(Reedsport) KRBZ (CP), to 99.5 C3 from A

REPORTED SILENT:

CALIFORNIA (Lompoc) KTME, 1410
NEW YORK (Watkins Glen) WGMF, 1490
OHIO (Loudonville) WBZW, 107.7

FORMERLY SILENT:

KENTUCKY (Munfordville) WLOC, 1150
(Munfordville) WLOC-FM, 102.3
NEW MEXICO (Santa Fe) KVSF, 1260
TENNESSEE (Lebanon) WCOR, 900

- Courtesy M Street Journal

THE COUNTRY RADIO BROADCASTERS SEEKS NOMINEES for its Humanitarian Awards for outstanding public service in small, medium and large markets. For information, call 615-269-7071.

NAB ACCEPTING HALL OF FAME NOMINATIONS through November 30. Past winners have been chosen by their on-air reputation, executive leadership, programming innovations, technical advances, entrepreneurship, legislative action, and other contributions. Address your one page justification to NAB Radio Executive Committee, c/o B.J. Cohen, Radio Services Manager, NAB Radio Department, 1771 N St. NW, Washington, D.C. 20036.

ANOTHER ADVERTISER SCAM was reported to us by Scott Lopas, WTKM, Hartford, WI: A telemarketing company called Gold Star Productions of St. Charles, IL solicits advertising for the radio station, in return for a percentage. Scott's station has not received any of its percentage yet - over \$3,000 by Scott's reckoning ... and Gold Star has been harassing local advertisers for their money. Scott has turned the matter over to his attorneys. Scott told us he knows of other broadcasters who have had a similar experience with Gold Star.

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

The day after Thanksgiving is a monster sales day for most retailers. Go to the biggest department store in your town and help them "stretch" that sales volume back to Wednesday. Sell an all-day pre-Thanksgiving radio remote. Do the "Mountain of Coke" or other promotion encouraging people to stop in and pick up their soft drinks for the holiday ... and also enjoy after-Thanksgiving special prices before Thanksgiving at the department store. [Dean Sorenson, Sorenson Broadcasting, & Jim Thompson, Greenlight Productions]

"For Kids Only" Shop can be established within retail locations for the holidays. Set up low tables divided into categories: for Mom, Dad, Sis, Brother, Grandma, Grandpa, and "someone special." Most of the gifts on each table cost under \$5.00. Set up a separate table with free gift wrap so the kids can wrap their own gifts.

Noontime music provided by a downtown or mall association can attract workers from their shops or offices into stores - in a buying mood. Have a different elementary, middle or high school provide the singing every day - ideally next to the shopping area's big Christmas tree.

Santa's arrival can be a big deal, generating the interest of adults and children alike. The better the vehicle, the more publicity: fire engine, antique car, authentic sleigh, a special float in a parade - or your station vehicle. To promote the town's transit system (if you have one), have Santa arrive by city bus - either in one, with special guests riding along, or in his sleigh riding atop a bus.

A giant talking gift box is painted in Christmas colors and wired for sound. The box talks, tells jokes, sings carols and entertains shoppers. (It can also promote your station or a station contest.) [Downtown Promotion Reporter]

Christmas Wish. There are many variations on this theme, but the basic idea is this: Listeners submit letters describing their Christmas wish and saying why they deserve it. Your station selects the most worthy recipients and produces spots with the announcer reading a letter, followed by a taped phone conversation in which the sender's wish is granted. The wishes are handled with the cooperation of area merchants in return for on-air mentions. It is usually best to limit actual sponsorships to one or two major participants - often non-traditional advertisers from your area (manufacturing firms, health care facilities, etc.) that like to get involved in goodwill projects.

Christmas Trivia. Ask questions about Christmas music and films. Award holiday-themed prizes from participating sponsors.

\$ALE\$

At what point do we keep pushing on '93 and when do we start working on getting '94 off to a flying start? According to sales consultant Irwin Pollack, "Let's first start with the premise that you can only affect the year so much at this point. Keep jamming on November until the 20th. Then, put a full press on December; but remember, whatever time you put into the last month of the year will be time lost on what is traditionally the slowest month of the year - January. You'll need every ounce of effort to make First Quarter a good one. The longer you wait to get it started, the longer you'll have to wait in finishing it!"

Sales ideas from Dean Sorenson, Sorenson Broadcasting, and Jim Thompson, Greenlight Productions (both Sioux Falls, SD):

When you have a customer who will not give you time to make a presentation, and doesn't take your proposal seriously, send it to them in the mail, along with a fifty-cent piece and a note which says, "have a cup of coffee while reading this proposal."

Industrial account idea: Go to an industrial account who is interested in good relations in the community and sell them 500 commercials to be used during the coming year. As charitable organizations approach them for donations, the account refers the charitable organization to the radio station and you allocate 10 commercials for that charitable organization. The copy says, "Jones Manufacturing salutes the local United Fund drive and encourages ..."

Enough Arbitron - how about a real people survey: Have your receptionist develop a list of all winners in your radio station contests, provide lists of public service organizations who use station, and provide these lists to your salespeople. It's not an Arbitron, it's a list of people who really listen, and rely on your radio station for results, service, and fun.

National Anthem at Noon: Some stations play the National Anthem at sign-on and/or sign-off. How about just before or right at 12 o'clock noon? Sell it to the most conservative Republican right-wing businessman in your community. Get a premium rate! Better yet: invite high school choirs throughout your coverage area to record their own rendition, and rotate the different schools each broadcast day.

Ego business: Not usually targeted are the merchants who sell self-gratification - plaques and engraved presentations for every form of accomplishment. Approach: offer to enlarge their market. Commercials you create will sell businesses on increasing sales with best-salesperson plaques. And all the many charities can use the engraved awards to encourage volunteers. With 46 million women working today, the number of volunteers is shrinking.

THE FCC'S FINE MESS

There has been a new twist added on the fines and forfeitures front. The Common Carrier Bureau has been levying fines, to the tune of twenty thousand dollars, for failure to timely file applications and forms with the Common Carrier Bureau.

The fine for a broadcast station is five thousand dollars. Sometimes, however, it is the little-noticed rulings that make the biggest difference.

The Commission has indicated that its bureaus should take into consideration the ability of a company to pay a forfeiture in assessing the amount. It certainly sounds reasonable when the Commission says it. You should see, however, how it works ...

In a decision in October, against a little station in Randolph, Vermont (why is it always the little station?), the Mass Media Bureau refused to reduce a twenty thousand dollar forfeiture based on an inability to pay, because the income tax data, the balance sheets, and the operating statements submitted by this little company were not audited.

The bureaucrats who made that decision probably did not know that 1) most small businesses do not have audited financial statements; and 2) an audit of a small business can run, per year, in the neighborhood of twenty thousand dollars.

The net effect is that although the Commission will reduce your fine for an inability to pay, it will cost far more than most fines to have the necessary audit done before the bureaucracy will consider the request.

(We have tried out two or three sentences to close out this piece, and they all sound like Rush Limbaugh. Consequently, we will not have a closing sentence.)

- Client memo from George Borsari &
Anne Paxson, Washington Attorneys

The Simple Truth: Now more than ever, broad-based multi-formatic backgrounds will be a primary consideration for jobs within radio. Duopolies will demand it; those ready to take advantage of the opportunity will prosper from it.

Translation? Don't turn up your nose at that "not-the-format-I'm doing-now" gig to keep your resume "pure." There are possibilities galore in other formats (and positions inside a station).

- Main Street Tattler (newsletter from record promotion firm Main Street Marketing directed to radio programmers and personalities)

CHRISTMAS GREETINGS

Your friends at _____ believe there is no better time than the holiday season to say "Thank you." _____ thinks it's also a good time to express warm seasons greetings to friends old and new. From _____, best wishes for the coming year.

From your friends at _____, thank you and best wishes for a happy holiday season - and a new year of health, happiness, and prosperity. The season's best from _____.

At this special time of the year, _____ finds it a real pleasure to turn aside from everyday efforts and send warm seasons greetings and sincere best wishes for the new year. Happy holidays to friends old and new, from _____.

Best wishes from everyone at _____. It is their sincere wish that you'll enjoy a wonderful holiday season and a very happy new year. Seasons greetings from _____.

From your friends at _____ comes this sincere holiday wish: May happiness brighten your holidays and remain with you throughout the new year. Warmest seasons greetings from _____.

Best wishes and seasons greetings from _____. May the peace and joy of the season be yours through the new year. Happy holidays from _____.

Warmest thoughts and best wishes for a wonderful holiday and a very happy new year from _____. And a warm "thank you" friends old and new, from _____.

From _____ comes best wishes for a beautiful holiday season and a new year full of peace and happiness. Happy holidays and happy new year, from _____.

It is with pleasure that _____ pauses from the usual routine of business to say "Thank you" for your friendship, goodwill and loyalty. It is _____'s sincere hope that the happiness and good cheer of the holiday season will be yours through the new year.

May your holiday season be filled with beautiful moments and cherished memories. That's the wish of your friends at _____. Greetings of the season and best wishes for the new year, from _____.

_____ hopes that the warmth and love that is all around us this holiday season will fill your heart with joy. In the new year, _____ hopes your life will be full of health, happiness, and prosperity.

"The Only Option"

Al Quarnstrom got his first ticket at Brown Institute and his first job in Clarksdale, MS - doing everything (air, sales, engineering, janitoring). Then, one of Al's most important career and personal connections occurred when he moved to Pierre, SD to work for Dean Sorenson at KCCR (more on Dean later).

From Pierre, Al moved to KIOA in Des Moines - one of the legendary Top 40 successes of the day ("the most fun I ever had in radio") - and on to Phoenix, first as a sales person and then across town as sales manager. "I was ambitious," Al says today; "I was always looking to move up." (Al's third GM in Phoenix was a fellow named Gary Fries, for whom Al worked for two years.)

Al's next stop was back in his home state of Minnesota, as sales manager of KSTP in Minneapolis. Nine months later, he moved into the GM chair, where he stayed for the next two and a half years.

Meanwhile, Dean Sorenson - "a great networker" - kept in touch with Al at every stop. "He'd call every couple of months, and whenever he was anywhere near, we'd have lunch or dinner." So it was that Dean called Al one day, looking for a GM for Dean's Red Wing, MN property. Al took the job and remained for nine years.

"My lifelong dream was to own my own," Al says. "Finally, a couple of years ago I decided it was time to go for it." Al bought WKLK AM & FM in Cloquet, MN in May of 1992 - and "it's been quite a ride ever since."

When Al took over, the stations were losing money. So the day he closed, he simulcast the stations on satellite (SMN's "Pure Gold") and let go the entire staff except for the news director and one sales person. "I had to do it," Al says; "I couldn't afford not to cash-flow right away."

"People ask me all the time, 'How can we do all our programming on satellite? What about local involvement?' I tell them that we do all our local things off the air. We [Al, his wife, Linda, and his sales person] are members of everything - on every board and every commission in town."

Of Al's wife and partner, Linda, he says, "I got lucky. She's never done this, but she's turned out to be a great air person and a quick study on the business end. She's become a person anybody would dream of hiring - and she's having a ball."

Al and Linda wear virtually all the hats in Cloquet. For a while, after the news director departed, Al was getting up at 4 AM to do the morning news ... then going on the street all day ... and doing his paperwork late at night. Linda does the daily auction program, all the office work and most of the production.

Al says, "We just recently found another news director, which allowed me to cut back to only 65 hours a week." But the hard work is paying off: in the first year Al and Linda were able to more than double the revenues of the stations.

Then came Hibbing, MN. "I was looking at Hibbing before Cloquet, but we just couldn't put it together. After we bought Cloquet I kept my eye on Hibbing, and earlier this year we figured out how to get it done." According to Al, "In order to close on Hibbing, the last \$3,000 had to go on my MasterCard."

Al describes his game plan in Hibbing: "We cloned our Cloquet formula - run it off satellite with very few people, then go out and sell it. We were lucky to get Dennis Martin as our manager. It's really simple: if you've got a great manager, you'll be successful; otherwise you won't."

Al's formula for success is also simple: "Sometimes you just have to do what you have to do. If I ever have to, I'll do it all. I don't have a choice. I know things will continue to do well - it's our only option."

Al concludes, "We haven't done anything that couldn't be done by almost anybody. It's not that hard - just make the calls; greet the people; and keep the customers' needs and desires up front. If you do that, everything becomes pretty easy."

THE GUEST WORD

The FCC is engaged in an overhaul of the EBS system. One of the questions that is not being considered by the Commission is, why have EBS at all?

EBS is a holdover from the Cold War days to give Washington access to the airwaves in the event of a national emergency. Local and state authorities usually cobble together stations to deal with localized disasters. Whatever revisions to the Rules are finally adopted, it will cost broadcasters a few thousand dollars in new equipment to comply, and certainly will result in a whole slew of new regulations.

At least, broadcasters are better off than cable operators. For cable, the Commission is looking at a requirement to add a three hundred dollar box per channel, so that each channel can be interrupted.

- George Borsari & Anne Paxson

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VOLUME XI - Issue #26 - November 18, 1993

FCC FINES MASSACHUSETTS STATION \$12,500 for EEO violations and a short-term license renewal. The FCC says that WHYN, Springfield, MA didn't do a good job of recruiting minorities for job openings. WHYN will have to create a minority internship and meet with local minority agencies for future job openings.

NAB ASKS FCC TO REVIEW AM DIRECTIONAL ANTENNA REGULATIONS, and possibly change them. According to the NAB, computer models and historical data together are more efficient to perform interference and field strength readings.

RADIO AD DISCLOSURE LEGISLATION ADDED BY HOUSE BANKING COMMITTEE and the bill - designed to eliminate lengthy legal disclaimers - now moves to the full House for approval. The NAB is urging all broadcasters to contact their senators to co-sponsor the Senate version of the bill.

NEW TALKERS ADDED to the Westwood One lineup: Brooke Daniels and Roberta Gale, originating from WKXW, Trenton, NJ, will broadcast from 9 AM-Noon EST, beginning February 7. Daniels and Gale will be the lead-in to the Pat Buchanan show, which starts at Noon.

NEW NOSTALGIA FORMAT TO DEBUT NEXT YEAR from KJQI, Beverly Hills, CA and KOJY, Costa Mesa, CA. The format will be 24 hours, satellite delivered, and will not require any spot clearance. For more information, call 310-478-5540.

OLDER-DEMO FORMATS REBOUNDED, according to the latest Miller, Kaplan, Arase & Company survey. Revenues for the first nine months of 1993 were up 21% for Nostalgia stations and up 18% for Easy Listening stations.

THE SECOND INTERNATIONAL SYMPOSIUM ON DIGITAL AUDIO BROADCASTING, "Sound of 2000," will be in Toronto March 14-17. Session topics include DAB programming, systems technology, standards, transition scenarios and more. For information, call 613-594-8226.

1994 M STREET DIRECTORY NOW SHIPPING. We find this to be the most up-to-date and well-organized directory of radio stations we've seen. For more information, call 212-473-4668.

P. O. Box 1285 - Fairfield, Iowa 52556 - (515) 472-4087 - FAX (515) 472-6457

At The F.C.C.

