

TWELVE BROADCAST MANAGEMENT CASE STUDIES
DRAWN FROM ACTUAL TELEVISION AND RADIO
STATION SITUATIONS

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ABSTRACT

TWELVE BROADCAST MANAGEMENT CASE STUDIES DRAWN FROM ACTUAL TELEVISION AND RADIO STATION SITUATIONS

by David G. Schmeling

The situations upon which the twelve studies found herein are based were actual problems faced by broadcast managers. Personal interviews with managers of television and radio facilities in geographically and demographically selected communities yielded a breadth of problems representative of those likely to be faced daily by broadcast personnel anywhere in the United States.

For ease of selection according to area of interest, these case studies have been divided into three chapters, III, Programming; IV, Sales; and V, General Administration. Chapter III, Programming, contains three case studies. The first deals with problems of presenting radio news and music features. The second presents a problem in television counter-programming. The third examines a question of television programming of feature films and of relations with a film company.

Sales, the next major chapter division, contains four cases. These deal with: (1) radio editorializing and resultant sponsor pressure; (2) the use of confidential sponsor information by a television outlet for promotional purposes; (3) a disagreement over advertising agency commissions; and, (4) a dispute involving a television advertiser and an agency.

Five case studies in General Administration appear in Chapter V.

The problems in these cases include: (1) the determination of standards of good taste in radio commercial announcements; (2) the allocation of a radio station operating budget; (3) employee disputes and their solution; (4) television engineering equipment considerations; and, (5) fund raising for non-commercial television.

The thesis also investigates the history of the case study method, assesses the uses of case studies in education for broadcast management, and describes the methodology which was used in the construction of the twelve cases in this study.

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AND RADIO STATION SITUATIONS

By

David Gene Schmeling

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CHAPTER I

INTRODUCTION

The history of the case study method in the United States began in New Haven, Connecticut in 1788 and continued through the years, spreading geographically as well as expanding educationally into varied fields of use.¹ The 1788 New Haven innovation remains strongest at Harvard University where the Business School has successfully utilized case studies since 1919.² In a relatively short lifetime, the case study approach has diffused into areas of law, sociology, psychology, business, education; and more recently, advertising, public relations and broadcast management education.³

It is somewhat surprising that employment of the case study technique has enjoyed this rate of expansion and growth. While educational innovations are usually perceived as desirable, Rogers notes that they are much slower than the spread of farm innovations or new discoveries in medical drugs. He notes that this may occur because of a lack of economic incentive or an absence of professional "change agents" to diffuse the innovation.⁴ However slow the rate of adoption, it appears that the case study method is here to stay; perhaps because many educators are realizing that "American college students are much too sheltered. . .they should, after preparation, be

¹D. Henryetta Sperle. The Case Method Technique in Professional Training (New York: Bureau of Publications, Teachers College, Columbia University, 1933), p. 7.

²Malcolm P. McNair and Anita C. Hersum, The Case Method at the Harvard Business School (New York: McGraw-Hill Book Company, 1954), p. vii.

³For a more detailed history of the case study technique see Robert Hunt Baker, "Fourteen Case Studies in Radio Station Management Based on

1. The first step in the process of the scientific method is to make an observation or ask a question.

2. The second step is to do background research to learn what is already known about the topic.

3. The third step is to form a hypothesis, which is a prediction or an educated guess about the outcome of the experiment.

4. The fourth step is to design and conduct an experiment to test the hypothesis.

5. The fifth step is to analyze the data and draw a conclusion based on the results of the experiment.

6. The sixth step is to communicate the results of the experiment to others in the scientific community.

7. The seventh step is to repeat the experiment to verify the results and ensure the reliability of the findings.

8. The eighth step is to use the results of the experiment to develop a theory or a model that explains the phenomenon being studied.

9. The ninth step is to use the theory or model to make predictions about other phenomena that can be tested through further experiments.

10. The tenth step is to continue to refine and improve the theory or model as new evidence is discovered.

11. The eleventh step is to use the theory or model to solve practical problems and improve technology.

12. The twelfth step is to use the theory or model to make predictions about the future and guide decision-making.

13. The thirteenth step is to use the theory or model to understand the natural world and the human condition.

14. The fourteenth step is to use the theory or model to improve the quality of life and the environment.

15. The fifteenth step is to use the theory or model to advance the frontiers of knowledge and discovery.

16. The sixteenth step is to use the theory or model to inspire and motivate others to pursue scientific research.

17. The seventeenth step is to use the theory or model to foster a sense of wonder and curiosity about the world.

18. The eighteenth step is to use the theory or model to promote a sense of responsibility and stewardship for the planet.

19. The nineteenth step is to use the theory or model to create a better world for all.

20. The twentieth step is to use the theory or model to achieve the ultimate goal of science: to understand the universe and ourselves.

21. The twenty-first step is to use the theory or model to continue the cycle of discovery and innovation.

22. The twenty-second step is to use the theory or model to push the boundaries of what is possible.

23. The twenty-third step is to use the theory or model to explore the unknown and the uncharted.

24. The twenty-fourth step is to use the theory or model to seek the truth and the meaning of life.

25. The twenty-fifth step is to use the theory or model to reach the stars and beyond.

deliberately exposed to broader surroundings and obliged to reflect upon them. There should, if you will, be an interplay of direct personal confrontation with the vicarious knowledge obtained through books and with the reflective processes fostered by the teacher."⁵

Historically, one finds four broad categories of approach to the case study method. The first consists of a total presentation of a given case from outset to conclusion.⁶ That is, the case is cut and dried and any discussion is purely academic. It does not completely preclude the thinking of the reader but it certainly hampers the consideration of alternate conclusions.

The second rather widely accepted approach, as typified by Gras and Larson,⁷ presents a methodically detailed business history and asks the student to respond to specific questions. Answers are usually available within the study. This method stimulates some amount of research into the case to reach a conclusion but it fails to allow the full exercise of the reader's mental processes in problem solving.

Actual Station Problems" (unpublished Master's thesis, Department of Television and Radio, Michigan State University, 1966).