NEW STATIONS (Granted):

LOUISIANA (Bastrop) Max Broadcasting Co., 103.3, 3000w, 328'
NEW MEXICO (Los Alamos) KREL, Inc., 107.5, 100,000w, 984'
PUERTO RICO (Culebra) Aurio A. Matos, 106.5, 6000w, 663'

NEW STATIONS (Applied For):

TEXAS (Winters) AFM Associates, G.P., 95.9, 3000w, 328'

AMENDMENTS TO THE FM TABLE (Proposed):

LOUISIANA (Franklinton) new, 98.9 A
NEVADA (Ely) new, 96.5 A
(Pioche) new, 98.9 A
TENNESSEE (Morristown) WMXK, 94.1 A from 95.9 A
(Tazewell) WCTU, 105.9 A from 94.1 A

AMENDMENTS TO THE FM TABLE (Granted):

HAWAII (Volcano) KKOA (CP), 107.7 C1 from A
MINNESOTA (Staples) KSKK (CP), 94.7 C3 from A
WEST VIRGINIA (Webster Springs) (CP), 100.3 B from A

REPORTED SILENT:

FLORIDA (Cocoa) WWKO, 860

FORMERLY SILENT:

FLORIDA (Melbourne) WMEL, 920
MASSACHUSETTS (Springfield) WSPR, 1270
OHIO (Steubenville) WDIG, 950

- Courtesy M Street Journal

NEW WAY TO SCREEN POTENTIAL EMPLOYEES is now available from the Omnia Group. Omnia "Priority Reports" provides an economical way to do those all-important background checks on job candidates - including employer references, social security/address verification, criminal convictions, motor vehicle record, consumer and business credit checks, worker's compensation history, five-year employment/earnings history, and verification of licenses, permits and education. For more information, contact Rich Berube at 1-800-525-7117.

DON MATZAT TO HOST "ISSUES ETC." TALK PROGRAM, which deals with today's issues: family values, TV violence, etc. The program is targeted for adults 25-49, and available on a barter basis. For information, call Ken Lamb at MediaStar, 904-438-4388.

TECHNICAL NOTES from E. Harold Munn, Jr. & Associates: June 1994 is the target time for NRSC-2 measurements to be complete and in the files at AM stations ... one-step applications for FM upgrades are now being accepted and processed, combining the application with the petition for rule-making ... renewal applications must now include station's status (on or off air).

MONEY PAGE - SALES AND PROMOTION IDEAS

Storefront decoration contest. In conjunction with your downtown association, chamber or mall association, hold a competition among area businesses. Have listeners vote on the best-decorated stores; their votes also count as entries to win prizes.

Trim-a-tree contest. Non-profit clubs and organizations are invited to enter the contest. Trees are set up in stores, offices, building lobbies and so on; they are then decorated by the sponsoring non-profit groups. A team of judges select the five best trees, and the winning groups win cash prizes.

Make your own ornaments. Special Christmas trees are set up in bank lobbies. Children in three age groups (under six, 7-9 and 10-12) are invited to make their own ornaments and hang them on the trees. Ornaments are judged in each age group and Savings Bonds are awarded to the winners.

Helping hands. To emphasize the helpful and personal attention shoppers receive, produce big badges that say, "I'm Here To Help You!" Retail salespeople, bank tellers and others who meet the public wear the badges throughout the holiday season.

In-town holiday packages. To draw out-of-town shoppers, put retailers and hoteliers together and come up with some special packages - including reduced room rates, deliveries of purchases to the hotel, shuttle buses, restaurant specials and merchandise discounts.

Chestnuts roasting. Many shopping areas find that selling traditional hot chestnuts on the street or in the mall during the season is very popular - and quite profitable, too!

Store hours hotline. Since most shopping areas have trouble agreeing on uniform shopping hours during the holidays, set up a special phone number that shoppers can call - the "Christmas Shopper's Hotline" - to get the hours for stores they want to patronize. Use either live operators or an interactive system.

Reduced-rate parking. A couple of ideas on this: Your station can feed meters during the season, leaving a windshield card telling the shopper that you've done so. You can work with local retailers to pay for all or part of the parking lot tab for shoppers, using validation cards (with the station call letters imprinted on them).

Shopping transportation can be offered free or at reduced rates during the season, both among shops and shopping areas, and between a shopping area and outlying residential locations.

- Downtown Research & Development Center, 212-228-0246



1994

PROMOTION PLANNING CALENDAR

U.S. EDITION

		Broadcast Calendar*							HOLIDAYS	SPECIAL DAYS	WEEK #	PROMOTIONS / AD CAMPAIGNS
		M	T	W	Th	F	Sat	Sun	<input type="radio"/> Federal Holiday <input type="radio"/> NEW YEAR'S DAY <input type="radio"/> MARTIN LUTHER KING DAY			
JAN.	1	27	28	29	30	31	1	2				
	2	3	4	5	6	7	8	9				
	3	10	11	12	13	14	15	16				
FEB.	4	17	18	19	20	21	22	23				
	5	24	25	26	27	28	29	30				
	6	31	1	2	3	4	5	6		2 Groundhog Day		
	7	7	8	9	10	11	12	13		12 Lincoln's Birthday 14 Valentine's Day		
	8	14	15	16	17	18	19	20		16 Ash Wednesday		
MAR.	9	21	22	23	24	25	26	27		<input type="radio"/> PRESIDENTS' DAY 22 Washington's Birthday		
	10	28	1	2	3	4	5	6				
	11	7	8	9	10	11	12	13				
	12	14	15	16	17	18	19	20		17 Saint Patrick's Day		
	13	21	22	23	24	25	26	27		27 Palm Sunday 27 First Day of Passover		
APR.	14	28	29	30	31	1	2	3		1 Good Friday 3 Easter Sunday 3 Begin Daylight Savings		
	15	4	5	6	7	8	9	10				
	16	11	12	13	14	15	16	17				
MAY	17	18	19	20	21	22	23	24				
	18	25	26	27	28	29	30	1				
	19	2	3	4	5	6	7	8		8 Mother's Day		
	20	9	10	11	12	13	14	15				
	21	16	17	18	19	20	21	22		21 Armed Forces Day		

1st Quarter

2nd Quarter

1/6 - WINTER SURVEY - 3/30

3/31 - SPRING SURVEY

27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	1	
	4	11	18	25	1	8	15	22	29	5	12	19	26	3	10	17	24	31	7	14	21	28	4	11	18	25	1
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	6	13	20	27	3	10	17	24	31	7	14	21	28	5	12	19	26	3	10	17	24	31	6	13	20	27	4
	7	14	21	28	4	11	18	25	1	8	15	22	29	6	13	20	27	4	11	18	25	1	8	15	22	29	5
	8	15	22	29	5	12	19	26	2	9	16	23	30	7	14	21	28	5	12	19	26	2	9	16	23	30	6
	9	16	23	30	6	13	20	27	3	10	17	24	31	8	15	22	29	6	13	20	27	4	11	18	25	2	9
	10	17	24	31	7	14	21	28	4	11	18	25	1	8	15	22	29	7	14	21	28	5	12	19	26	3	10
	11	18	25	1	8	15	22	29	5	12	19	26	2	9	16	23	30	8	15	22	29	6	13	20	27	4	11
	12	19	26	2	9	16	23	30	6	13	20	27	3	10	17	24	31	9	16	23	30	7	14	21	28	5	12
	13	20	27	3	10	17	24	31	7	14	21	28	4	11	18	25	1	10	17	24	31	8	15	22	29	6	13
	14	21	28	4	11	18	25	1	8	15	22	29	5	12	19	26	2	11	18	25	1	8	15	22	29	7	14
	15	22	29	5	12	19	26	2	9	16	23	30	6	13	20	27	3	12	19	26	2	9	16	23	30	8	15
	16	23	30	6	13	20	27	3	10	17	24	31	7	14	21	28	4	13	20	27	4	11	18	25	2	9	16
	17	24	31	7	14	21	28	4	11	18	25	1	8	15	22	29	5	14	21	28	5	12	19	26	3	10	17
	18	25	1	8	15	22	29	5	12	19	26	2	9	16	23	30	6	15	22	29	6	13	20	27	4	11	18
	19	26	2	9	16	23	30	6	13	20	27	3	10	17	24	31	7	16	23	30	7	14	21	28	5	12	19
	20	27	3	10	17	24	31	7	14	21	28	4	11	18	25	1	8	17	24	31	8	15	22	29	6	13	20
	21	28	4	11	18	25	1	8	15	22	29	5	12	19	26	2	9	18	25	1	9	16	23	30	7	14	21
	22	29	5	12	19	26	2	9	16	23	30	6	13	20	27	3	10	19	26	2	10	17	24	31	8	15	22
	23	30	6	13	20	27	3	10	17	24	31	7	14	21	28	4	11	20	27	3	11	18	25	2	9	16	23
	24	31	7	14	21	28	4	11	18	25	1	8	15	22	29	5	12	21	28	4	12	19	26	3	10	17	24
	25	1	8	15	22	29	5	12	19	26	2	9	16	23	30	6	13	22	29	5	13	20	27	4	11	18	25
	26	2	9	16	23	30	6	13	20	27	3	10	17	24	31	7	14	23	30	6	14	21	28	5	12	19	26
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	28	4	11	18	25	1	8	15	22	29	5	12	19	26	2	9	16	25	1	8	16	23	30	7	14	21	28
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	30	6	13	20	27	3	10	17	24	31	7	14	21	28	4	11	18	27	3	10	18	25	2	9	16	23	30
	31	7	14	21	28	4	11	18	25	1	8	15	22	29	5	12	19	28	4	11	19	26	3	10	17	24	31
	32	8	15	22	29	5	12	19	26	2	9	16	23	30	6	13	20	29	5	12	20	27	4	11	18	25	1
	33	9	16	23	30	6	13	20	27	3	10	17	24	31	7	14	21	30	6	13	21	28	5	12	19	26	2
	34	10	17	24	31	7	14	21	28	4	11	18	25	1	8	15	22	31	7	14	22	29	6	13	20	27	3
	35	11	18	25	1	8	15	22	29	5	12	19	26	2	9	16	23	1	8	15	23	30	7	14	21	28	4
	36	12	19	26	2	9	16	23	30	6	13	20	27	3	10	17	24	2	9	16	24	31	8	15	22	29	5
	37	13	20	27	3	10	17	24	31	7	14	21	28	4	11	18	25	3	10	17	25	1	8	15	22	29	5
	38	14	21	28	4	11	18	25	1	8	15	22	29	5	12	19	26	4	11	18	26	2	9	16	23	30	6
	39	15	22	29	5	12	19	26	2	9	16	23	30	6	13	20	27	5	12	19	27	3	10	17	24	31	7
	40	16	23	30	6	13	20	27	3	10	17	24	31	7	14	21	28	6	13	20	28	4	11	18	25	1	8
	41	17	24	31	7	14	21	28	4	11	18	25	1	8	15	22	29	7	14	21	29	5	12	19	26	2	9
	42	18	25	1	8	15	22	29	5	12	19	26	2	9	16	23	30	8	15	22	30	6	13	20	27	3	10
	43	19	26	2	9	16	23	30	6	13	20	27	3	10	17	24	31	9	16	23	31	7	14	21	28	4	11
	44	20	27	3	10	17	24	31	7	14	21	28	4	11	18	25	1	10	17	24	32	8	15	22	29	5	12
	45	21	28	4	11	18	25	1	8	15	22	29	5	12	19	26	2	11	18	25	33	9	16	23	30	6	13
	46	22	29	5	12	19	26	2	9	16	23	30	6	13	20	27	3	12	19	26	34	10	17	24	31	7	14
	47	23	30	6	13	20	27	3	10	17	24	31	7	14	21	28	4	13	20	27	35	11	18	25	2	9	16
	48	24	31	7	14	21	28	4	11	18	25	1	8	15	22	29	5	14	21	28	36	12	19	26	3	10	17
	49	25	1	8	15	22	29	5	12	19	26	2	9	16	23	30	6	15	22	29	37	13	20	27	4	11	18
	50	26	2	9	16	23	30	6	13	20	27	3	10	17	24	31	7	16	23	30	38	14	21	28	5	12	19
	51	27	3	10	17	24	31	7	14	21	28	4	11	18	25	1	8	17	24	31	39	15	22	29	6	13	20
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	3	31	7	14	21	28	4	11	18	25	1	8	15	22	29	5	12	21	28	35	43	19	26	2	9	16	23
	4	1	8	15	22	29	5	12	19	26	2	9	16	23	30	6	13	22	29	36	44	20	27	3	10	17	24
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	7	4	11	18	25	1	8	15	22	29	5	12	19	26	2	9	16	25	1	8	47	23	30	6	13	20	27
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	9	6	13	20	27	3	10	17	24	31	7	14	21	28	4	11	18	27	3	10	49	25	1	8	15	22	29
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	11	8	15	22	29	5	12	19	26	2	9	16	23	30	6	13	20	29	5	12	51	27	3	10	17	24	31
	12	9	16	23	30	6	13	20	27	3	10	17	24	31	7	14	21	30	6	13	52	28	4	11	18	25	1
	13	10	17	24	31	7	14	21	28	4	11	18	25	1	8	15	22	31	7	14	53	29	5	12	19	26	2
	14	11	18	25	1	8	15	22	29	5	12	19	26	2	9	16	23	1	8	15	54	30</					

SALES - PROMOTIONS MAY BE DANGEROUS TO YOUR HEALTH
by Bob Doll

Some years ago, a small market broadcaster called me for some help. "My doctor tells me I have to slow down," he said, "but I can't do that in the condition my station is in."

He had depended for several years on a steady stream of packages and promotions to generate about half of his station's billing. In looking over his records, it was obvious that although he had not changed his rates in five years (he should have), the average price his units were bringing had dropped, a little bit at a time, about 15%. At the same time, the direct cost of the promotions had increased, a little bit at a time, by about 15%. When I showed him this, he said, "I guess it slipped up on us."

What had happened to him is not unusual. Every time a promotion came up, he and his salespeople had tried to buy insurance to "meet or beat last year's figures." The decision was made to "add a few spots and give away a bigger prize" to re-sell the old customers and bring in some new ones to make up for attrition. His gross was not growing enough to maintain a reasonable margin.

Packages and promotions can contribute to profitability if they're used to create extra dollars for the station and extra sales for customers at particularly challenging times of the year. But if they become a crutch for month-after-month sales, they will erode the profit margin with a deadly combination of added expenses and lower rates. More than that, they work against getting increased expenditures from accounts. They get everybody used to being "a \$250.00 radio customer" rather than buying what he/she needs (more or less) to realize that month's opportunities or solve that month's problems.

From my experience, stations that depend upon a steady stream of "packages" and "promotions" don't realize their potential, because they are viewed as expenses - not as resources. That selling stance does not lend itself to the customer's planning. If you're not part of the planning, you take what's left. There was a time when you could make money just by getting in on a business's budget. That time has passed. Today, with fewer prospects and more media competition, you have to earn a place in the planning process as a basic advertising medium. You do that by asking good questions, listening carefully, then making sensible recommendations about using your station to meet the advertiser's goals.

Nobody wants to buy radio advertising - but everybody has a problem to be solved or an opportunity to be realized. Ask them. they'll spend more and it'll cost you (your station) less than peddling the "deal of the week" or the "promotion of the month."

HOLIDAY SEASON SAFETY TIPS

If you're planning a holiday party, _____ suggests you include plenty of non-alcoholic drinks. If you're serving punch, use a non-carbonated base - alcohol is absorbed much faster when it's combined with a carbonated mixer. _____ brings you this message with their best wishes for a safe, happy holiday season.

One in four adults will make an out-of-town trip during the holidays. If you're one of them, _____ says, it's easy to get tired and bored while driving. Falling asleep at the wheel can be fatal. Let someone else take a turn behind the wheel. A holiday safety reminder from _____ .

_____ believes it's a good idea for holiday party hosts to serve plenty of food. Snacks will help slow the rate at which the body absorbs alcohol. It's a good idea to avoid salty food, which stimulates thirst. Good holiday party foods include open-face sandwiches, low-salt crackers, vegetables to dip, candy, cookies and breads. _____ says, have a happy, safe holiday season.

Did you know that half of all fatal holiday auto accidents involve drinking? _____ reminds you that alcohol dulls your judgement and your reflexes. It impairs your vision. _____ believes the old advice is still the best advice: "If you drink - don't drive. If you drive - don't drink."

During the holidays, _____ reminds you that abstinence from drinking is always acceptable. But if you plan to drink, set limits and stick to them. Stop drinking long before you start home. Ask for help in getting home if you think you need it. This reminder is from _____, who send you their very best wishes for the holidays.

It's a fact: coffee will not sober a person up. Coffee is only a wide-awake drink. _____ suggest you plan a large breakfast of fix-your-own eggs, meat and fruit to wind up your party. Assigning each person a job in preparing the breakfast forces them to put down their drinks. _____ wishes you a safe, happy holiday season and new year.

Staying close to home this holiday season? _____ hopes it will be the happiest season ever for you - please don't let an accident ruin it. Remember that the majority of auto accidents happen close to home and that over half of them involve a drinking driver. _____ says, be happy ... but be careful.

Plan your holiday party around a "fun event." _____ suggests you might want to select a theme and plan games and activities around that theme. Games and activities give people a reason to put down their glasses. A reminder from _____ who extends their best wishes for a safe, happy holiday and new year.

DECEMBER IS NOT JUST CHRISTMAS

According to the U.S. Department of Commerce, about two-thirds of all December business is not holiday-related. In addition to traditional cold-weather marketers like home heating, insulation and furriers, here are some big year-end hitters:

Category	December Share of Annual Sales	Reasons/Opportunities
Life Insurance	12.1	Sales quotas to be met
Drug Stores	11.0	Cold/cough/flu season
Stockbrokers	9.6	Year-end tax strategies
Video Rentals	9.1	Relax at night after shopping
Tire Dealers	8.7	Winter car servicing
Funeral Homes	8.6	Deaths rise in Winter
Office Supply Stores	8.4	Ordering for next year
Lawyers	8.3	Tax and matrimonial matters

- Radio Advertising Bureau

THE LAST WORD

A lot of broadcasters we talk to are complaining about how hard it is to sell their station, or their inventory, or their spots, or their packages. Maybe that's because they think they are selling a cost item instead of an investment.

If you could offer a two-to-one, or three-to-one, or four-to-one return on an investment, who wouldn't take a look at it? If it were reasonably secure, who wouldn't make the investment?

That, after all, is what radio advertising should be - a way for a business owner to generate sales far in excess of the cost of doing so. Under such circumstances, the relationship between advertising and sales is clear: the more the owner invests in advertising, the higher the sales will be.

If the business owner is serious about the business, you can establish a partnership for mutual growth and profit. If you can't, maybe you need to find out if he or she is serious!

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Small
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Radio
Newsletter

IN OUR
11TH

FIRST CLASS MAIL
U.S. POSTAGE PAID
Fairfield, IA
Permit No. 5

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

Bob Doll - Co-Editor
Jay Mitchell - Publisher and Co-Editor
Lori Morgan - Associate Editor

VOLUME XI - Issue #27 - November 25, 1993

BMI LICENSE AGREEMENTS FINALIZED in negotiations with the Radio Music License Committee. Most provisions are retroactive to January, 1992; the agreements run through 1996. The terms will be communicated to the industry in an RMLC letter next week.

ARBITRON SAMPLE INCREASE IS BAD NEWS FOR SMALL MARKETS. Most Arbitron-rated markets have refused to pay extra for larger sample sizes - 70% larger over the next four years - so the ratings company is increasing sample size 15% in those markets. The catch is, they are not actually placing more diaries - they are simply shifting diaries from the ADI and TSA counties to the metro counties. This means that the Arbitron County Studies will be more volatile than ever, based on fewer diaries. With more decisions being based on Arbitron numbers - from network compensation to local advertising buys - small market broadcasters should contact Arbitron for clarification of this new policy, and to register their concerns.

HOUSE AD-LEASING VOTE EXPECTED EARLY NEXT YEAR, when legislators return from their holiday recess. Meanwhile, the NAB's Eddie Fritts is calling on all broadcasters to contact their senators and to urge them to co-sponsor the Senate version of the bill.

POP STANDARDS FORMAT UP AND RUNNING from the Digital Pop Standards Network in Los Angeles. No spot inventory will be required, and the network is offering a two-month free trial. The format is run by veteran MOR programmer Chuck Southcott, and features singer Pat Boone as one of the air personalities. For more information, call 310-478-5540.

FCC MAY REPLACE CURRENT EBS SYSTEM with a new system that has digital equipment, automated procedures, and would integrate cable television. The NAB registered concerns about the cost of the proposed system, particularly for small market broadcasters. The NAB has asked the FCC to issue a draft of the revised EBS rules for further comment before taking final action.

BARNEY IS COMING TO RADIO. PBS's popular purple dinosaur will have a storytelling radio show for children starting in 1994. The ten-minute show will air at 7:30 PM nationwide. For information, call Beth Ryan at The Lyons Group, 214-390-6094.

At The F.C.C.

NEW STATIONS (Granted):

CALIFORNIA (Sacramento) Jack Powell, 103.5, 3000w, 328'
IOWA (Eldon) Sample Broadcasting, 104.3, 25,000w, 328'
NEW YORK (Center Moriches) Friendship Communications, Ltd., 96.1,
3000w, 299'

AMENDMENTS TO THE FM TABLE (Granted):

ALASKA (Anchorage) KXDZ, to 103.1 C1 from 102.9 C2
(Eward) new, to 105.9 A from 103.1 A
MASSACHUSETTS (Provincetown) WOMR, to 92.1 A from 91.9 A
MISSOURI (Moberly) new, 97.3 C3
WEST VIRGINIA (Rainelle) WRRL-FM, to 95.3 B1 from A

REPORTED SILENT:

MISSOURI (Lexington) KLEX, 1570
(Monroe City) KDAM, 106.3
(Richmond) KAYX, 92.5

FORMERLY SILENT:

ARKANSAS (Waldron - Ft. Smith) KRWA, 103.1
CALIFORNIA (Lompoc) KTME, 1410
ILLINOIS (Tuscola - Champaign) WITT, 93.5

- Courtesy M Street Journal

FCC HIT BROADCASTERS HARD last week by fining stations for EBS violations, power variations, incomplete public files, field strengths, and no operators on duty. The fine total was \$137,250, with fines ranging from \$250 to \$9,250. Some stations were slapped with more than one violation. Here is the complete list of stations fined:

WQFL Rockford, IL \$ 900	KRZA Alamosa, CO \$6,000
KALY Los Ranchos, N 6,500	KRKI Estes Park, CO 1,000
KZYR Avon, CO 2,250	KMCW Casper, WY 250
KSKE Vail, CO 2,850	KGIW/KALQ Alamosa, CO 3,000
KVOC Casper, WY 2,000	KZSS/KZRR Albuquerque, NM . 2,000
KSMT Breckenridge, CO 2,250	KAWL/KTMX York, NE 2,000
KTRS Casper, WY 2,000	KTFJ Sioux City, IA 2,700
KWOG Douglas, WY 7,600	KASF Alamosa, CO 2,900
KKEL Hobbs, NM 2,000	KINI Crookston, NE 4,250
KKJY Albuquerque, NM 4,500	KBNO Denver, CO 6,250
KDEF/KUCU Albuquerque, NM 12,000	KZSD Custer, SD 2,250
KEZW Aurora, CO 4,000	KFCR Custer, SD 2,250
KOTA Rapid City, SD 300	KFBQ Cheyenne, WY 4,000
KCME Manitou Spring, CO 4,500	KQMT Eagle, CO 6,000
KLEA Lovington, NM 2,000	KBOL Boulder, CO 4,000
KRVL/KERV Kerrville, TX 250	KLAT Houston, TX 800
KANI Wharton, TX 6,800	WTIM Taylorville, IL 9,250
WTJY Taylorville, IL 3,350	KPBA Pine Bluff, AR 8,550
WJIL/WJVO Jacksonville, IL . 5,000	KTFJ Sioux City, IA 2,700

MONEY PAGE - \$ALE\$ AND PROMOTION IDEAS

Match For Cash. In our November 7, 1993 issue we talked about a cash giveaway in which contestants matched the last four digits of their Social Security numbers with automobile V.I.N. numbers. Charles Frey of WNIL, Niles, MI tells us of his experience with the promotion:

"We ran the promotion for two days only, including a remote, at two different dealerships. Listeners could search through all the new and used cars on the lot. At one dealership, on the first day, 1500 listeners came to try to match digits. At the end of the second day, we had twenty winners, each receiving \$100.

"The problem was, we only made around \$200 after expenses. It was still a good promotion for us, but in the future we will use five digits for the match instead of just four - the odds of matching digits won't be as high."

MORE HOLIDAY IDEAS

Leftover Weekend. After Thanksgiving, clean out your prize closet and get rid of leftover promotional items from the past year.

- Bob Beck, KYYY, Bismarck, ND, appearing in Friday Morning Quarterback

The Christmas Toy Hunter. "Get to the local stores and make deals for a stock of the hot toys (we spent about \$250 in trade). Hold onto them until about two weeks before Christmas. Then announce on the air that you can help your listeners avoid the toy-store crunch, because your station has the hottest toys.

"We gave away a toy a day on the morning show for two weeks, playing "Twenty Questions" with callers who have been unable to find a certain toy: "Is it for a boy or a girl?" ... "Does it require batteries?" ... and so on.

"To our luck, no matter what toy it was, the winner had been unable to find it and had just about given up. Needless to say, the response was tremendous!"

- KFMK, Winton, CA, appearing in One To One

Santa Calls. Ask listeners for calls or letters that your station can "relay" to Santa at the North Pole. Catch the calls on an answering machine with a credible Santa voice. Select some at random to read or play on the air. Those not read should receive some kind of reply, maybe a nicely-printed form letter on "Santa" stationery.

- Broadcast Programming Newsletter

Lousy Gift Exchange. After Christmas, have listeners bring in a bad gift and trade it for a good one.

- Dave Hoeffel, WPST, Trenton, NJ, appearing in Friday Morning Quarterback

SALES - "THE PLAN THAT KEEPS
GOING & GOING & GOING & GOING & GOING"

Jim Williams, in his self-styled "Tacky Brochure #93J," once again gives us several thought-starting lessons in a few simple, single statements.

The lessons:

- Station belief is your most important rating.
- Collecting is selling.
- Ask more, get more. They'll buy more than you'll sell.
- More presentations cause better presentations.
- Talk less, make more.
- Persist: ask every client to buy every week.
- Ask for the order firmly and clearly three times in each presentation.
- Annuals prove trust. Now, sell them another annual!
- Larger orders are the only hope for steady growth.
- Overselling is impossible. Underselling hurts the client.
- Demo and spec tapes command respect. Use a tape on every presentation.
- Manage time or time will manage you.
- Make a minimum of 50 presentation each week.
- Attack competitors without attacking your client's judgement.
- Set goals instead of making wishes. Career commitment is your first step.
- Self manage. Your list is your store. Motivate thyself!!!
- End account prejudice. Selling based on friendship cripples your growth.
- Talk dollars, not spots.
- Don't forget to prospect the bottom of your list. There may be gold down there.
- Ratings do not predict results.

Jim Williams can be reached at 12917-H Jefferson Avenue, Suite 129, Newport News, VA 23602 - phone 804-249-3770.

FROM OUR READERS

A wave of bogus time-buys seems to be sweeping our industry, at least on the small market level. Here are some recent reader letters:

Kent Osborn, KMCD & KIIK, Fairfield, IA asks about a company called Power Media Marketing Group in Burbank, CA; a person named Jeffrey Hancock recently contacted Kent about placing advertising for something called Financial Freedom Report. It was an official-looking order, including a request for broadcast times, but Kent was suspicious. Has anyone done business with this company.

Michael Goodine, WQDY, Calais, ME was contacted by the now-infamous Admedia Services in Ridgewood, NJ: "A woman identifying herself as Beth Fishman called us for rates. On her third call she was 'ready' to buy advertising for 'Oldies and Big Band' tapes similar to a PT. When asked for references, she said she'd get back to us with a list. It wasn't much of a surprise when the list failed to come in. Fortunately, the order never got on the air."

John Silliman, WGHT, Pompton Lakes, NJ, reports his station's experience with Admedia Services (identified to them as "Media Services"): "The situation was unusual, since we don't receive many contracts for hundreds of dollars out of the blue. Our sales manager requested payment up front, which is our policy, but the woman replied that they were unwilling to do this, although they paid regularly. When the sales manager asked if he could stop by and talk [Pompton Lakes is not far from Ridgewood], the woman became nervous and the conversation ended rather abruptly. Fortunately, we did not become involved."

SMRN has done some investigation of Admedia Services. We tried to contact the company at the number given by our readers. The first time we tried, a recorded telco message informed us that "the line was being checked for trouble." When we tried a week later, the message had changed to, "the number is temporarily disconnected."

We called the Ridgewood Chamber of Commerce, who told us that the address given by Admedia is legitimate - a big office building - but they have no information about the company.

The Better Business Bureau had nothing on file about them, either.

We checked with the U.S. Trustees Office in Hackensack to see whether a company by the name of Admedia (or Media) Services has declared bankruptcy; the answer was no.

The Bergen County Office of Consumer Affairs told us that they have received several telephone inquiries "from all over the country," but for them to investigate, they must receive a written complaint.

The Bergen County Prosecutor's Office has received no inquiries or complaints, but also requests them in writing.

We would urge anyone who has had experience with Admedia (or Media) Services to write these organizations immediately:

Bergen Country Office of Consumer Affairs
21 Main Street
Hackensack, NJ 07601
Attn: Director of Consumer Affairs

Bergen County Prosecutor's Office
County Courthouse
Hackensack, NJ 07601

From our inquiries it seems that there is at least a chance that broadcasters who have been scammed could recover something, and that we can get these guys punished. But it's important to register a complaint right away. Let's clean this one up!

Ever run this one? From Rick Bulger, WKAI, Macomb, IL:

"Wondering if any of your readers have ever run the 'Guess the Serial Number' contest? The way I remember it, listeners try to guess the serial number on a bill. They keep guessing numbers until they either guess it correctly or miss a number. The first person to guess all the numbers on the bill wins it.

"How do you actually run the promotion on-air? How do you handle number security - to avoid having a deejay's friend win? Any information would be helpful. Either call 309-833-5561 or fax information to 309-833-3460. Thanks for the help!"

IN MEMORIAM

Paul Adams, the longtime owner-operator of WKUZ-FM, Wabash, Indiana, died last week. Paul built the station in 1966. He was then the Chief Engineer of WCPO-TV in Cincinnati. He invested his life savings in the Wabash station.

He intended to operate it absentee as an investment. A year later it was failing. An earlier Wabash FM station had gone dark fifteen years before. Adams was 47 when he gave up twenty years' seniority with Scripps-Howard to "bail his investment out - to learn the non-technical part of the broadcasting business," as he said, "the hard way, by trial and error with my own money."

In an SMRNewsletter interview several years ago, he recalled his first day on the street "trying to sell advertising." Late in the day he called on a local grocer. That grocer, he said, not only bought, but "he gave me some good advice. 'Selling FM radio advertising around here is going to be hard, but,' he told me, 'you've got to keep going'."

Paul said he passed the grocer's store several times every day. It was down the street from WKUZ. The grocer would holler, "Paul, keep me on, and keep going." He did for 26 years.

Paul's son, Chuck, joined his father in the business some years ago and will carry on the family business.

WAL-MART: FRIEND OR FOE?

Wal-Mart is not a villain, according to Pat Chambers, KNEM & KNMO, Nevada, MO:

"I would like to respond to your "Last Word" column of October 21 and a number of other negative comments SMRN has published against Wal-Mart over the years.

"I have been in small markets where Wal-Mart is considered the bad guy who robs business from the mom-and-pop retailers and does nothing in the community. However, in the past seven years I have seen a Wal-Mart here in Nevada, MO that is a credit and a leader in our area.

"Our Wal-Mart is a leading member of the Chamber of Commerce. Its long-time store manager served as President of the Chamber the year before I did, and the year before that he chaired the Chamber's Retail Committee. A number of non-profit charitable and community organizations have realized great financial benefit from the Wal-Mart Matching Funds Grant Program.

"An organization conducts a fund-raising event and Wal-Mart matches the first \$500, \$1000, and sometimes \$2000 the organization raises. Our Wal-Mart has helped local groups with over \$30,000 from that program alone in the past two years!

"At the same time, Wal-Mart usually contributes major ticket items to raffles, benefit auctions, etc. The Wal-Mart lobby is home to every raffle ticket sale, bake sale and fund-raiser from the Boy Scouts and Girl Scouts to the Knights of Columbus to the Shriners, and many, many other worthwhile programs which serve our town of 9,000 and county of 20,000.