⁴Everett M. Rogers, Diffusion of Innovations (New York: The Free Press of Glencoe; London: MacMillan, New York, 1962). pp. 40-41.

⁵Morris Keeton, "The Climate of Learning in College," AHE College and University Bulletin, XV (November 15, 1962), p. 5.

⁶Allen H. Center, Public Relations Ideas in Action. (New York: McGraw-Hill Book Company, 1957).

⁷N.S.B. Gras and Henrietta M. Larson, Casebook in American Business History, (New York: Appleton-Century-Crofts, 1939).

A third method utilizing case histories combines the strong points of the two approaches outlined above and it has been used in advertising by Borden and Marshall.⁸

The fourth method, commonly in use in the Department of Television and Radio at Michigan State University, presents an actual case study to the point of managerial decision and asks the student to mentally weigh various possible outcomes, specify his decision in the situation and then defend it. This approach gives the student true raw materials from which he is asked to arrive at logical decisions using his experience and intelligence. Baker⁹ and Egli¹⁰ have developed cases employing this method.

An educator, faced with implementing the case study method for the first time, must recognize factors which make this approach unique.

Bollinger and Day have commented on these factors:

"A typical case seldom presents all the facts the student might like to have to guide his decision. It frequently presents solely the presumed facts, opinions, and points of view held by one or more of the people involved, and hence leaves those discussing the case with only the information that the persons in the actual situation possessed at the time. the student must recognize that just such severe limitations as to factual data and as to the time available for the decision-making process commonly characterize the actions of businessmen in general.

⁸Neil H. Borden and Martin V. Marshall, Advertising Management: Text and Cases, Homewood, Illinois: Richard D. Irwin Inc., 1959.

⁹Baker, op. cit.

¹⁰Richard Alvin Egli, "Eleven Case Studies in Broadcasting Management Based on Actual Station Problems" (unpublished Master's thesis, Department of Television and Radio, Michigan State University, 1965).

"The approach to these cases, even for those students who do not contemplate active participation in a new enterprise, should not be that of a third party merely making an analytical critique. The objective, rather, is for the student to place himself realistically in the position of the top administrator and to develop a capacity to determine what can be done to produce successful results in situations where managerial action can be decisive."¹¹

It is advisable to present the case study manuscript well in advance of discussion to allow the student time to fill the role of the problem solving manager. Often cases cover lengthy periods of time during which the actual manager probably reached preliminary conclusions. In order for the student to perceive alternatives as the manager did, he will need this time.

A useful approach is to require each student to analyze the same study and to ask one member of the class to start the discussion by presenting his decision based on the facts presented. This maximizes involvement and, through class participation, draws upon whatever professional experience may be found in student histories. This technique points up the fact that there is no "true answer" in these management cases. Rather, each may elicit a variety of conclusions which can be generated through independent thinking.

Bollinger and Day note that the case study method offers another benefit which is seldom considered:

¹¹ Lynn L. Bollinger and John S. Day, Management of New Enterprises, Homewood, Illinois: Richard D. Irwin, Inc.: 1954), pp. 1-3.

"A prime purpose is to help the student attain perspective and judgment to determine whether any of the new enterprise opportunities he may later encounter realistically fit his own business aptitudes, objectives, and resources. Throughout, he is encouraged to take a highly subjective viewpoint. How would I handle that problem? Is this situation one I could master--now, or later in my business career? Is this the kind of business life I want? When the student asks himself these questions as applied to the specific case situations, he should gain some comprehension of the different way of life commonly faced by the individual who undertakes the risks and responsibilities of managing a new enterprise."¹²

It should be clear that the case method analysis cannot be used dogmatically. It is an approach to individual inquiry; its benefits derive from a free exchange of beliefs. Baker concluded:

"If the instructor attempts to impose his own decisions on his students, he can confuse and bore them. If the students will not accept the case method, it will fail them miserably. If, however, the case method is used correctly, it is the next best thing to actual experience. Thus, it is invaluable."¹³

The need for case studies in the area of broadcast management increases as the number of colleges and universities offering curricula in broadcasting grows. These cases are especially vital because they focus upon problems unique to an industry which is regulated by government, molded by public opinion, complicated by electronic operation, and happily confounded by entertainment considerations. With the exception of 49 cases completed at Michigan State University as of the Summer of 1967,

¹² Ibid., p. 1.

¹³ Baker, op. cit., p. 8.

some 17 studies commissioned by the National Association of Broadcasters and prepared by Harvard University,¹⁴ (none of which is available for general distribution), and probable isolated cases which are unknown to this writer, the educator's resources in this field are scant indeed.

It is hoped that the studies included herein, which employ the method used by Baker¹⁵ and Egli,¹⁶ will offer to the forward-looking educator an enlarged portfolio of instructional materials with which to stimulate university students in the field of broadcast management.

¹⁴ Egli, op. cit., pp. 7-8.

¹⁵ Baker, op. cit.

¹⁶ Egli, op. cit.

CHAPTER II

DISCUSSION OF METHODOLOGY

The process of documenting actual situations for the construction of case studies may vary according to the field of study. In some business areas, case study situations may be obtained from well documented sales figures, annual report statistics, or elaborate inter-organization memoranda. In areas of medicine and social work it is not difficult for the serious researcher to find detailed histories of cases from which the case study can be constructed. The general unavailability of such precise data to the broadcast researcher, however, precludes this method. With few exceptions, (the largest of broadcast stations, networks, and groups with strong central control necessitating vigorous reporting procedures), the "typical" broadcast outlet keeps little or no detailed records of problem-solving in the areas of sales, programming, engineering, employment and training, staffing, or physical plant needs. Instead, these "typical" stations operate much the same as many other local retail entrepreneurs whether they sell shoes, butter or services. A balance sheet and an intuitive feel for broadcasting frequently supply the manager with sufficient information to proceed. For this reason, a reliance upon personal recall through the interview method seems best suited as a device for gathering data for the development of case studies in broadcasting.

Using this method, the author selected and initiated correspondence with ten radio and television station managers requesting their assistance

in this project. Consideration was given to the choice of broadcast executives who represented outlets of varying size, power, types of programming, and degrees of competition. The stations were located in cities ranging from under 60,000 in population to more than 2,000,000. Of the initial ten letters sent out, three were unanswered by station managers; the remaining seven sources yielded the twelve case studies which were developed for this thesis.

As a preamble to each interview, the author briefed the station manager concerning the case study method and its applicability to broadcast education. In most cases the station manager referred the author to another station official.* Areas of focus such as personnel, sales, engineering or programming then were suggested to the station officials as possible problem areas of concentration. The station personnel were invited to recall their most significant management problems in these, or other, areas of involvement. At no time were they limited to problems in pre-determined areas of management concern.

In most cases, after a few moments of general clarification and a preliminary conversational interchange, the station officials would focus on problem areas in their stations. It did seem to be more difficult

*A program director was the source for the cases entitled "The Freeport Broadcasting Company" and "The Farmer's Other Daughter." Promotion directors contributed "It's a Miracle," and "Community TV: A Deep Dig for Dollars." A sales manager related "A Commotion Over Cougars." A program development coordinator was responsible for "Checkmate" and "An Autumn Affair." "Mr. Krispee" was contributed by a personnel director, a salesman told the story "The Price of a Dollar", and a news director related "The Editorial vs. the Sponsor."

for the station managers to settle on a specific area of concern or one particular situation than it was for the representatives of middle management who were interviewed. Presumably, this may have been due to the greater involvement of the station managers with higher level, more encompassing, and, simply, more problems. News, program, and personnel directors were able to pinpoint specific problems more readily but as a rule, they were concerned with cases of less importance to the station's overall success. The interview referrals from station managers to lower level officials were not necessarily detrimental to the success of this project but they did limit somewhat the range of problems which might have been obtainable.

During the course of each interview, all significant facts and details were noted and recorded for later use in the writing of the case studies. When it was determined that sufficient material had been recorded, the interview was concluded. The station official was advised that he would receive a copy of the case study for his approval after it was completed.

Even the most carefully noted data sometimes requires further elaboration or clarification by station personnel. In some cases, a call back was necessary. When the broadcast outlet was within a reasonable distance or when extensive additional information was needed, additional appointments were scheduled. In other cases, telephone calls were sufficient to acquire the additional details.

In the drafting of the case studies, fictitious names were used wherever a disclosure of the actual situations might bias the ultimate recommendations of students. After critiques and eventual final approval

by the thesis advisor, each case was mailed to the broadcast official who provided the original data. Release forms were enclosed. These were signed and returned for permanent filing in the offices of the Department of Television and Radio at Michigan State University.*

Recommended usage of these case studies is given in Chapter I of this thesis.

*A copy of the release form is found in the Appendix.

CHAPTER III

PROGRAMMING

The Freeport Broadcasting Company

Freeport is a medium-size New England market. The income of its citizens is above the national average owing to a prosperous textile, industrial, and business community. The educational level attained by its average citizen is virtually identical to the national average. Freeport itself is not heavily industrialized in the manner of Pittsburgh, Pennsylvania, or Gary, Indiana. By the same token, it couldn't be classified in the "small town", "general store" category. It houses a considerable number of office buildings and offices of national insurance, textile, and other concerns. One of the families which realized its fortune in the textile business during the Second World War invested a part of its earnings and formed the Freeport Broadcasting Company, parent organization of Radio Station WXXX. Prior to WXXX's founding, however, Freeport knew radio.

Freeport first experienced radio in 1934, when WYYY took to the air. For many years, all the market's radio advertising dollars and listeners found their way to this pioneer station. Until the genesis of WXXX in 1946, WYYY boasted a market monopoly. As a network affiliate, WYYY saw several minor changes in program format but generally presented an offering corresponding to the tastes of Freeport's citizens --namely a format of "standard" music (Frank Sinatra, Peggy Lee, Big Bands). During the years 1946-50, the WXXX format followed the same basic lines, competing

for a portion of the WYYY audience. The advent of "modern" music (rock & roll) in the early 50's however, prompted WXXX to change, to appeal to those desiring this music type. In doing so, the station soon captured the bulk of the audience. Following 1952, WYYY made several bids for the rock & roll audience by presenting a "modern" music format but failed to obtain a sufficiently large audience segment to warrant keeping the format. They inevitably returned to a "standard" format after these attempts. The steadily expanding Freeport market spawned a third AM station, WZZZ, which started broadcasting in 1961, offering a series of various formats but never obtaining audience domination.

All three outlets are currently similar in coverage pattern characteristics. WYYY and WZZZ are network affiliates. All three T.V. networks are present in the market as well. WXXX is an independent, 5,000 watt day-time and 1,000 watt night-time directional, regional station in the 120,000 population Freeport market.

Among the top national markets, Freeport is consistently listed in the nineties. The conservative business community of Freeport often criticized WXXX because they felt "standard" music was more palatable than WXXX's "modern" format, but in spite of this criticism, the station enjoyed top ratings and billings through the years.

Only months ago, WYYY suddenly changed to a "modern" (top-forty) format, complete with a new set of highly professional announcers, remote broadcast trailer, and station break jingles. They retained network affiliation as well as seriously began to contend for dominance of the market. WZZZ, third in audience ratings, soon changed to a "standard"

format to capture the old WYYY listeners. In effect, history had repeated itself in that WYYY was a serious contender to WXXX, just as WXXX had been to WYYY some 12 years ago.

Karl Gulbrandsen wore many hats at WXXX. As well as functioning as Program Director, he served as Station Manager and general trouble-shooter where personnel problems and programming policies were concerned. He had been with WXXX from its inception, starting as a "disc-jockey" and working his way up from there.