"In a town of 9,000 we have five pharmacies, including the Wal-Mart pharmacy. What did the Wal-Mart pharmacy do here? They set the tone for extended hours and seven-day-a-week operation that most, if not all, of the other pharmacies now offer. They challenged their competitors to develop associated products and services that Wal-Mart doesn't offer, like home health nursing, physical therapists and home health aids.

"Oh, yes, and Wal-Mart advertises on radio. We value Wal-Mart as a consistent, substantial account. From time to time we get agency buys for their record department and other specialty areas; and for the past five years Wal-Mart has been a participating advertiser in our sports program, and a sponsor of community messages and events.

"This relationship was developed. I've heard too many members of our industry cry about Wal-Mart not advertising when they could have been working on finding out how to get Wal-Mart on the air. Here, it was the development of a solid relationship with the store manager, the district manager, and now the ad agency.

"Our stations are recognized by Wal-Mart as an involved, respected leader in our community and they use our strong local base of listeners to promote their image and their wide selection of products.

"Perhaps we are just lucky, but I believe you create your own luck and good fortune, and for KNEM and KNMO, a good job of building a client relationship has given us a client we bank on, 12 months a year."

Editor's Note: We appreciate Pat's comments. Perhaps they offer a ray of hope to other small market broadcasters. From talking to others around the country, it would seem that the situation in Nevada, MO is a bit unique - perhaps because of the "long-time store manager" who has grown roots in the community.

Pat's letter tells us several things: (a) local Wal-Mart stores may have more decision-making abilities than some would let on; (b) it makes sense to get to know the Wal-Mart district manager as well as the local manager; (c) radio can tap budgets other than just "advertising"; and (d) local retailers can compete!

Wal-Mart is cutting prices for the holidays, a noteworthy departure from the company's traditional everyday low price (or EDLP) stance. To quote from Advertising Age, November 15, 1993:

"Scrambling to differentiate itself from a growing field of everyday low price competitors, Wal-Mart is promoting short-term price reductions just in time for the holiday season.

"The program, called 'Falling Prices,' is backed by an estimated \$10 million television campaign. The aggressive move responds to heightened price competition on name brand items from the likes of KMart, Target, and regional drug and mass-merchandise chains.

"'Everyday low pricing is everywhere now, and Wal-Mart is steadily moving toward promotions and sales to differentiate itself,' according to Burt Flickinger, retail analyst at A.T. Kearney in Chicago.

"Wal-Mart insists the program is not a sale, which would undermine its positioning as an EDLP leader. 'We don't have sales,' said Paul Higham, Wal-Mart VP-Marketing. 'We are always lowering our prices item by item, store by store.'"

THE LAST WORD

We at SMRN have a lot to be thankful for this year. We have completed a publishing transition without a lot of trauma to the newsletter or our readers (or so you tell us). I have entered a world of bright, dedicated people - the sharpest radio people I've ever encountered.

And I've had the chance to get closer to Bob Doll, who has both radio knowledge and true wisdom. We at SMRN hope your Thanksgiving is a time of reflection on all good things, past, present and future!

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Bill Taylor
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Miami AZ 85539

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Jay Mitchell - Publisher and Co-Editor
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VOLUME XI - Issue #28 - December 2, 1993

HOLIDAY RETAIL SALES LOOK PROMISING as store owners tally their day-after-Thanksgiving receipts. Based on last Friday's business, analysts expect shoppers to spend 5-7% more this holiday season than last. This compares with a healthy 8% increase in 1992, but a mere 0.4% increase in 1991.

FEDERAL APPEALS COURT RULES THAT THE INDECENCY SAFE HARBOR IS UNCONSTITUTIONAL. The panel of judges told the FCC that the 6 AM to Midnight curfew is unconstitutional and conflicted with the First Amendment. The FCC will continue to enforce its indecency ban from 6 AM to 8 PM. There is an unconfirmed report that the FCC may appeal the decision.

LAST WEEK'S FCC FINES TOTAL \$149,500. The FCC continues to fine stations for violations such as power variations, incomplete public files, non-licensed operators, operating with full power during reduced power usage times, EBS logs and equipment not up to par, and excessive field strengths at monitoring points. Here are the stations hit in the past week:

KDKO Littleton, CO	\$2,500	KRRU Pueblo, CO	\$3,350
KFTM/KBRU Fort Morgan, CO .	2,500	KCSJ Pueblo, CO	4,600
KCEB Casper, WY	4,500	KHFT Hobbs, NM.	16,550
KWMW Maljamar, NM	7,050	KYRE Manitou Springs, CO.	13,900
KPER Hobbs, NM	2,000	WUFI/WZNF Rantoul, IL .	12,950
KTSC-FM Pueblo, CO.	2,500	KGOL Humble, TX	12,500
WNTA Rockford, IL	1,850	WDJZ Bridgeport, CT	8,250
WMCL McLeansboro, IL.	1,400	KONO San Antonio, TX.	500
WNCN New York, NY	300	WASO Covington, LA.	20,000
KBIB Marion, TX	4,650	KBMA Bryan, TX.	250
KOKE Giddings, TX	6,250	KILI Porcupine, SD.	8,300
KSSQ Conroe, TX	5,800	KWYR Winner, SD	4,250

25TH ANNUAL COUNTRY RADIO SEMINAR will be March 2-5, 1994 at the Opryland Hotel in Nashville, TN. The CRS is soliciting radio station marketing materials to use at the conference. For information on the seminar and marketing materials submissions, call Dave Nichols at 615-327-4487.

At The F.C.C.

AMENDMENTS TO THE FM TABLE (Proposed):

ALABAMA (Warrior) WLBI, to 98.7 C3 from A

MINNESOTA (Pequot Lakes) new, 100.1 A

(Pillager) new, 95.9 A

NEVADA (Alamo) new, 93.5 A

(Austin) new, 99.7 A

(Eureka) new, 94.5 A

(Lund) new, 100.7 A

REPORTED SILENT:

GEORGIA (Claxton) WCLA, 1470, due to technical trouble

TEXAS (Lubbock) KJBX, 580

FORMERLY SILENT:

GEORGIA (Augusta) WCKJ, 1230

- Courtesy M Street Journal

AUTO LEASE DISCLOSURE BILL PASSED BY THE HOUSE. It now awaits Senate approval. While your Senators are home for the holiday break, let them know how you feel about this bill!

FULL-TIME SPORTS-TALK NETWORK TO BEGIN MARCH 1, 1994. Interstar Network will be on 24 hours a day. For more information, contact Interstar at 619-229-8307.

NEW NAME FOR FALL NAB SHOW. The combined NAB-SBE-SMPTE-RTNDA show scheduled for October 13-15 of next year in Las Vegas has been officially dubbed "World Media Expo." Total attendance is expected to exceed 15,000, according to the NAB. Answering critics of the consolidation move, the NAB notes that only the exhibition space is common to all four groups; each organization will hold its own sessions in its own meeting room areas.

NEW YORK RADIO MARKET TESTS NEW TECHNOLOGY enabling commercials to be transmitted digitally, over telephone lines, from a production studio to the stations running the schedule. The distribution service has been developed by Digital Generation Systems, and permits subscribing stations to receive and send 16-bit digital audio, at a 48K Hz sampling rate, 24 hours a day. According to the New York Radio Market Update, "The DGS Network now will make radio - already the most time-sensitive of media - even more capable to get advertisers' messages on the air fast."

C-QUAM GOES OFFICIAL as the FCC finally named Motorola's AM stereo technology the U.S. transmission standard. The order was approved quietly by circulation, rather than at the Commission's regular monthly meeting.

MONEY PAGE - SALES AND PROMOTION IDEAS

The Twelve Days of Christmas. On the twelfth day before Christmas, one prize is awarded to a listener ... on the eleventh day, two prizes are awarded to one listener ... and so on, until twelve prizes are awarded to a single listener on Christmas Day. The giveaways can be triggered by playing a certain holiday song, or when callers are asked for, or from a drawing of point-of-purchase entries, etc.

Christmas At Your House. Listeners enter at sponsor locations; the winner of the drawing wins a Christmas tree, decorated by your station staff, plus gifts underneath. Air personalities deliver the tree, bring seasonal refreshments, and help the winning family put up decorations.

Christmas Caroling. Station staff members (including your air personalities) form a caroling group that makes house calls - including the local hospitals and nursing homes.

Karaoke Christmas. Your morning-show host has callers sing along with instrumental versions of well-known Christmas songs. If the caller can complete a verse correctly, he or she wins a prize.

Call Home For the Holidays. Regular readers will recognize this one, a sure-fire hit for any major holiday: arrange with a local restaurant that will be serving on Christmas Day to permit patrons to make free calls home. Limits: one call per family, three minutes per call. Promote this as a station feature.

Come Home For the Holidays. Your station invites entries in the form of short essays telling why they want to bring a beloved relative home, or why they want to visit a loved one. Read the best entries on the air, and award the prize to the best entry. Work out the prize details with a local travel agency.

And don't forget first quarter ... !

Superbowl Party. Invite listeners to attend the event at a local sports-watching venue. Have station party favors, contests, appearances by your air talent and perhaps local sports figures. Tie in lots of advertisers for revenue, prizes and participation.

Expo Shows. Now is the time to plan one or more revenue-generating shows - Bridal Fair, Fitness Fair, Home Show, Outdoor Expo, Farm Fair, etc. Sell booths and line up entertainment (jugglers, magicians, mimes, etc. - to add to the atmosphere).

- The Lund Consultants; Broadcast Programming; One To One

\$ALE\$ - A SUCCESSFUL SALESPERSON IS UNREASONABLE BECAUSE SHE/HE:

Believes there are no unsellable prospects!

Persists beyond what others call reasonable and then, if needed, starts over!

Expects every assigned prospect to buy on every presentation!

Insists the product is worth far more than the amount agreed!

Demands full and prompt payment to honor the value of work done, services rendered and agreements given!

Makes the maximum number of presentations every selling day and then one more!

Measures time as priceless and to be used wisely ... for selling!

Requires constant self sales growth without excuses!

Honors their contract to sell for their employer not just as an obligation but an opportunity ... with pay!

Respects the importance of the sales presentation as a pure business event ... not a social function!

Serves the customer to set the stage for the next order!

Takes the obligation to make the sale today rather than waiting for the client to buy!

Hates the easy sale since it proves they undersold!

Motivates him/herself without waiting for inspiration from others, the lucky break, the right time or good vibes!

Never sells enough to slack off or go home early!

Handles stress by being successful - knowing the healing effect of making a sale is powerful medicine!

Enjoys the frustration his/her success causes competitors and the less capable!

Laughs at her/his own errors, foibles and failings - such as sitting around reading this instead of making a call!

- Jim Williams

NEW YEAR'S GREETINGS

As the old year makes way for the new, _____ thanks you for your valued friendship and continued patronage. Please be assured that they will work even harder to serve you in the coming year. Thank you and happy new year from _____.

Old acquaintances are never forgotten at _____. To friends old and new, best wishes for the best of everything in the new year, from _____.

A new year of health, happiness, and prosperity. That's the wish of your friends at _____. Thanks for your continued friendship and patronage and a happy new year from _____.

If the New Year's holiday includes alcoholic beverages, don't forget that old advice: "Make that 'one for the road' a cup of coffee." _____ hopes that your holiday will be a happy and safe one, and that the new year will be full of health, happiness, and prosperity. Happy new year from _____.

Here at the end of one year and the beginning of another, _____ looks back at a year full of many kindnesses from their many friends and customers. More important, they look forward to another year of your friendship and the opportunity of serving you even better. Happy new year from _____.

_____ thanks you for using the products and services they offer. In the new year, as in the old, only the best is good enough for their customers and friends at _____. Here's wishing you the best of everything in the new year.

Ring out the old! Ring in the new! Happy new year from _____. Here's hoping the new year will be full of health, happiness, and prosperity. Happy new year from _____.

This is the time of the year for making resolutions. _____ makes this resolution: in the year ahead they will work even harder to serve you even better. Happy new year from _____.

Best wishes for a happy new year from _____. It's been a real pleasure for them to serve you this year. In the new year they pledge to work even harder to merit your continued friendship and patronage. Happy new year from _____.

All drivers are not as careful as you are. _____ reminds you, if you're driving this new year's holiday, drive with extra care. _____ wishes you a happy, safe holiday and the best of everything in the new year.

From Our Readers

Common Carrier, Too? "I read the Borsari & Paxson memo in the November 11, 1993 SMRN. Does this mean that now we have to worry about the Common Carrier Bureau as well as the FCC?"

- Betty Baudler, KASI & KCCQ, Ames, IA

Editor's Reply: The passage in question was this: "There has been a new twist added on the fines and forfeitures front. The Common Carrier Bureau has been levying fines, to the tune of twenty thousand dollars, for failure to timely file applications and forms with the Common Carrier Bureau."

We checked with George Borsari on this to be sure. No, radio broadcasters don't have to worry about the Common Carrier Bureau. The point is, all federal agencies operate under the same laws, and they tend to enforce the same laws. The "Failure to File" offense is the same for all the agencies, though the amounts of the fines are different. It is significant for radio licensees that the Common Carrier Bureau has started to levy stiff fines for that offense, because it means that the FCC will be likely to do the same.

Sales Benefits. "I'm wondering what kind of pay arrangements different stations use for their salespeople - what kind of fringe benefits, like medical, pension, life insurance, and so on? Perhaps your readers could contribute some ideas."

- Charlie Wright, WBYS AM & FM, Canton, IL

ABC Woes. "Have any other SMRN readers had a similar experience as what we've had with ABC Radio Networks? KTHS received a letter from ABC Radio Networks stating that due to their Spring 1993 ratings they do not meet an established audience rating threshold. Thus, to continue to be an affiliate, they must pay an affiliation fee \$150 per month.

"The station showed up in an ADI for Springfield, MO, which ABC looked at to determine the assessment of the affiliation fee, which is eighty miles. KTHS did not meet the 'threshold' in Springfield, but had strong home county numbers.

"If ABC had looked at the home county numbers to determine whether or not to assess the fee, KTHS would have met ABC's threshold and would not have to pay the \$150 affiliation fee. Now, in order to meet the threshold and avoid the fee, KTHS has to pull strong numbers from an audience eighty miles away."

- Jim Earls, KTHS, Berryville, AR

Another Option. "I'm writing to respond to 'The Only Option' in your SMRNewsletter of November, 11, 1993. As the GM of an 18-month-old property in Winona, MN, the Al Quarnstrom 'option' should not be perceived as the only one. Whatever happened to radio the way it used to be?! Well, I'm proud to say that it's alive and kicking here in Winona!

"KHME (Home 101) started 18 months ago with ten full-time staffers, investing over \$300,000 in building, from the ground up, an all-digital, live FM service. We also adopted Dr. W. Edward Deming's Total Quality Management (TQM). Never once did we turn it over to satellite or computer - it's live, personality-driven radio the way it used to be. Sure, it's payroll-intensive. But we have become the top-rated station in a market with four local signals and 14 outside signals ... and we're very close to having the books in the black after only a year and a half.

"My point is this: cutting, hacking, and shooting for the quick buck is Wal-Mart radio - the lowest prices, homogenous programming, and a sale down every aisle. It wasn't that way for us, and I'd be surprised if others wouldn't like to know how we do it here in quiet little Winona, MN."

- Bill Withers, KHME, Winona, MN

SMRN Impressions. "I hope you don't mind if I give you my impression of SMRNewsletter. The graphics are old-fashioned and the typeface makes it look like it has been printed from an old manual typewriter. It would create a different atmosphere and impression on the reader to change layout and fonts.

"The Page One summary - information from various sources with no editorial comment - may or may not be applicable to most small market stations. Many of the articles apply to larger markets and others don't address the distinction between small AM and FM stations. Maybe Page One should appear somewhere inside the fold.