Concerned with any headway the competition might be making, Gulbrandsen constructed a survey and hired the Martineau Company, a local secretarial service, to execute it via phone in much the same manner as a Hooper Survey. The results of this telephone coincidental measurement told Gulbrandsen that the competition was closing in. The problem was unexcelled in his, as well as WXXX's, history. Of course the basic "stuff" of modern radio, music, was his first concern. The present "modern" WXXX format had proven successful for the past years. WXXX's format was flexible enough to allow the individual announcers a free hand if they felt like playing a "standard" selection or a fairly lengthy conversation or an off-beat record request. Experience had told him that "modern" music, such as WXXX (and now WYYY) had adopted, captured the mass audience. He reasoned that the advertiser or business community should be considered as well in their music preferences for they provided the dollars for WXXX's operation. He recalled a recent incident which pointed up the importance of this advertiser preference. Freeport's leading florist, Joe Lowcroft, agreed to place a considerable

schedule of commercials on WXXX only if the "modern", top-forty music was soft-pedaled in the time segments in which his spots were logged. Since the format in effect at the station allowed reasonable leeway in music choice, Lowcroft's request was honored. As a result, the station gained income it would not have had if it were a strictly programmed "format" station.

Grandbrandsen's format might be said to be "middle-of-the-road" rock, while the nearest competitor, WYYY, could be labeled as "hard-core" format rock. In reaching his decision about music format, Gulbrandsen thought to himself: "Our music policy has proved successful against competition in the past, and our image is firmly set. To change images at this point might lend support to the other station." However, there were arguments for a change as well. Hard core rock stations had made quite an impact nationally. In a score of comparable markets, previously unknown stations had achieved audience domination through strict, "modern" offerings, similar to those currently offered by WYYY. This success was supported by the "young audience theory", which stated that over 50% of the United States population which was under 25 had been brought up listening to "modern", rock and roll music and consequently would seek this music on the radio.

Gulbrandsen also realized that his responsibilities didn't stop at merely determining music policy. Another programming area, news, demanded a re-evaluation. In the past, he had found the best news service to be an independent one. Because the two major competitors offered network news, WXXX broadcast a large amount of local news augmented by the United Press International wire service and a daily audio service offered also by UPI.

All radio news in Freeport was scheduled basically the same, that is, 5 minutes on the hour, with half-hour headlines. To Gulbrandsen, the present set-up seemed favorable -- WXXX was highly competitive. However, there was an approaching situation in which a decision would have to be made.

The United States was planning a space shot, and Gulbrandsen's aim was to capitalize on the situation. He evaluated the WXXX potential of audience domination against that of the other contenders, WYYY and WZZZ. The main goal of each station was always to gather the largest audience, whether it be with space shot coverage, music, or any other program service. It was a safe bet that the competition would carry extensive coverage of the shot because of their network obligations. WXXX's own wire and audio services also were offering comprehensive coverage of the event. Gulbrandsen had considerable choice with the UPI coverage. Because UPI was a subscription type service and noncommercial in content, Gulbrandsen was free to carry any portions he wished, in whole or in part. He also had the option of dropping the coverage altogether. There were no binding contracts except his obligation to program in the public interest.

When Gulbrandsen first learned of the upcoming event, many thoughts ran through his mind: (1) the space experiment would generate great interest among the people of Freeport as well as the world. (2) the shot would be covered in detail by WYYY and WZZZ. (3) the shot coverage would be available from all three TV networks receivable in Freeport. (4) UPI

audio offered comprehensive coverage virtually equal in quality but lacking in prestige to competitive network sources. (5) WXXX's number one image in the market demanded not only the best music but the best news coverage. Gulbrandsen must also deal with problems of personal relations with WXXX News Director, Craig Peeples, who was well known and respected for his complete and accurate coverage of newsworthy events. Mr. Peeples probably would request maximum coverage of the shot. While Gulbrandsen was responsible for the total programming of WXXX, both music and news, he had learned to respect the opinions of the influential Craig Peeples.

Compounding the difficulty of the decision were considerations of time-of-broadcast, audience composition, etc. If the count-down culminated before the "bread winner" left for work, WXXX coverage would reach an audience of families -- but it would have to compete with TV. If the blast-off occurred roughly when it was scheduled, between 7:30 and 8 AM, the audience would include mostly housewives but also a large number of people on their way to work; TV competition in that event would be negligible. If the event were delayed, the audience would again include housewives (possible TV viewers) but also a high percentage of radio listeners in office buildings.

Gulbrandsen had to decide how much of the reporting of the actual flight to carry on his station as well as the amount of touch-down coverage, which was scheduled to take place between 2 and 4 PM.

Although questions of music format and the extent of news coverage were immediate considerations for Gulbrandsen, they necessarily demanded an effective long-range policy. His options in music were: To change format completely or to revise the existing format either to more "rock," or increased "standard" offerings. By a complete change of format, if the change were to "standard" (if he subscribed to the "Young Audience Theory") Gulbrandsen would be competing directly with WZZZ and theoretically appealing to a smaller potential audience. By the same token, WZZZ had always been a weak competitor and WXXX would have a reasonable chance of gaining the audience. By revising the existing format in favor of "standard", Gulbrandsen could still hope to capture a portion of the WZZZ audience but would again be defying the "Young Audience Theory". By altering WXXX's course to a solid "modern", "rock" format, he would subscribe to the theory, but would alienate Joe Lowcroft and similar sponsors and listeners who demanded a "standard" flavor. Yet another alternative would be to continue the existing format.

His decision regarding space-shot coverage also had far-reaching implications. The space-shot represented only one of any number of similar newsworthy events such as presidential news conferences, domestic and foreign crises, etc. To provide continuity to WXXX News, Gulbrandsen had to choose whether to compete directly with the offerings of the two radio network affiliates and the three TV networks in Freeport, and to what degree.

Checkmate

Ron Finch looked again at the scrawled notes and uneven blocks representing time periods for evening television. His job was clear... to "out program" the competition in a leading market in the Northwest. It was not easy, to be sure. The task of counter-programming against the three powerful networks which were represented in the market was a tough assignment. But Finch was confident he could structure his independent station's portfolio of syndicated and locally produced offerings to capture an audience comparable to or better than, those of past years. In recent memory, the station had seldom dropped below second place in overall rating points, and it was frequently the top station in the market.