"How about articles regarding salaries in small market stations? Comparative data by position and region? How stations are handling the health insurance problem - does it depend on market size, and whether the station is an AM stand-alone or a combo?

"How about cost-cutting hints for small market operators? Articles describing the capabilities of the new hard disk systems, their cost and what is involved in installing them? Increasing revenues is a constant goal, but it is at least as important to know how and where to control expenses without impacting your ability to generate revenue.

"There's an awful lot of emphasis in the newsletter on motivational, positive thinking as the way of being a better sales person. But organization, strategy, persistence, and emphasis on collections are also critical. How about articles describing how different small market stations address those questions - maybe written by the operators themselves?

"How about discussions between small market stations about forming unwired groups for the purpose of negotiating with national and regional advertisers? How about information from small market operators about how they are dealing with the new threat of competition from local cable operators selling cheap spots?

"How about employment classifieds - stations needing to fill positions and broadcasters seeking work? How about classifieds for stations for sale and purchase? Records of small market sales (with comparative prices since the last previous transfer)?

"You've got an industry which is dominated in terms of absolute numbers of stations by unrated, small town operators, and according to the statistics, a majority of those people are losing money. They could really benefit by concrete advice and information such as this.

"What I'm trying to say is that you have a bully pulpit which could be more useful to small market stations than it has been, if it gets down to the nitty-gritty nuts-and-bolts of running a station so as to have more revenue than operating expense!"

- Gerry Emmet, Emmet Broadcasting, Leesburg, VA

Editor's Note: We appreciate longtime friend, client and reader Gerry Emmet's thoughtful letter. What do other readers think of his suggestion regarding the "look" of the newsletter? Should we change our typeface to make it more readable? Is the front page serving a need?

Our Ad Pages began as a classified resource for broadcasters - positions sought and wanted, stations for sale or purchase, equipment for sale, and so on. We encourage you to use them!

Many of Gerry's suggestions will be used for future "Reader Response" questions, and we welcome your contributions. After all, our subscribers are the newsletter!

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Small
Market
Radio
Newsletter

IN OUR
11TH
YEAR

FIRST CLASS MAIL
U.S. POSTAGE PAID
Fairfield, IA
Permit No. 5

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Miami AZ 85539

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Jay Mitchell - Publisher and Co-Editor
Lori Morgan - Associate Editor

VOLUME XI - Issue #29 - December 9, 1993

GOOD ECONOMIC NEWS FOR '94. According to USA Today, economists are predicting that the economy will keep growing "at a healthy clip" in the coming year, with no slump in sight. Reasons for optimism: the consumer confidence index jumped nearly 11 points in November; personal income is rising; new home sales are strong and housing starts are up; jobless benefit claims are falling; help-wanted advertising rose across most of the nation in October; oil prices are falling; and auto sales are strong.

AND RADIO WILL BENEFIT. according to the latest forecast from Veronis, Suhler & Associates, the radio industry should grow at the annual rate of nearly 7% through 1997. This will put radio revenues ahead of television (projected 5.7%) and print (5.1%).

NAB BEST OF THE BEST PROMOTION CONTEST NETS ONE SMALL MARKET WINNER. KJAM-FM, Madison, SD wins for a promotion called "Quiz Biz Junior," in which area students were supplied a list of 100 questions to research. They received points for their school when they called in with the correct answers to questions asked during the morning show each morning. The contest generated some unexpected publicity when the principal of the winning school kept his promise to shave his mustache if they won.

WAL-MART IS GOING GREEN in a pilot program in Lawrence, KS, where the company has installed environmentally-sensitive features, including a non-ozone-depleting refrigerant in the air conditioning; a system to collect and use rainwater for watering the grounds; skylights coupled with photo sensors to use as little artificial light as possible; a solar-powered road sign; and recycled plastic cart corrals. The idea started with the chair of the company's environment advisory board, Hillary Rodham Clinton; the first store just happened to be in Lawrence.

COUNTRY IS NUMBER ONE, according to a Simmons Market Research Bureau survey. Almost 42% of Americans 18+ listen to the format in 1993, as compared to 36% last year. AC is in second place, about even at 31.5%. News/Talk is third with 27% (up from 18%), and CHR was steady at about 25.5% for fourth place.

— THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS —

At The F.C.C.

NEW STATIONS (Granted):

HAWAII (Waimea) KR Partners, 99.1, 42,000w, 2820'

NEW STATIONS (Applied For):

ARIZONA (Flagstaff) Flagstaff Broadcasting Partner, 100.1, 1000w,
1965'

GEORGIA (Pelham) George L. Robinson, 92.3, 6000w, 328'

NORTH DAKOTA (Carrington) Two Rivers Broadcasting, 98.3,
100,000w, 866'

VIRGINIA (Virginia Beach) Stacy C. Brody, 102.1, 3000w, 328'

FORMERLY SILENT:

COLORADO (Denver) KDEN, 1340

- Courtesy M Street Journal

RADIO DIRECT RESPONSE TO PROVIDE RADIO INFOMERCIALS beginning in January, 1994. They have condensed 10 30-minute TV infomercials into 60-second radio commercial spots; an 800 number will trace sales to the appropriate station. Mark Lipsky, 1-800-969-AMFM.

HOUSE'S APPROVED VERSION OF THE CAMPAIGN REFORM BILL:

(1) guaranteed spot times at preemptible rates; (2) lowest-unit-rate "windows" applicable for 45 days and 30 days; (3) candidate's responsibility to include IDs and disclaimers; (4) broadcasters will have to notify affected candidates and provide equal opportunity for response at the lowest-unit rate charge; and (5) broadcasters will have to accept vouchers which will be redeemable at any FDIC or FSLIC financial institution.

READER INQUIRY: Has anyone had an experience with a company called Broadcasters from Lantana, Florida? They conduct phone surveys, making 300 calls to an area specified by the client. Contact name is Ray Blomquist at 1-800-393-7292. Let us know.

SMRN READER RESPONSE

The question is health plans; many readers have asked about what other stations are doing:

- What type of health plan are you using?
- What does it cover?
- What is the cost per employee?
- What is the cost as a percentage of the employee's salary?
- What percentage of the cost is covered by the station?

Please fax your response to SMRN at 515-472-6457. We'll publish your answers soon.
Thank you!

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

January Business Opportunities include the following businesses, whose sales in the month are average or above average:

Book Stores
Laundries & Dry Cleaners
Office Supply Stores
Optical Goods Stores
Tire Dealers

- RAB's Top 40 Business Survey

How bad is January business? January sales are 84% of an average month and 70% of December!

January Promotional Opportunities - Events & Holidays

Months

Birth Defects Prevention Month (March of Dimes)
Human Resources Month
National Careers in Cosmetology Month
National Diet Month
National Eye Care Month
National Hobby Month
National Hot Tea Month
National Volunteer Blood Donor Month

Weeks

January 16-22 - International Printing Week
January 23-29 - Celebrity Read A Book Week

Days

January 1 - Orange Bowl, Rose Bowl
January 2 - 55mph Speed Limit (20th Anniversary)
January 8 - Elvis Presley Birthday
January 10 - National Clean-Off-Your-Desk Day
January 15 - Humanitarian Day
January 17 - Martin Luther King, Jr., Federal Holiday
January 19 - Maintenance Day
January 27 - End of Vietnam War
January 29 - National Puzzle Day
January 30 - Super Bowl XXVIII

January Promotions Guilt Month. Most people feel guilty about overindulging their appetite and spending habits during the holidays, so they are in a repentant mood this month. Co-promotional opportunities include weight loss programs, smoke-ending programs, self-help books and tapes.

- Satellite Music Network

\$ALE\$ - SETTING GOALS FOR THE COMING YEAR

In setting goals for you or a client, ask three questions:

1. What are your sales goals and objectives?
2. What are your advertising goals and objectives?
3. What are your plans to achieve your goals and objectives?

Now, check off the areas below that need to be addressed:

- Punch up beginning-of-the-week sales (Monday/Tuesday/Wednesday)
- Get our "unfair share" of end-of-week sales (Thursday/Friday/Saturday)
- Maximize an annual event
- Maximize a special event (other than an annual event)
- Maximize a special sale (other than annual events & special events above)
- Move regular priced merchandise to achieve greater profits
- Move higher margin goods to achieve greater profits
- Generate faster turnovers
- Move overstocked merchandise (warning - not if there is no demand!)
- Promote a new store or business
- Promote a new location
- Promote a new department
- Promote a new line
- Promote a new brand
- Promote a new fashion
- Promote the "runners" (items of greatest demand to attract more store traffic)
- Promote a "trendy" item
- Promote regular price & item advertising
- Promote a special purchase (vendor offer/truckload sale/warehouse sale/etc.)
- Promote newly arrived merchandise that has finally come in
- Promote seasonal merchandise
- Promote more leads
- Promote trial purchases
- Promote mail and/or phone orders
- Promote a new service
- Promote new hours
- Promote a new pricing policy

- Promote a new credit policy
- Promote an "Under New Management" theme
- Out-promote our competition
- Address a location problem
- Tie into a national ad campaign
- Identify our store with brand names
- Create a special vendor pound promotion
- Maximize co-op opportunities
- Support other advertising media with a media mix to expand reach and frequency
- Expand our customer base by adding new customers who buy from somebody else
- Expand into special markets (ethnic/military/college/secondary customers/etc.)
- Upgrade our customer profile
- Educate or enlighten people about our business or about what we sell
- Correct a wrong assumption about our business or about what we sell
- Foster goodwill in the community (important residual effect of advertising)
- Boost employee morale (important residual effect of advertising)
- Meet certain franchise/dealer/lease agreements
- Stop peak and valley sales with consistent advertising (top-of-mind awareness)
- Fill last year's sales holes (to increase year-to-date figures and cash flow)
- Increase our average ticket sales
- Foster more repeat business
- Take advantage of a vulnerable competitor
- Counter the competition in general
- Fight off stiff new competition
- Expand our trade area beyond the newspaper's larger City Zone circulation
- Positioning advertising (reinforce an established position)
- Positioning advertising (position a new store or business)
- Positioning advertising (re-position our store or business)
- Position our business, properly, perhaps for the very first time!

Finally, in an effort to determine your most important priorities, score each checked need on a scale of 1 (low) to 10 (high)

- Dave Gifford, Dave Gifford International © 1988

FROM OUR READERS

"I read in the December 2 issue of SMRN the comment from Jim Earls of KTHS, Berryville, AR, regarding the network affiliation fee from ABC Radio Networks. We also received a letter from ABC informing us that our numbers were below the 'rating threshold' and that we would be forced to pay an affiliation fee to remain with the network.

"I wrote to ABC, showing them the recently-completed Willhight survey for our market, which shows us with a 17.6 market rating, and asked them to reconsider their fee. I got a brief letter back stating that they were only using Arbitron numbers for the Seattle ADI, that we were below the threshold, and '...we appreciate your affiliation.'

"Needless to say, I don't appreciate their attitude and their unwillingness to look at 'home county' numbers. And, needless to say, we're looking at other network options."

- Rich Franklin, KBRC-AM, Mount Vernon, WA

"Regarding the comments about the newsletter from Gerry Emmet, Emmet Broadcasting, Leesburg, VA: Sounds to me like Mr. Emmet should hire a broadcast consultant if he needs help on everything he wants other broadcasters to mention in a newsletter. I think SMRN is fine, and I like the improvements."

- Stuart K. Lankford, WAKO AM & FM, Lawrenceville, IL

"The 'look' of the newsletter is just fine. To change your layout and fonts would just add to your cost, which, in turn, you pass on to your subscribers. I don't think too many small market radio folks need to pay more just to improve the look.

"Small market salary info would be good, as would gross billings. Health insurance info and what stations pay (both for premiums and percentage of employee's premium) would be helpful.

"Please don't get so fancy in appearance and content that you miss the main reason for publishing. The present format is just fine. Keep up the good work."

- Dave Land, WFIW Radio, Fairfield, IL

Editor's Note: Just for the record, it would cost no more to achieve a more "typeset" look for the newsletter, since we already have desktop-publishing hardware and software. But I agree that we should not spend a lot of time every week on cosmetics at the expense of editorial quality. We've heard from Illinois on this issue; what do other states think? (By the way, Mr. Emmet has a consultant - me.)

The Other Only Option

A few weeks ago (11/11/93) we featured an interview with Al Quarnstrom, who is building a successful ownership track record by operating his stations simply and economically, using all satellite programming, and then devoting all his staff's efforts to sales and community involvement. This drew a response from Bill Withers, co-owner and general manager of KHME ("Home 101") in Winona, MN (12/2/93), who told us his station is fully staffed and fully live, using Total Quality Management techniques to produce a high-quality, customer-driven product. This week we follow up with Bill to find out more about what he's doing ...

After starting in his home town of Waukon, IA, Bill held a variety of radio jobs while attending college and graduate school at Winona State University. While in graduate school, Bill was approached by the president of Home Broadcasting about getting involved with a new Winona station. He did, and when the license was granted in mid-1992, he became the station manager.

From the start, Bill decided to adapt for radio the management techniques of W. Edwards Deming and Steven Covey (he had attended one of Deming's four-day seminars). Bill notes, "Our mission statement is, 'To be something good in the lives of our co-workers, listeners and customers.'"

The key component in Bill's TQM approach is product quality in service of the customer. "With everybody else in this market doing 'radio in a box' programming, we had to differentiate ourselves," Bill says. "We are all live, all the time. We have the latest technology - the Arrakis Digilink system - but humans run it."

This approach allows Bill and his sales team to get premium rates for the product: "If you want our product, like anything else, it has its price. That is the quality issue; the quality in our business is the perception of our customers. If they perceive they are getting a quality product, and it helps their business, they are more than willing to pay for it."

Since "Home 101" was a start-up in an already-competitive market, the station has been asked constantly to compromise - on rates, barter, and so on. "Everybody else is doing auctions and shopping shows and trades and low-ball rates," Bill says. "But we have not sold one spot off the card. We don't do trade, we don't play games. It's a constant, continuous education process for our team and our customers. We value our product so much that rate and trade and so forth just aren't an issue. Our customers understand that buying better, is cheaper."

To grow his team, Bill holds monthly "Q [for quality] Retreats" for the entire staff. They will rent a facility, use a university lecture hall or go over to someone's home. The purpose of these sessions is to re-familiarize everyone with the TQM movement and the station's objectives. Bill says, "Are we finished? No. Does everybody get it? No. We are still three and a half years away from having everybody on the team."

In response to the notion that investing in quality is more expensive, Bill responds, "We had traditional financing through a local bank, with standard terms. Our financing isn't special. We have a long-range plan - we didn't force ourselves to be profitable the first month - but we achieved positive cash flow after about nine months. Our quality approach is paying off."

Summing up what drives Bill Withers and his approach to the business, he says, "With all the audience fragmentation and national programming, the only thing that will save small market radio is local programming. But someone is going to have to do the lunch menus, the school closings and the high school games. Local personalities and local programming make the difference."

THE LAST WORD

As we all know from the various profiles and tips featured in SMRNewsletter, and from talking with our friends in the business, there are a lot of ways to do radio. One owner runs a "jock in a box" while another runs fully live. One manager swears by selling radio using newspaper terms while another swears at the concept. One sales manager holds daily sales rallies while another is lucky to have a sales meeting a month.

And, curiously, all these approaches can work, and work well. (Of course, all these approaches can also fail, but that is another story.) It all boils down to two things, really: (1) What kind of radio a given manager feels comfortable doing; and (2) what that manager believes will work.

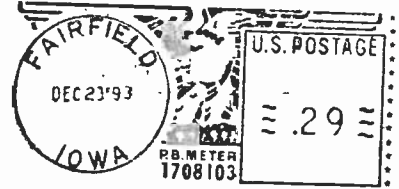
From our vantage point, we embrace the diversity of opinions, styles and approaches we find in small market radio. Although personally I may agree with some more than others, I think we are richer for any that are honorable and uphold the integrity of our business.

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Small
Market
Radio
Newsletter

IN OUR
11TH
YEAR

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



Bob Doll - Co-Editor
Jay Mitchell - Publisher and Co-Editor
Lori Morgan - Associate Editor

VOLUME XI - Issue #30 - December 16, 1993

LOCAL RADIO REVENUE UP 5% IN OCTOBER, according to RAB figures, and up 9% through the first 10 months of 1993 as compared to 1992. October's local breakdown: the East was up 6%, the Midwest and South up 5%, the West 4%, and the Southeast 3%. National spot revenues for October rose 6%, increasing 7% through the first 10 months: the Midwest was up 18%, the Southwest 15%, the East 7%, the Southeast 5%, and the West showed a decline of 5%.

THE BEER INDUSTRY MAY PULL RADIO ADS if a bill headed by Senator Strom Thurmond passes. The bill mandates warnings in radio and TV beer and wine ads ... but brewers say they will not buy spots where six to eight seconds of the spot will be messages opposing their industry. This emotional issue will not be defeated easily - Sen. Thurmond's daughter was killed by an allegedly drunk driver. The NAB needs our help to stop this bill, which jeopardizes an estimated \$80 million in revenues. Notify your Congresspeople, especially the Senate Commerce Committee.

FCC TO DECIDE ON A DISTRESS SALE. WLGO, Lexington, SC, owned by Standard Broadcasting Co., has asked for permission to sell the station under the distress sale policy. The station GM made misrepresentations during an FM license application. The company is offering to sell WLGO to African-American-owned AARC for \$112,500, 25% below the original price. According to the policy, licensees may sell their stations to minority-controlled groups for no greater than 75% of their market value if the licensees are in danger of losing their license.

FEDERAL APPEALS COURT STRIKES DOWN FCC INDECENCY RULE. A three-judge panel of the D.C. U.S. Court of Appeals rejected the FCC regulation restricting so-called indecent programming to Midnight-6 AM. The panel said that the FCC had failed to demonstrate that the daypart limitation was the least restrictive means to protect children from indecent material.

FCC COMMISSIONER ROULETTE. After weeks of delay, Reed Hundt was finally been approved as the new FCC Chairman. And Ervin Duggan is leaving to become PBS President, leaving a new void.

At The F.C.C.

NEW STATIONS (Granted):

CALIFORNIA (Modesto) BCD, L.P., 93.9, 3000w, 151'
(Sebastopol) John A. Carollo, Jr., 93.7, 3000w, 328'
FLORIDA (Miramar Beach) Mark & Renee Carter, 106.3, 3000w, 328'
(Punta Rassa) Kight Broadcasting, L.P., 97.7, 3000w, 328'
GEORGIA (Ringgold) SML Communications, Inc., 93.7, 2000w, 328'
HAWAII (Honolulu) Kasa Moku Ka Pawa Broadcasting, 105.9, 96,700w,
1968'
IOWA (Cedar Falls) Thin Air Investments, Inc., 98.5, 25,000w,
328'
KANSAS (Liberal) Seward County Broadcasting Co., Inc., 102.7,
100,000w, 466'
LOUISIANA (Mansfield) DeSoto Broadcasting Corp., 104.7, 25,000w,
328'
MISSISSIPPI (Bruce) R. Humphrey/Roberta Easton, 94.5, 6500w,
169'
NEW YORK (Jewett) Carmine M. Iannaci, 97.9, 1450w, 672'
OHIO (Columbus) Horace E. Perkins, 107.5, 1900w, 413'
(Huron) Luipold Broadcasting Corp., 96.1, 3000w, 328'
WASHINGTON (Winlock) Premier Broadcasters, Inc., 95.1, 380w,
879'

NEW STATIONS (Applied For):

NEW MEXICO (Clovis) Thelese Broadcast International, 106.5,
60,000w, 177'

AMENDMENTS TO THE FM TABLE (Proposed):

ARKANSAS (Harrisburg) new, 95.9 C3
KENTUCKY (Jeffersontown) WLEY-FM, to 101.3 A from 101.7 A
(Richmond) WMCQ-FM, to 101.5 C3 from 101.7 A
(Shelbyville) WTHQ, to 101.7 A from 101.3 A

AMENDMENTS TO THE FM TABLE (Granted):

CALIFORNIA (Esparto) new, 97.9 A
(Los Molinos) new, 101.7 A
FLORIDA (Indian River Shores) new, 97.1 A
NEBRASKA (Hastings) new, 94.5 C2

REPORTED SILENT:

MINNESOTA (Brooklyn Park - Minneapolis) KBCW, 1470, pending sale
MISSOURI (Greenfield - Springfield) KXBR, 93.5
TENNESSEE (White Bluff) WQSE, 1030

FORMERLY SILENT:

TEXAS (Lubbock) KJBX, 580

- Courtesy M Street Journal

MONEY PAGE - \$ALE\$ AND PROMOTION IDEAS

An annual promotions calendar is a handy way to plan and organize your basic activities for the coming year, and to make sure nothing gets caught in the cracks. Here is how to create one:

1. Go back two or three years and list each promotion you've done, along with the inclusive dates of each promotion.
2. Go through the list to determine which promotions would be candidates for the coming year, and for annual events.
3. Refer to a list of major holidays and make sure that you have an event for each holiday. If there are holidays which are not covered, add the holiday and the date of the holiday to your list. (Don't worry if you don't have a corresponding promotion yet.)
4. On a "Year-At-A-Glance" calendar, block out the promotions which you have determined could be regular events. Use a specific color ink for these events. (For the holidays which don't yet have promotions attached, log them in, allowing a two-week time frame, mostly in advance of the holiday).
5. Consult any calendars of events which might be published locally--by the Chamber of Commerce or any civic groups. Fit those events into your calendar in a different color ink.
6. Make certain that you allow for major advertiser-oriented promotions for any time of the year where an extra revenue boost is needed. (Again, you may not have specific promotions for these periods yet.)
7. Consult Chase's Annual Events for other days and events which could be tied to promotions.
8. Now engage in a brain-storming session to fill in the blanks. Such a session should include a variety of players, including the general manager, sales manager, program director, promotions director, and any other creative types you have on staff. This session has several purposes:
 - a. To come up with specific, powerful promotions for the empty slots you've created
 - b. To weed out conflicts and superfluous activities (isn't it nice to have a surplus for a change?)
 - c. To nail down the exact dates for each promotion you've decided upon

This process should give you a promotional, profitable year.

1994 OPPORTUNITIES

MONTH	WEEK	DAY
JANUARY March of Dimes Blood Donor Month	#1 #2 #3 International Printing Week #4 Celebrity Read a Book Week #5	Sat.-1 - New Years Day Sat.-8 - Elvis's Birthday Thu.-27 - End of Vietnam War Sun.-30 - Super Bowl XXVIII
FEBRUARY American Heart Month National Weddings Month	#6 Boy Scouts of America Week Crime Prevention Week #7 #8 Brotherhood/Sisterhood Week #9	Wed.-2 - Ground Hog Day Sat.-12 - Abraham Lincoln's Birthday Mon.-14 - Valentine's Day Mon.-21 - Presidents' Day Tue.-22 - George Washington's Birthday
MARCH American Red Cross Month National Nutrition Month	#10 Girl Scout Week #11 Agriculture Week Manufacturing Week #12 American Chocolate Week Poison Prevention Week #13	Thu.-17 - St. Patrick's Day Sun.-20 - Spring Begins
APRIL Keep America Beautiful Month National Humor Month	#14 #15 Buildings Safety Week #16 #17 Secretaries Week	Fri.-1 - April Fools' Day Sun.-3 - Easter Daylight-Saving Time Fri.-15 - Income Tax Pay-Day Fri.-22 - Earth Day Fri.-29 - National Arbor Day
MAY National Good Car-Keeping Month Natl. Physical Fitness & Sports Month Older Americans Month	#18 Pet Week #19 Nurses Week Small Business Week #20 Transportation Week Police Week #21 #22	Tue.-3 - National Teacher Day Sun.-8 - Mother's Day Sat.-21 - Armed Forces Day Mon.-30 - Memorial Day
JUNE Dairy Month	#23 National Safe Boating Week #24 National Flag Week #25 #26	Tue.-14 - Flag Day Sun.-19 - Father's Day Tue.-21 - Summer Begins
JULY National Ice Cream Month National Recreation and Parks Month	#27 #28 #29 #30	Mon.-4 - Independence Day Sun.-17 - National Ice Cream Day
AUGUST National Water Quality Month	#31 #32 #33 #34 #35	Sun.-7 - American Family Day Fri.-19 - Aviation Day
SEPTEMBER Baby Safety Month Cable TV Month Library Card Sign-up Month	#36 #37 #38 Constitution Week Farm Safety Week #39	Mon.-5 - Labor Day (100th Natl. Ann.) Sun.-11 - Grandparents Day Thu.-22 - American Business Women's Day Birthday of the Ice Cream Cone Fri.-23 - Autumn Begins Sat.-24 - National Hunting & Fishing Day
OCTOBER Car Care Month Campaign for Healthier Babies Month Consumer Information Month Co-op Awareness Month Energy Awareness Month Pizza Month Seafood Month	#40 Customer Service Week #41 Fire Prevention Week #42 Credit Union Week #43 American Beer Week #44	Mon.-3 - Child Health Day Mon.-10 - Columbus Day Sun.-16 - Boss's Day Sun.-23 - Mother-in-law Day Sun.-30 - Standard Time Resumes Mon.-31 - Halloween
NOVEMBER	#45 #46 American Education Week #47 #48	Thu.-3 - Sandwich Day Tue.-8 - General Election Day Fri.-11 - Veterans Day Thu.-24 - Thanksgiving Day
DECEMBER	#49 #50 Human Rights Week #51 #52	Sun.-25 - Christmas Sat.-31 - New Year's Eve

\$ALE\$ - MONEY LINES

As we prepare our goals for 1994 - and our belief in those goals - here is a sampler of one-liners concerning wealth and money, collected by Dick Fabian in Fabians' Investment Resource.

"When you are young, you think money is the most important thing in life. When you are old, you know it is." - Oscar Wilde

"Wealth is not in making money, but in making the man while he is making money." - John Wicker

"There is no security in this life. There is only opportunity." - Douglas MacArthur

"Money doesn't always buy happiness. People with ten million dollars are no happier than people with nine million dollars." - Hobart Brown

"You can't win any game unless you are ready to win." - Connie Mack

"Everyone is in the best seat." - John Cage

"Money isn't everything, as long as you have enough." - Malcolm Forbes

"Money is like a sixth sense, without which you cannot make a complete use of the other five." - W. Somerset Maugham

"If you think you can win, you can win. Faith is necessary for victory." - William Hazlitt

"Show me a good and gracious loser, and I'll show you a failure." - Knute Rockne

"Along with success comes a reputation for wisdom." - Euripides

"There is always room at the top." - Daniel Webster

"Wealth is not his that has it, but his that enjoys it." - Benjamin Franklin

"Money will come to you when you are doing the right thing." - Michael Philips

"Losers visualize the penalties of failure. Winners visualize the rewards of success." - Dr. Rob Gilbert

FROM OUR READERS

Too good a value? "An ad agency said the other day that almost all radio stations they deal with give bonus spot announcements when they make a purchase; they buy 'x' number of spots and they get 'x' free.

"Please ask your other readers if this is true and, if so, is it because we have so little faith in our form of media, in spite of the tremendous success of Motel 6 and Rush Limbaugh?"

- Wandell Allegood, KSLO & KOGM, Opelousas, LA

ABC, continued. "Concerning network affiliation fees - there's another name for it. I received a notice about a year ago which I interpreted to be an increase in the fee (I currently pay \$150/month). I called ABC to cancel my agreement; the person I spoke with referred to the fee as 'the Paul Harvey fee.'

"Of course, that's what it is. How many stations would pay ABC if they didn't get Paul Harvey? How many stations pay more for Rush Limbaugh than for Paul Harvey? I do.

"Incidentally, it works both ways with ABC. I was notified a couple of months ago that we had risen above the ratings threshold and will not be paying the affiliation fee after January."

- Tom Anderson, KOAL, Price, UT

Newsletter, continued. "I buy the newsletter for news... 'how-to' books are available elsewhere. My only newsletters are yours and John Naisbett's Trendletter, and I'm thinking about dropping him. As for graphics - no comment. So many things are all form and no function that they become worthless. As long as the typeface is large enough for my weak old eyes to read, it's OK by me. Please don't get caught up in the tide of obtuse lettering and cutesy layouts."

- George Allen, WHNR, Winter Haven, FL

"I think the newsletter has been good ... continues to be good ... and better be good in the future. Forget the different fonts, graphics and all that jazz. Just give me something I can use for my radio station in a small market striving to make a buck to pay the bills next month. I would like to see more input from other small market operators; this is information we can always share. I just renewed the newsletter, and when the lady asked me how long I wanted it renewed for, I answered, 'A hundred years.' That's how much faith I put in it."

- Marvin Hill, WGOG AM & FM, Walhalla, SC

ABOUT EMPLOYEE HEALTH PLANS

"We switched companies about a year and a half ago because of poor claims service. The new company is excellent - our premiums are less and the service is excellent. The company is Continental Life and Accident Company of Sioux City, IA (we have a local agent).

"The coverage includes major medical, dental, disability, life, accident and maternity. Our company pays half of the premium after four months of employment. Premiums vary from \$75 to \$500 according to marital status, ages and number of dependents."

- Roger Swan, WROY & WRUL, Carmi, IL

"Our health plan is with The Principal Group through our local Farmers Insurance Agency. We give each employee a \$150 health care allowance. Single employees who do not require the total are allowed to put the difference into a retirement account with the Farmers agent.

"Employees with families are required to pay the excess over \$150. This seems to be a fair way to keep our costs under control and still be fair to our employees."

- Tom Anderson, KOAL, Price, UT

"We have a major medical plan through a local agent who is an advertiser. The plan covers everything except dental and eye care. We dropped the Prescription card for added savings and a lower premium.

"We pay the premium for each employee. Premiums range from \$78 to \$271 per month. Cost as a percentage of the employee's salary ranges 5-19%."

- Dave Land, WFIW, Fairfield, IL

More Reader Feedback "We are having a lot of success with a 'Walk-About Remote.' We just walk through the store with a cellular phone, talking about what we see and talking with the people we run into - customers and store people alike."

- Ray Holbrook, WPTX & WMDM, Lexington Park, MD

"We don't get together the way we used to ... the conventions are too expensive. What about a small market get-together, sponsored by SMRN, to swap ideas?"

- Dennis Voy, KMAQ, Maquoketa, IA

Editor's Reply: Would there be an interest in such an idea-sharing session, or maybe several regional ones? Let me know!

ABOUT CABLE TELEVISION: "THE CLIMATE ON CABLE"

We know all too well that local spot advertising on Cable TV has grown over the years and that some of that growth has come at the expense of radio revenue. In some markets advertising on cable TV has become an important factor. Just how important is difficult to judge because data is extremely hard to come by.

This pressure on local radio will increase because of the fuss with local over-the-air stations over retransmission consent. Cable generally stood firmly and did not pay cash for these consents. Instead they offered the stations packages that included free advertising, extra channels on cable, and the rights to sell some of cable's spot inventory.

The latter feature, the right to sell cable's spot inventory, does concern me. It amounts to an SMA and gives your TV station competitor a huge inventory which they can sell at radio prices ... or less. The inventory has been in place for a while. The difference is that the inventory is now in the hands of people who are better able to sell it.

It will be a very important task for radio managers to strengthen their defenses against cable. I believe that one of the best weapons you have is the extremely poor commercial climate on local cable. Spots get clipped, automated equipment often fails, competitors run back to back, and spots for family-type products run next to adult entertainment ads. These are not random events but they happen repeatedly.

During a local break on TNT during the NBA finals the following occurred: The first spot was a Chevrolet dealer spot which had the last five seconds of its ad clipped by a Nissan dealer's group ad. This was immediately followed by a spot for an X-rated adult bookstore.