Only yesterday, Finch had completed his research on what the networks would be offering for the next season. Now, his task was to effectively combat those schedules. There were few written principles in the planning of counter programming measures. This was to be a battle between the man, Ron Finch, and the competition.

While Finch had no college texts or recent clear-cut research to give him direction, he was able to remove from temporary mental storage a broad framework for use in counter programming. His immediate concern was the Tuesday 6 - 10 pm period.

Tuesday	ABC	CBS	NBC	KXX
6:00	Regional & Local NEWS, SPORTS, WEATHER Local three-man talent	Regional & Local NEWS, SPORTS, WEATHER Local one-man talent	Regional & Local NEWS, SPORTS, WEATHER Local three-man talent	
6:30	<u>COMBAT</u> Adventures of a U.S. Army squad fighting in Europe during World War II. (Continuing cast)	<u>RAWHIDE</u> Western adventure (Continuing cast)	<u>MY MOTHER THE CAR</u> Situation comedy of a suburban family the mother of whose male parent has been reincar- nated as an antique car.	
7:00	<u>COMBAT</u> (cont.)	<u>RAWHIDE</u> (cont.)	<u>PLEASE DON'T EAT THE DAISIES</u> Comedy about the antics of an accident prone family living in a typical suburb.	
7:30	<u>McHALE'S NAVY</u> Situation comedy about a PT boat crew scheming its way through World War II in the Pacific.	<u>RED SKELTON</u> Skelton per- forms classic comedy pan- tomimes and routines. Guests are featured from week to week.	<u>DR. KILDARE II</u> Drama in the life of a young M.D. (con- tinuing cast with some guests) This is #2 in a daily serial.	

Tuesday	ABC	CBS	NBC	KXX
8:00	<u>F TROOP</u> Situation comedy about comic cavalry troop in Old West.	<u>RED SKELTON</u> (cont.)	<u>TUESDAY NIGHT AT THE MOVIES</u> First run and recently re-released feature motion pictures dealing with various themes.	
8:30	<u>PEYTON PLACE I</u> First segment of a soap opera type series depicting life in a small New England town (continuing cast)	<u>PETTICOAT JUNCTION</u> Situation comedy of a fatherless family of three teenage girls in a run-down resort setting	<u>TUESDAY NIGHT AT THE MOVIES</u> (cont.)	
9:00	<u>THE FUGITIVE</u> The adventures of a falsely accused man in his search for the real culprit and his attempts at escape from the law	<u>CBS REPORTS</u> Social problems -- documentaries	<u>TUESDAY NIGHT AT THE MOVIES</u> (cont.)	
9:30	<u>THE FUGITIVE</u> (cont.)	<u>CBS REPORTS</u> (cont.)	<u>TUESDAY NIGHT AT THE MOVIES</u> (cont.)	

Finch had narrowed down his stockpile of available programs to seventeen from which he must select the competitive programming for his station, KXX.

<u>Title</u>	<u>Length</u>	<u>Description</u>
<u>All Time Hits</u>	(60)	A potpourri of new and old musical selections played by KXX's musical group. Locally produced.
<u>Hollywood A-Go-Go</u>	(60)	A spotlighting of current rock and roll, rhythm and blues hits. Guest performers and staff dancers.
<u>True</u>	(30)	Individual weekly adventure stories.
<u>Dobie Gillis</u>	(30)	The humorous side of life and loves of a college student.
<u>Jim Thomas Outdoors</u>	(30)	Locally produced hunting, fishing and camping feature.
<u>Sport of the Week</u>	(30)	Locally produced weekly focus on each of several sports in America.
<u>Foreign Film Festival</u>	(30)	KXX staff and guests discuss new and classic foreign films as art.
<u>Folk Song Special</u>	(30)	Local interviews and auditions of folk talent currently performing in the city.
<u>Magilla Gorilla</u>	(30)	Cartoon features with some "adult" appeal while still enjoying younger support.
<u>Marshall Dillon</u>	(30)	Adult western adventure (continuing cast)
<u>McKeever and the Colonel</u>	(30)	Situation comedy about the relationship between a mischievous boy cadet and his adult superior.

<u>Mystery Theatre</u>	(90)	A locally hosted series of filmed mystery stories (including Sherlock Holmes, Charlie Chan, etc.).
<u>Naked City</u>	(60)	Police Detective work in New York City
<u>The Rogues</u>	(60)	A sophisticated adventure of three mature modern-day Robin Hoods who employ devious methods to even the score against unscrupulous operators around the world.
<u>Twilight Zone</u>	(30)	Imaginative adult tales of science fiction usually with an unexpected ending.
<u>Yogi Bear</u>	(30)	Cartoon characters with appeal similar to <u>Magilla</u> above.
<u>Zorro</u>	(30)	The swashbuckling adventures of a rapier wielding "righter-of-wrongs" in early Spanish California.

Finch's task was to schedule the programs in such a manner that he could "checkmate" the opposition!

An Autumn Affair

Mike Washington joined independent, non-network station W000 about a year ago as Program Development Coordinator, a newly created position designed to improve liaison between television programming and sales. The job was a kind of catch-all involving feature film and promotional spot scheduling and a thousand other small jobs not already delegated to someone else. At the core of the job was responsibility for negotiations with film companies for packages to be programmed into W000's daily feature film slots at 3 PM, 10:15 PM, and the 1:30 AM Saturday Late Show. Any given film package had to be budgeted against available time slots. If, say, a total of 50 films were bought by W000, they must be scheduled to last out the year. A western might be scheduled one week at 10:15 PM in prime time, a month later in the 1:30 AM slot, and finally, several months later in the less desirable 3 PM time. Theoretically, each such scheduling would appeal to a different audience. Sometimes a very popular film received more than three screenings. In some cases, a real "dog" might only run once, or conceivably not at all if there were sufficient good features to cover the year. Such decisions depended on a strong or weak rating position, the availability of films, etc. The job was challenging because there were four other major TV outlets in the W000 coverage area. Washington had to strive constantly to entice viewers away from the competing stations.