I would suggest that managers have their sales staffs be on the lookout for similar situations on their cable systems and to use them in their anti-cable materials. Also, managers should check into the retransmission agreements in their markets to see if the local TV station have gathered up some added inventory.

- James Duncan, Duncan's Radio Comments, November 1993

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REJECT NEW AIRPLAY COPYRIGHT FEES, says the NAB to the Clinton Administration. The recording industry is angling to make broadcasters pay new performance rights fees for playing music and other sound recordings, but the NAB calls these fees "neither necessary nor desirable," pointing out that the real threats to copyright infringement and recording sales are the emerging CD-quality commercial-free cable and satellite audio services.

MARK YOUR CALENDARS NOW for a busy February:

The RAB Managing Sales Conference and Executive Symposium ("RAB '94"), February 17-20, 1994 at the Loews Anatole Hotel in Dallas. For more information, call 800-722-7355. (Jay will be on the program.)

The 46th Annual Winter South Carolina Broadcasters Association Winter Convention, February 18-20, 1994 at the Hyatt Regency, Greenville, SC. This is a regional convention; all are welcome. For more information, call 803-777-6783. (Bob and Jay will be on the program.)

The Second Annual Midwest Broadcasters Conference and Broadcast Electronic Trade Show, February 21-22, 1994 at the St. Paul Radisson in St. Paul, MN. For information, call 612-926-8123.

NEW NAB RADIO BOARD APPOINTMENTS are Charles M. Hillier, VP/GM of WKQX-FM in Chicago, filling the seat vacated by Joint Board Chairman Wayne Vriesman; and Mike Tyler, GSM, Jones Satellite Networks, replacing departed Jones executive Roy Simpson.

STATION SLAPPED WITH \$10,000 FINE for violation of the sponsorship identification rules. KOA in Denver broadcast five 60-second ads promoting business in the town of Cripple Creek, CO without identifying the town's Chamber of Commerce as the sponsor. According to FCC Mass Media Bureau Chief Roy Stewart, "There is no logical connection between these businesses and the Cripple Creek Chamber of Commerce." KOA will challenge the fine.

THE WEEKLY PUBLICATION FOR SMALL MARKET RADIO MANAGEMENT AND INVESTORS

P. O. Box 1285 - Fairfield, Iowa 52556 - (515) 472-4087 - FAX (515) 472-6457

At The F.C.C.

NEW STATIONS (Granted):

ARIZONA (Lake Havasu City) Steven M. Greeley, 92.7, 720w, 2670'
CALIFORNIA (Morro Bay) Paul Yang, 94.1, 300w, 1414'
ILLINOIS (Fisher) Sabbath Incorporated, 102.5, 6000w, 328'

NEW STATIONS (Applied For):

GEORGIA (Pelham) Mitchell County Television, 92.1, 6000w, 247'
VIRGINIA (Falmouth) Rappahannock Radio, 104.5, 6000w, 328'
(Falmouth) Stafford County Broadcasting, 104.5, 6000w, 328'
WISCONSIN (Reedsburg) Eauk Broadcasting Corp., 102.9, 3600w, 423'

AMENDMENTS TO THE FM TABLE (Proposed):

ALABAMA (Alexander City) WSTH-FM, to 106.1 C1
CALIFORNIA (San Clemente) new, delete 104.9 A

AMENDMENTS TO THE FM TABLE (Granted):

GEORGIA (Donalsonville) new, 102.1 A
OKLAHOMA (Lahoma) KMKZ (CP), to 95.7 C3 from A
TENNESSEE (Monterey) new, 104.7 A

REPORTED SILENT:

PENNSYLVANIA (Sharpsville) WHTX, 95.9

FORMERLY SILENT:

MICHIGAN (Battle Creek) WELL, 1400

- Courtesy M Street Journal

HOUSE PASSES COMMUNITY BANKING BILL which offers broadcasters relief from burdensome disclosure copy in auto financing and leasing advertising. A similar bill is now pending in the Senate, prompting NAB President Eddie Fritts to urge us all to "redouble our efforts" to pick up additional co-sponsors for S. 1447, the Senate version of the ad disclosure bill.

FCC CHAIRMAN REED HUNDT TO DIRECT REVIEW OF DUOPOLIES. Mass Media Bureau Chief Roy Stewart and General Counsel Bill Kennard will informally conduct a review of the effects of the new duopoly rules on the radio industry thus far. Concerns: Are minorities being edged out of the market?; How are the smaller stations managing as more duopolies are forming?

A GOOD WAY TO FIND RADIO SALESPEOPLE is offered by Mark Lowe, General Sales Manager, WLKX-FM, Forest Lake, IL: encourage your staff to be on the lookout for sharp bank tellers. In today's competitive banking environment, tellers are required to do a lot of cross-selling of services; they are getting more sales training than almost anyone.

MONEY PAGE - SALES AND PROMOTION IDEAS

Homemakers School. Held at a high school auditorium, the event features free admission, new recipes, on-stage promotion and hundreds of dollars in door prizes. Related sponsors set up tables and booths to display their products and services. [Rick Bulger, WKAI, Macomb, IL]

Guilty Pleasures. Most people feel guilty about spending too much money and eating too much food during the holiday season. So in January it's a good idea to target groups like weight-loss and smoke-ending programs, self-help books and tapes, and other such organizations and activities. [SMN]

One Ton Club. Since losing weight is one of the most popular New Year's resolutions, have your morning show recruit a group of listeners to pledge collectively to lose a ton - 2,000 pounds - by March 31.

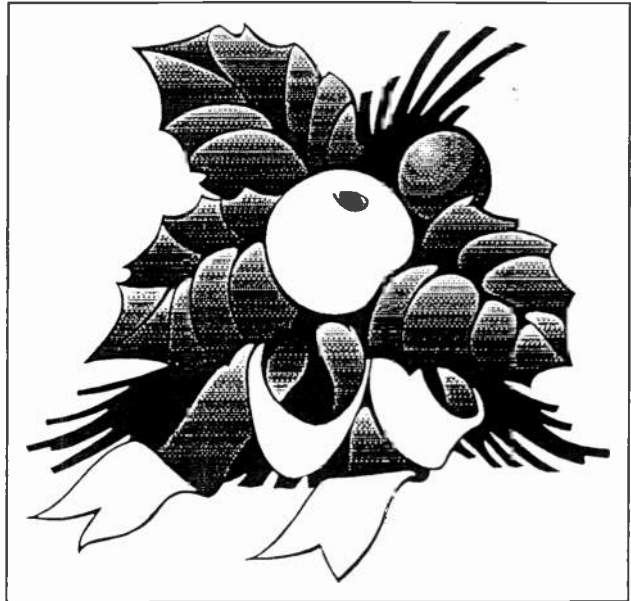
This is a perfect tie-in for a local weight-loss center. Each week they check in and report, and the jock totals the pounds lost on the air. Everybody reaching the goal receives a certificate of merit for new clothes that fit the new body. If the group reaches the one-ton goal, throw a party catered by the sponsor, or give away trial memberships at a fitness center. [BP]

Winter Liquidation. Stores are clearing out snowblowers, shovels, winter clothes, winter implements. Help them!

Spring Anticipation. Now is the time to get to the garden shops, boating stores, pool shops and implement dealers. [Radio Ink]

Nickel Spot Sale. Schedule this for the last two weeks of January and the first two weeks of February - for each extra ad the advertiser buys, he or she gets the second for five cents. To promote it, send a direct mail piece with a nickel; copy: "WXXX is having a 5-cent sale. We'll buy your first nickel spot."

Beat the doldrums of the coming months with quick, easy, fun little contests with a lot of small but worthwhile prizes. [BP]



Happy Holidays from your friends at SMN!

SALES - PREPARING FOR A STRONG FIRST QUARTER

The following 10-point checklist is a step-by-step formula for first-quarter success; the real key to success lies in execution:

1. Sales departments should divide their account lists into "A" (best), "B" (mid-level), and "C" (third-rate) accounts.
2. A successful manager focuses each package and/or one-sheet to make sure all types of clients can maximize their sales.
3. Assess the efficiency of your sales department's account-list management. Any seller with more than 75 accounts may have too many. It's important to trim account lists so that sellers won't just focus on their top accounts.
4. Implement role-play sessions in your sales meetings. Although this back-to-basics strategy rarely is a favorite among participants, it's still a good way of learning. In fact, there's no better way to find out what's happening on the street than to bring it in front of everyone involved.

Ask yourself: Are salespeople focusing on the prevalent points? Are they up-to-date on key features and benefits? Are they absolutely sure of why the station should be bought?

When training salespeople, stress that every situation is perceived as a "must," "could," or "shouldn't" buy. For instance, ask them how they compare to a car dealer's perceived value of the Sunday newspaper (usually a "must" buy).

5. Remind salespeople that their only goal when phoning for appointments should be to get the appointment.
6. Double-check all packages to ensure that you're using retail pricing strategies. If we're supposed to "mirror" customers, we should speak their language when it comes to pricing. Here are three rules of thumb:
 - a. The last two digits of all package prices should end in "85" or "95" - a client who can afford \$400 or \$600 might be able to afford \$485 or \$695. This bumps each order up 15%, and retailers can relate.
 - b. In terms of rates, remember that a dollar or two below an even, round price sells well.

- c. Sell multiple months at once. Rather than a \$250 package, present the offer as "three months for \$795."
7. Scrutinize your old sales reports. Who was on six months ago that hasn't been on for a while? How about a year ago? Who had a big sale last year that was advertised in the newspaper? (Has anyone gone to the library to check out last year's paper?)
 8. Design a one-sheet that anticipates, raises, and answers objections. Across the top, print a bold headline such as, "Still unsure? Let us address your concerns." Underneath, place three vertical, rectangular boxes with different subheads outlining an objection (i.e., "Rate Too High?" or "Demo Too Old?") and a paragraph that overcomes each.
 9. Brainstorm to come up with ways salespeople can really sell themselves to retailers. Start with the business card: Make it stand out, and make it bigger. On the first face-to-face call, give the card to a prospect and tell him to keep it somewhere that's easily accessible. On the second sales call, staple a second card to the first one. On the third call, staple another to the stack. Six months later, you'll appear to be bigger, full of service, etc.
 10. Just as car dealers close one in five customers but half of all test-drives, find a way for prospects to "test-drive" your station more often.

For example, have your sellers present one spec spot and one written presentation each day. Painful? Yes. A drain on sales support and production? Yes. But - bottom line - it's a good way to crank up your closing ratios.

Once the first quarter begins, focus on activity levels. Show how activity breeds performance. Give each seller a piece of graph paper containing 500 little boxes. After each face-to-face call, have them color in one box. If they fill in all 500 by the end of the quarter, they get \$1000.

End result: more calls and more sales. Sellers will go for the cash, but will ultimately realize they'll never close the sale unless they cross the doorstep.

For the call to count, insist that salespeople retrieve a business card with a decision-maker's signature. If the seller leaves, you'll have 1500-2000 new decision-makers' names.

- Irwin Pollack, Radio & Records, November 12, 1993

PRODUCTS & SERVICES YOU SHOULD KNOW ABOUT

Everything you ever wanted to know about telemarketing, including a big selection of public service messages to sell your clients, are in Bob Doll's book, Radio Station Telemarketing. It's \$99 from Small Market Radio Services, 1746 Rosewood, Seguin, TX 78155; phone 210-379-7549, fax 210-372-2905.

Low-cost production library and sound effects are available on CD from Dave Dworkin's Ghostwriters. Several production libraries are available (laser, CHR, Country, etc.) for \$99-\$198; sound effects libraries run \$89-\$98. For more information, contact Ghostwriters at 2412 Unity Avenue North, Minneapolis, MN 55422; phone or fax 612-522-6256.

New home-town shopping campaign featuring Don Knotts is available from Radio Concepts, Inc. The ten-cut campaign, plus a jingle customized for your city or area, is designed to promote the benefits of shopping at home. Cost: \$299 for a six-month license. Contact Sue Mustain at 800-950-5787.

Crossword puzzles for radio are offered by Aphelion Promotions in Ft. Smith, AR. A generic set of three crosswords with your station logo costs \$2,000 including printing (2,000 of each puzzle or 6,000 copies total), or \$1,500 for camera-ready copy only (you do the printing locally). A custom set - with local names and places in the puzzle - is \$7,000 printed or \$6,500 for the camera-ready copy. You build a contest around these puzzles, giving clues on the air and awarding prizes for correct entries. Contact Robert Parson, Aphelion Promotions, 2501 Phoenix, Ft. Smith, AR 72901; phone 501-646-9332.

Basic sales training is available from 25-year veteran Mike Burnette in the form of a program called "The Fast Track to Radio Sales Success." The system includes textbook, planners, activity reports, projection worksheets and self-scoring performance summaries. Cost: \$249. Contact Mike Burnette at 800-628-9632.

Computerized FM station listings are the purpose of two software programs, "FM Scan" and "FM Gold." "Gold" is a database of radio stations receivable at major U.S. airports, while "Scan" provides the same information for cities and towns along major interstate highways. Station information includes format, city of license, relative signal strength and projected reception range from the base location (airport or town). When you plan a trip, run the program and print out a list of stations - very handy, although we do wish AM stations were included as well! For more information, contact Al Hastbacka, Chatham Research, P. O. Box 439, Oakton, VA 22124; phone 703-281-9699.

ABOUT SMALL MARKET TALENT SALARIES
by Mike Kronforst, Broadcast Placement Director,
National Education Center

I noticed a comment in the recent SMRN about small market salaries. While I can't comment about average salaries, I can shed some light on average starting salaries for entry-level people. At least it's a starting point.

Brown Institute has two programs, a nine-month certificate course and an 18-month degree program. For the one-year period ending June 30, 1993, the average full-time starting salary for the degree graduates was around \$11,300; for the certificate graduates, \$11,600. (The certificate average may be higher because we are getting more students who already have degrees and life experience.)

It seems to me that many of the published small-market averages are high, at least by Midwest standards. I'll still get the occasional call from someone offering minimum wage for a full-time position without benefits; it's pretty hard to attract a top candidate that way. We tell our grads that starting salaries are generally between \$800 and \$1,000 a month. When you start looking at more than that, you usually find people with experience competing for the same jobs. Actually, I'm running into more and more of that at all salary levels.

When stations in small markets call my office looking for experienced people, the pay scale tends to be so broad that it's difficult to determine what it ultimately is. I can confidently state that there are some stations with fairly low salary schedules that have extremely loyal and stable staffs. Why? I think it's because they value their staff people and they let them know they are valued.

I am on the board of directors of the Upper Midwest Communications Conclave, and for the past few years, we have done a thing we call "Talent Track" around the area, geared toward the improvement of small market jocks. We've discovered that many small market jocks get little or no feedback on their performance from management. This feedback is so important, not only for the morale factor but in keeping the station's sound fresh.

Editor's Note: Mike gives us some useful information and makes some excellent points. We find that talent in all size markets do not receive regular, consistent, supportive feedback - a real problem, for two reasons: first, the station gets mediocre performance from demotivated people; second, the industry is robbed of people who are growing and ready to move up.

MORE ABOUT EMPLOYEE HEALTH PLANS

"Medical - carrier is Physicians Health Plan, HMO type; \$10 co-pay for office visits, \$5 prescription card. Standard 80/20 co-pay when using doctors out of group. Premium: single, \$96.88; employee/spouse, \$237.36; family, \$266.42. Company pays 70%.

"Dental - carrier is Guardian; two cleanings plus one set of x-rays per year, 80/20 on all work done. Premium: single, \$15.08; family, \$49.54. Company pays 70%.

"Vision - carrier is Vision Service Plan (VSP); one exam per year, 80/20 on services. Premium: single, \$6.44; family, \$16.39. Company pays 70%."

- Tim Buist, WQLR & KQSN, Kalamazoo, MI

"WBCU provides 50% of the cost of a health insurance policy which includes dental coverage as well. This policy, with an A-rated company, has a \$300 deductible and picks up 50% of out-of-pocket expenses up to \$1500 annually. After that, the policy picks up 100%.

"Having the employee pick up half of the annual \$1500 saves us a bundle and allows us to provide better coverage than most large industries in our community provide.