Added to these considerations was the need to maintain good relations with the film companies. Unlike smaller markets, where the supply of films

and film package salesmen exceeded the outlet demand, the W000 coverage area was a seller's market. Whatever any one station did not buy could almost surely be sold to the competitors. In order to get first showings of new motion picture releases, then, it was necessary to cultivate and maintain favorable sales relations. A balance had to be struck, however, so that W000 would not pay more for film packages than could be invested more profitably in promotion, local features, etc.

Mike Washington's relationship with John Oumedian, the sales representative for Robert Jones Ltd., was sound. The two held each other in respect. Washington especially valued the friendship because Oumedian's company was responsible for the release of many top-notch films. Unlike other film salesmen, Oumedian invariably approached Washington before calling on other stations in the W000 market. On some occasions, even favorable price breaks were granted to W000.

It had been this cooperation and mutual trust which had led to W000's recent feature film purchase from Robert Jones Ltd., which included the film "An Autumn Affair"; an extremely successful movie which had been in contention for many industry awards. This feature had just completed a highly successful run in commercial motion picture theatres. According to the contract, it could be broadcast by W000 any time after November 1st, a scant month away. The November release date was important to Washington because the film should make a good showing against the new network programs which were being launched by W000's competitors in the market.

The long-range rating importance of a November release date had also been made quite clear to Washington by W000's aggressive sales force. They pointed out that client's purchases of time for the spring season were often based on a station's November track record. "A good rating book in November means assured spring sales" echoed through Washington's mind. He was reasonably sure that "An Autumn Affair" was the good bet for boosting November ratings because of its critical and popular acclaim. Then, John Oumedian telegraphed a request to hold the scheduling of "An Autumn Affair" until after December 1st because it had been re-released to neighborhood theatres in the market in answer to popular demand.

Preliminary steps had already been taken to promote "An Autumn Affair" as a key part of W000's November programming. Now, Washington realized that he would have to take prompt action on Oumedian's request. He quickly reviewed the pros and cons of actions which he might take.

If Washington decided to allow a November screening of "An Autumn Affair" (which was contractually allowable) he might expect:

1. Substantial ratings for the program and probable healthier billings for spring.
2. W000 sales and management support for well conceived program scheduling.

If Washington agreed to Oumedian's request he might expect:

1. Continued good relations with Robert Jones Ltd.

This meant not only amicability with the organization, but insured first choice on feature film packages forthcoming from Jones. Washington knew for instance that Oumedian's company had recently landed several prime

contracts with key film producers who could be expected to provide proven audience building motion pictures. In fact, this was at the core of the case. Certainly one film would not determine the failure or success of W000, but by not agreeing to Oumedian's request, Washington might endanger the whole film package which most assuredly would be a factor in contributing to W000 success.

It had taken nearly a year at W000, but Mike Washington was learning just how rugged the business world could be. It was increasingly clear to him that income was the best measure of broadcasting success. This, he thought, should be the ultimate criterion on which to base the decisions he faced. The question after all was, "Which course of action would best insure greater overall income for W000?"

CHAPTER IV

SALES

The Editorial vs The Sponsor

Midway is one of four metropolitan markets making up the population base of a semi-agricultural Midwestern state. The major market in the state far outdistances, in terms of population and income, the next three ranking cities (of which Midway is one). These "secondary" markets, however, constitute a substantial buy for national advertisers. Midway's citizens are a group not unlike the people one might find in any average Midwestern state. Most of these people make their livelihoods in a number of light manufacturing industries, a moderate degree of heavy manufacturing, and clerical/statistical occupations. While one of Midway's "sister" secondary markets could be characterized as extremely conservative, the other liberal, Midway has been called "fairly" conservative. That is, if we were to construct a continuum of business attitudes, Midway would fall, ironically enough, in the middle.

The history of radio in Midway somewhat reflects this "middle-of-the-roadism" in that the first station did not appear until 1934. The man who founded this radio pioneer, WXXX, was an aggressive entrepreneur not always the first choice for friendship, but unequivocally touted as one of Midway's top businessmen. Through sheer monopoly, WXXX dominated the city in both local and national broadcast advertising dollars for many years. During the early years of operation its format was similar to most

other stations, namely, the music of the day - big bands, etc. WXXX was from its inception a network affiliate.

In 1946, a group of Midway businessmen decided to invest some of their profits in a broadcasting venture and founded station WYYY, a 5,000 Watt daytime, 1,000 Watt nighttime, directional station, operating on a regional frequency and power allocation.

From 1946 until 1952, WYYY was a minor contender for audience dominance. Both stations programmed the same basic formats, but the longevity and experience of WXXX netted far superior ratings. The advent of rock and roll in the early fifties prompted the newer WYYY to change its format to this fresh musical offering, which soon resulted in dominant ratings for the station. Seeing this success, WXXX tried several times to compete in the rock and roll arena, but was unable to defeat WYYY and soon returned to the tried and true "standard" format. Meantime, Midway was becoming a healthier market both in population and income. This growth resulted in a third radio station, WZZZ, founded by a young, wealthy Midway family. It presented a rock and roll format similar to that of WYYY.

Currently, although wattage and frequencies differ, all three radio stations are similar in coverage patterns. WXXX and WYYY are network affiliates. In the Midway market all three television networks are received.

At times, conservative business interests among Midway's 130,000 population have criticized stations WYYY and WZZZ for programming rock and roll but audience rating figures have obtained for them a moderately high income.

While WZZZ has no network news affiliation, its news operation is strong. The station subscribes to a competent wire service and augments its news department with an audio news service which supplies actualities from news centers of the world on a daily basis via telephone lines. The news operation also enjoys teleprinter service linked to the local weather bureau. To help build a strong news image, WZZZ management hired a crack news director from another leading market in the same state.

Michael Harris had long been a prominent figure in news circles. His past positions included news directorships in the state's largest and second largest cities. He had supervised news operations for both radio and television. Harris' accomplishments in the news field spoke for themselves. He had been a roving correspondent for the Amsterdam newspaper "Volkskrant" in Africa, Europe, and the Middle East. During his five years with WZZZ, he achieved a high degree of community involvement, with service as Deputy Sheriff, member of The Governor's Special Commission on Traffic Safety, City Councilman, County Supervisor, member of Delta Sigma Chi (honorary journalism society), State Historical Society, Fraternal Order of Police, and Board Member for the National Foundation for Infantile Paralysis. Throughout the state he became known as the "Dean" of News Directors.

Because of Harris' knowledgeable handling of news affairs and the fact that no Midway radio station was editorializing, management instituted a policy of daily editorials, giving him virtually complete control of editorial content. In the course of nearly four years of exclusive editorializing, Harris experienced many irate responses and bitter reactions to his more controversial editorials, but nothing as crucial as

the situation which faced him one day early in 1964.

It all started about mid-day when a city councilman called on Harris at his WZZZ office. "Mike," he said, "I've got a man in my ward with a problem. I think you're just the person to give us a hand. Or should I say a voice? Take a look at these snapshots I took last week. This is a pretty common looking garage until you look close and see those gaps. Here, right here, and in this other picture. See the faulty bracing and studs? What these snaps don't show is the price tag, over \$1,200. Twelve hundred dollars out of the pocket of this guy in my ward. Here's the bind. The garage was built by one of our so called 'reputable' lumber companies right here in Midway!"

Harris' friend went on to explain that the man who contracted for the garage was a worker on the assembly line of one of Midway's large industrial plants. He had applied for an FHA loan from Midway State Bank and had been assured financing for the building. The garage was so poorly built, however, that the buyer would not sign the completion certificate. Consequently, the bank withheld the loan, the lumber company demanded its money and brought suit against the man who ordered the garage built. The councilman continued with the facts of the case, and concluded by displaying to Harris a badly scraped right hand which he claimed to have suffered as a result of trying to open a door of the poorly constructed building.

Harris thought the tale had the distinct odor of a great news story, and quizzed his visitor until he had the facts he needed. His belief in

the story's newsworthiness prompted him to compose an editorial for use the next day in spite of the fact that the lumber company was an advertiser on WZZZ. It was not more than six months ago that a WZZZ salesman "landed" Midway Lumber as an account. Its yearly \$1,000 advertising budget was small, but WZZZ was proving the merit of radio advertising, and the salesman seemed hopeful of doubling Midway Lumber's outlay next year. Midway Lumber was not an easy account to service. They had threatened several times in the past to switch their advertising budget to WYYY.

Shortly after 8 AM the next morning Harris launched into his editorial:

"One of the most frightening realizations a private citizen can acquire is that when he becomes embroiled in controversy with a government or any of its agencies, he has little or no protection from, or knowledge of the endless amounts of red tape that can develop the strength of steel, that can tie him and leave him helpless in the facts of inequity and injustice. Just such a case has been going on in Midway involving a man working as a tool and die maker at Federated Forge. The man wanted to have a garage built on his property. He went to a reputable company and contracted to have the building constructed at a total cost of \$1253.44. The industrial worker went through normal channels and sought an FHA loan, which guarantees the financing for the construction, from a local bank. However, after the garage was built, the householder was completely dissatisfied with the construction. The building was out of line to the point that the doors were extremely difficult to open. As a matter of fact, a city councilman skinned his knuckles trying to open one of them.

"The building simply had not been properly braced, and the Federated employee refused to sign the completion certificate presented by the construction company. Signing the certificate would have expressed his satisfaction with the completion of construction. However, since he didn't sign, the bank would not provide the money to the builders. The company then demanded that the householder pay, saying that they could not understand his complaints.

When he continued to refuse, they brought legal action against him. Meanwhile, the City of Midway Building Inspector had refused to approve the new garage for use, citing the lack of proper bracing. At this point the industrial worker inquired of another construction company concerning the cost of rebuilding or replacing the garage. He found that it would take \$1548 to tear out what had been built and rebuild. Also the citizen contacted the FHA to see if they could help. The FHA blandly said that because he had not signed the completion certificate indicating his satisfaction with the construction, that there had not been any agreement consummated between them, and they could not enter the case.

"The suit brought by the construction company was heard in circuit court, and this man was ordered to pay \$853.44 for the garage he couldn't use. If the judge thought that the salvage value was worth this amount, he was mistaken, since the estimate of salvage value by the second construction company amounted to \$223.

"Where can a man go? What can he do? He is as thoroughly caught in this spider's web of circumstances as if the construction company, the FHA and the circuit court had been in conspiracy against him. This occurred in Midway where apparently a private citizen cannot, or is not, allowed to protect himself from fraud. This is gross injustice!"

It was only two hours later that Harris began to feel the reaction to his editorial. The response came in the form of a phone call:

"Mr. Harris, this is David McLaughlin. I am the judge who decided for the Midway Lumber Company in the case you cited in your editorial this morning. I suppose a man of your stature in the community must realize the gravity of your denunciation of a court decision?" At this point Harris replied with a confirmation of his belief and trust in legal process, and

the judge went on. "I'm sure you do, Mr. Harris, but I feel we should meet to discuss this matter further. Can you see me tomorrow at ten o'clock in my chambers?" Harris stated that he could, and bid the judge good-bye.

Harris considered the possibility of a contempt of court charge, its probable effect on the status of WZZZ with the FCC, and he also thought about the \$500,000 slander liability insurance policy taken out on him by the station. Then the second response to his editorial came to light. It was a letter signed by the President of Midway Lumber Company. The WZZZ receptionist dropped the letter on Harris' desk with the comment that it was abruptly delivered by an unknown caller. It read:

Dear Mr. Harris:

This letter is in reference to this morning's editorial on WZZZ.

I think the editorial cast a very bad reflection on the building trades in the Midway area, which affects the livelihood of many residents.

As the saying goes, the truth never hurt anyone.

However, half truths and irresponsible reporting hurts everyone. This editorial, by giving misleading and some false information, cast a bad reflection on our community, our Circuit Court System, and the Federal Housing Administration.

I personally cannot condone or support such a

radio station.

Sincerely,

Vaughn K. Johnson
Midway Lumber Co.