"The dental plan is very good as well. This plan also provides \$15,000 life insurance. We do not provide dependent coverage, but employees can place their dependents on our policy and pick up 100% of the cost, benefiting from the group rate.

"On life insurance, I have been exploring ways to provide some sort of retirement benefit for my key people - all in their late twenties and early thirties. We have been sold on the idea of life insurance which builds a cash value; when they reach 65 and decide to retire, the radio station can afford to pay them 'x' dollars per month from the cash reserves or the earnings off the reserves invested otherwise. The same benefit can be offered to a family in case of the employee's death. This policy costs the radio station about \$100 per month for a healthy male employee around 30 years of age; being a key man policy, it allows us to have some selectivity."

- Art Sutton, WBCU, Union, SC

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Small
Market
Radio
Newsletter

IN OUR
11TH
YEAR

FIRST CLASS MAIL
U.S. POSTAGE PAID
Fairfield, IA
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ADDRESS CORRECTION
REQUESTED

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KQSS
P. O. Box 292
Miami AZ 85539

Jay Mitchell - Publish...
Lori Morgan - Associate Editor

VOLUME XI - Issue #32 - December 30, 1993

SMRN PUBLISHER ACQUIRES LOCAL RADIO STATION. Jay Mitchell heads a group of local investors purchasing KMCD & KIIK, Fairfield, IA, subject to FCC approval. Jay has 100% of the voting stock of the company and will oversee the operation. (The phrase, "Out of the frying pan, into the fire" comes to mind.)

FCC REVISES FORM 301-A, Application for Authority to Operate a Broadcast Station by Remote Control or Make Changes In The Remote Control Authorization. The revised form combines information previously found on the 155 form; applicants will no longer need to complete the 155 form. The FCC will accept old forms until January 31, 1994, after which all applications must be filed on the new form. For applications call 202-632-3676 or write the Form Distribution Center at 2803 gnat Avenue, Hyattsville, MD 20781.

NEWS/TALK/SPORTS PROGRAM TO BE NATIONALLY SYNDICATED. Ed Borliner's "The Press Box" targets both hard core and casual sports listeners in a wide demographic spectrum. The program will feature local and national guests and information, journalists, and well-known authors. It will debut February 7, 1994, live from 2-3 PM Eastern time, and is available exclusively through Sun Radio Networks. For information call 305-452-1044.

SPECIAL OFFER FOR SM'S AND GM'S: Any Sales Manager attending the RAB '94 Managing Sales Conference can bring his/her GM for half price. For example, the SM Early Bird registration rate of \$395 means that the GM may attend the conference for \$197. Early bird registration ends January 7, 1994. Call 1-800-722-7355.

U.S. COURT OF APPEALS REJECTS MANAGEMENT INTEGRATION CREDITS. The rejected FCC policy gave "extra points" to applicants who proposed to live in a community and manage a station personally if they won the hearing. The policy has lead to many scam applications - local residents would front for the actual applicant. Almost every hearing now pending before the FCC will be affected.

At The F.C.C.

NEW STATIONS (Granted):

ALASKA (Palmer) Chester P. Coleman, 95.5, 51,000w, -112'
FLORIDA (Englewood) Sarasota Charlotte Broadcasting Corp., 105.9,
3000w, 328'
(Holly Hill) Michelle N. Terzynski, 103.3, 3000w, 328'

NEW STATIONS (Applied For):

GEORGIA (Montezuma) Radio Cordele, Inc., 95.1, 3660w, 422'
ILLINOIS (Lena) SEMS Entertainment, Inc., 102.1, 6000w, 328'
NEW YORK (Norwich) WJIV Radio, Inc., 95.3, 490w, 820'
TEXAS (Seadrift) William E. Cordell, 105.1, 6000w, 328'
VIRGINIA (Falmouth) James Wienoski, 104.5, 6000w, 328'
WISCONSIN (Altoona) Metro Media Broadcasting, 1560, 2500w days,
1000w nights, 1700w CH, DA-N

AMENDMENTS TO THE FM TABLE (Granted):

ALASKA (Houston) new, 92.1 A
CALIFORNIA (Point Arena) new, 102.3 A
MISSISSIPPI (Cleveland) WCLD-FM, to 103.9 C3 from A
(Ebenezer) new, delete 103.9 A
NEW YORK (Alfred) new, 101.9 A
(Waverly) WAVR, to 102.1 A from 102.3A
SOUTH CAROLINA (Pawleys Island) WSEA (CP), to 100.3 Atlantic
Beach from Pawleys Island

FORMERLY SILENT:

COLORADO (Dillon) KHTH, 1130
FLORIDA (Cocoa) WRFB, 860
LOUISIANA (Baton Rouge) KBRH, 1260
UTAH (Delta) KFMD, 95.7

- Courtesy M Street Journal

LARRY KING OUT OF RADIO? There have been rumors that Larry King will not renew his contract when it runs out next October. King may replace his midday show with a weekly version. King's schedule has become too hectic for him to continue his show.

THE COUNTRY RADIO BROADCASTERS have released a list of panels and topics for its 25 "Silver Celebration." Here are some of the topics: non-spot revenue; small markets (a three hour workshop); production workshop; dealing with duopolies. There will be a series of roundtables called "RAP Room." For more information, call Dave Nichols or Dave DeBolt at 615-327-4487.

SMALL MARKET OWNER APPOINTED. Longtime SMRN subscriber Col. Bill Willis, owner/operator of WFLQ, French Lick, IN, has been nominated for director of Lyons International.

MONEY PAGE - SALES AND PROMOTION IDEAS

Cabin Fever Getaway. Arrange a cruise on a riverboat for two. Place registration blanks and point of purchase displays at participating sponsors. Feature discounted items from sponsoring businesses to generate traffic.

Hot Spot. During the hottest months of the summer, offer to pay utility bills (up to a certain amount) to families who submit winning tips on saving energy. This is sponsored by the local utility company, who credits the winners' bills in return for sponsorship mentions.

Love Connection. For Valentine's Day, work a deal with the local phone company to set up telephones at a high-traffic location, and allow listeners to place three-minute calls for free.

Valentine Greetings. Set up an answering machine and let listeners call in dedications for playback on Valentine's Day. The outgoing message on the machine can include a plug for a participating sponsor, who also gets mentions on the promos. Turn this into a contest by awarding some of the callers prizes appropriate to the day.

Spring Cleaning. Callers register for a chance to win a free deep cleaning for their home or business, provided by a local sponsoring janitorial or housekeeping service.

Snowblower Contest. Work a deal with a local dealer for the use of a snowblower for a morning; say that only the motor will be used for an hour or so - the unit will show no signs of wear. When the forecast calls for a big snowfall overnight, pick up the snowblower. On the morning show, start the snowblower on the air and invite listeners to call and guess the exact time that the thing will run out of gas. The personality can do frequent "gas checks" throughout the show to prime the pump for more guesses (and the motor will be running in the background whenever the personality opens the mike). The closest guess wins a snow shovel, also donated by the dealer.



Happy New Year from SMRN!

SALES - SEVEN WAYS TO IMPROVE YOUR PRESENTATION

By following a simple but highly effective formula, you'll find that your sales presentations can become easier, more enjoyable and - most important - more profitable.

Make the Most of Those First Few Minutes. Your opening encounter with the prospect affects the success of the presentation and your ability to make the sale. Scoring early, even if it does not guarantee success, puts you that much closer to closing the sale.

Make Your Prospect Feel Comfortable. Do you show genuine appreciation for the opportunity to make your presentation in person? Do you make your prospects feel comfortable in your presence? Act friendly, be friendly, and make a friend of the customer. Everyone responds to a smile and a warm greeting.

Let Your Prospect Know You Won't Waste Time. Give assurance that you know his/her time is valuable. Let the customer know you realize that you are both professionals with a job to do and no time to waste. You'll win respect and increase your chances of landing the sale.

Use Testimonials to Strengthen Your Sales Pitch. Let your prospect know that others endorse your product or service - but don't overdo it or make a big deal out of it. And make sure that the example is relevant to your prospect's business. Sometimes just mentioning how someone in the same field profited from your product can be a strong inducement to buy.

Appeal to What Interests Your Prospect. If there is a bowling trophy on the bookshelf, talk in terms of strikes and spares. You are putting your customer on comfortable ground. Once you have, the acceptance of what you have to sell comes much more easily.

Identify Your Product or Service. Your prospect wants to know whether what you have is what he/she needs to improve business. The sooner you identify your product or service, the sooner you'll make the sale - or find that your prospect isn't one.

Seek Early Approval. If it looks like your customer is ready to buy, go for the close while the urge to buy is still strong.

Your words and methods will be different from mine; but work out a formula that you feel comfortable with, use all of the elements mentioned, and you'll insure your success. It may sound simple, but if it means a stronger presentation and more sales, isn't it worth a try?

- George J. Lumsden in Master Salesmanship

FROM OUR READERS

About ad agencies: "Ad agency media buyers are paid to buy spots at the lowest possible price, while getting as many freebies, including promotions, as possible. Our job is to sell the value of our medium and stations in helping the advertiser get desired results. Too often, unfortunately, salespeople do not know the real needs or desired results so they cannot position the medium or the station to create perceived value; they do not have negotiating skills on par with the buyer; they are under pressure to 'get on the buy' or 'hit the week's numbers'; they are unwilling or unable to walk from a bad deal; or they lack confidence their station will get results (not surprising if they don't know what results will be seen by the advertiser as success). The problem of low rates and freebies is not because of the agencies; the problem is us!

- Stuart J. Sharpe, Regional Reps Corp., Cleveland, OH

"Every time a new advertising agency calls and wants to make a buy but won't do it unless they get an equal number of bonus spots, you have to be ready to reject the buy, be able to justify and defend your rate, and walk away from the buy if they insist. I have only had one agency in 15 years that didn't call back and make the buy, the rest minus any bonus ads. Does the supermarket give you 12 bonus oranges when you buy a dozen?"

- Tony Coloff, K10W, Forest City, IA

"Do not believe ad agencies who tell you that everyone gives bonus spots. We do not. Never have."

- Frank Luepke, KIWA, Sheldon, IA

About network affiliation fees: "Our AM station received a letter about not having enough audience, so we were to start paying \$150 a month. I called Melinda Davis at ABC/SMN and they used the Arbitron County Study, in which we had enough audience to be above the rating threshold, so they waived the fee. We are also an SMN affiliate, which might have had some bearing."

- Steve Clark, KWYR AM & FM, Winner, SD

"In 1988, ABC wanted a \$150/month affiliation fee because we were below the ratings threshold. I quit ABC and went to NBC, which has no fee, and have been very satisfied with their national news service. I have always been flabbergasted that stations will pay an affiliation fee, when they should be paying you for airing 182 commercial minutes per week - at our rate of \$11.30, that is \$2,056.60 worth of our airtime each week or \$106,943.20 per year. And they think you owe them cash, too??? Where is your business sense???"

- Tony Coloff, K10W, Forest City, IA

NATIONAL EYE CARE MONTH MESSAGES

Here's an eye care tip from _____ in honor of National Eye Care Month. Children who consistently sit close to the television screen, ask to be moved closer to the chalkboard, or avoid sports may be nearsighted or have astigmatism. _____ urges you to have your children's vision tested.

January is National Eye Care Month, and _____ reminds you that children who avoid reading or other close work, or complain of headaches or eyestrain after reading, may be farsighted or have astigmatism. Don't wait - have your children's vision tested before serious problems develop. A message from _____.

Drivers who pass their motor vehicle eye test may still have dangerously poor vision. _____ wants to remind you that National Eye Care Month is the perfect time to have a thorough check-up - including distance vision, night vision, peripheral vision and depth perception. This message courtesy of _____.

Walking for health is good, but _____ reminds you to practice "defensive walking": Wear a fluorescent vest with reflective trim; walk against traffic; avoid walking at dawn or dusk; and obey all traffic signals. This message is brought to you by _____ in honor of National Eye Care Month.

Eyes become more susceptible to potentially-blinding retinal disorders after age 50. _____ reminds you to practice preventive care ... be alert for symptoms ... and take action if symptoms appear. The best step of all is an annual eye exam. This message a service of _____ for National Eye Care Month.

Most people over 35 have heard about glaucoma, but many do not protect themselves from it. _____ reminds you that glaucoma is a leading cause of blindness among adults over 35. The good news is, glaucoma is controllable if diagnosed early. _____ urges you to have regular eye check-ups.

For National Eye Care Month, _____ urges you to care for your eyes. Take frequent ten-minute breaks from work or TV. Wear eye safety equipment during hazardous work or sports activity. Wear sunglasses outdoors. Use adequate lighting indoors. And seek regular eye care. Eye care reminders from _____.

If you work on a computer, _____ reminds you to take precautions to save your vision. Reduce overall room lighting. Be sure lamps do not reflect off the screen. Adjust monitor brightness to 3-4 times room lighting. Take a ten-minute break every couple of hours. Eye care reminders from _____.

ABOUT YOUR CUSTOMERS: AUTOMOTIVE

Automotive is our focus, with several recent articles of note ...

American vehicles are sparking more interest among auto shoppers, according to Intellichoice of San Jose, CA. More shoppers requested information on the Ford Explorer than any other marque during the first half of 1993, and eight of the top ten requested vehicle reports are for American products.

More non-cars are being looked at and sold by American consumers. The top three requests were not cars - they were the Explorer, the Dodge Caravan and the Jeep Grand Cherokee. The last four of the top ten were also non-car vehicles - the Plymouth Voyager, Ford Ranger, Jeep Cherokee and Ford F150.

Foreign marques dominate car interest. The most requested passenger-car report was for the Toyota Camry (#4 on the top ten list), followed by the Honda Accord and Ford Taurus.

Passenger car numbers are declining, according to R. L. Polk. In the July 1991-July 1992 period, the number of cars on the road decreased by three million units - while the number of trucks increased by a like amount.

In keeping with the declines, the median age of passenger cars in July 1992 was 7.0 years, up from 6.7 years in July 1991. But the truck fleet is aging, too - 7.2 years, up from 6.8 years.

One-price selling is losing its luster as the marketplace grows more competitive. Ford introduced a one-price Escort last year, but sales suffered from a head-on attack by Chevrolet's Cavalier - so Ford introduced a rebate program to compete.

In another indicator of the future of one-price selling, NADA was forced to cancel a seminar on the subject in Chicago earlier this year because of lack of dealer interest.

- Dealer Business

Honda is giving local dealers more ad clout in a new program introduced by the American Honda Motor Co. Regional dealer ad associations are being eliminated; the national agency, Rubin Postaer & Associates, is picking up the consolidated business.

But, the company plans to more than double its regional/local ad budget, with Rubin Postaer opening up seven regional offices to work with Honda's dealer zones and advisory boards.

The good news is that Honda is establishing a new marketing allowance for individual dealers, though their advertising must conform to guidelines prepared by Honda.

These moves come at a time when competing carmakers, especially Toyota's Camry, are cutting sharply into the sales of Honda's flagship Accord model.

- Advertising Age

Sales and management tips from a successful dealer: Wes Rydell, who owns a Saturn shop in St. Paul, MN, trains every new salesperson in customer service for two weeks, full time. Staff members other than salespeople are also trained for several days in customer service.

His other employees are involved in the hiring process, which gives them incentive to help the new staff member succeed. All job candidates go through a five-hour assessment, then a structured interview with two employees, who then recommend a "hire" or "no hire."

Rydell's company philosophy places "customer enthusiasm" at the top of the list of goals - followed by employee satisfaction, financial performance, market penetration and quality.

In his pursuit of customer service excellence, Rydell's dealership is committed to five fundamental values:

1. The value of individual responsibility and accountability.
2. The value of unconditional dedication to excellence.
3. The value of cooperation, communication and working together.
4. The value of the worth of the employees.
5. The value of ongoing improvement.

The ultimate purpose of his dealership's quality service program is summed up in "The Rydell Vision": "To be so effective that we are able to help others."

- Dealer Business

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