CC: Federal Communications Commission

Harris immediately set out for the general manager's office with the file of the case and the editorial copy in hand. They reviewed the alternatives. By altering or completely eliminating the editorial (which had yet to run two more times that day), they could hope to salvage the \$1,000 Midway Lumber account, as well as to escape the wrath of Judge McLaughlin, and perhaps the FCC.

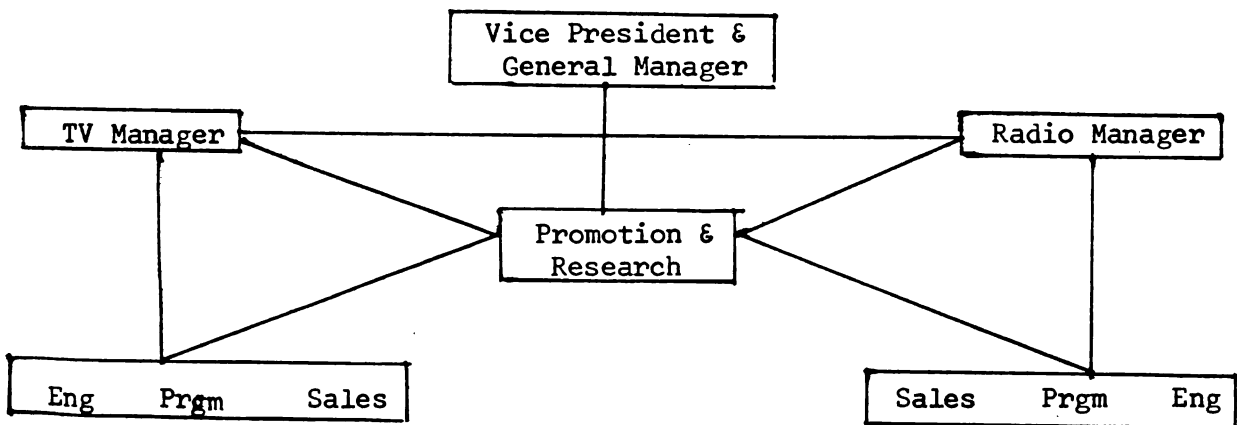
By continued broadcast of the unchanged editorial, they would almost certainly lose the annual \$1,000 from the client, suffer the investigation of the court, and perhaps the FCC. A more subtle but equally damaging result could well be loss of advertising dollars above the initial \$1,000. This might happen if the President of Midway Lumber Company persuaded his business friends to blackball WZZZ. His argument, based on the idea that: "If WZZZ did this to me ...you as a WZZZ advertiser are fair game too", would doubtless affect the station's sales volume. In a positive vein, support of the original version would be a vote of confidence for Harris. He obviously thought the editorial stand was valid. To question his ability could seriously damage relationships between him and management. Also by choosing this second alternative,

WZZZ's mandate to say what it believed and its editorial reputation would be upheld.

Whatever the decision was to be, it must be made soon. The next scheduled editorial broadcast was less than an hour away!

It's a Miracle

There's one in every station...a combination soother of souls, expeditor, and general handyman. Ray Brasher, Sales Promotion and Research Manager is such a man at KNNN. The title is a vast understatement of his worth to the independent AM-TV outlet serving Metro City, one of the nation's largest markets. Wearing the Sales Promotion hat, Brasher serves the sales force and indirectly, the client. As Research Manager, he supplies management with interpretations of data and suggested future strategies. Both areas of responsibility are critical in the successful KNNN operation. Their relationships to other station functions is shown in the station organizational chart:



Ray Brasher snuffed out a cigarette. Then, he returned his weary gaze to a point beyond the charcoal grey accent wall which marked the end of his office. He had a growing feeling that broadcasters were careening down an ever steepening hill toward excess in their promotional claims.

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KNNN at that moment was considering a full-page trade ad which bordered on the questionable in terms of its rating claims. Brasher's immediate concern, however, was a problem which had come to light just three days ago. He recalled the high spirits of Hank Louden, a sales executive for KNNN.

Hank had said, "Ray, this is it! See this little letter? It means success. I think we can parlay this baby into more sales than you ever shook a stick at." Louden flipped the letter onto Brasher's already overloaded desk. First to catch Brasher's eye was the distinctive letterhead of Runyon & Son, a leading advertising agency in Metro City. As he scanned the impressions made by the efficient electric typewriter, he knew they must have been manipulated by an equally efficient secretary somewhere across town. Brasher was elated; the letter represented unsolicited support for the effectiveness of KNNN:

RUNYON & SON INC.
Advertising

Metro Park, Metro City 30214
telephone ME-96509

September 12, 1965

Mr. Henry Louden
KNN Inc.
Metro City 30214

Dear Hank:

This letter may come as a surprise because it's an acknowledgment of how

wrong I can be...and I hate that.

Our recent (and now continuing) experience with "Morning Man" Ron Frost, for Miracle Washers, has made a convert of me. Radio does pack a punch!

In the eight weeks of the recent "Win a Miracle" sweepstakes, Miracle dealers have turned in from two to three thousand entries a week. This is pretty darn good, for KNN was the only medium employed to advertise the contest. And remember, you'd only sell us two or three, one-minute commercials a week. I might add that this is normally the slowest season for home laundry appliance traffic. It wasn't this year.

So I'm a convert, and by now I guess you've received our new order that just about triples the first. Guess that should prove that I've not only swallowed my pride, but that you can teach an old dog new tricks.

Thanks, Hank, for your fine cooperation, and give my sincere thanks to Ron for doing such a top-notch job. Our emphasis on print, at least in the case of home laundry equipment, has now emphatically shifted to the almighty watt!

Sincerely,

Ben MacIntosh

c.c. R. Runyon

Strange though, that the Runyon agency should allow something like this in writing. The agency bought time on several stations in town for one product or another...why pick KNNN for kudos?

A few moments later, after Loudens's assurance that the letter was legitimate, Brasher relaxed his guard to ask Loudens how sales promotion could best put the letter to use. He had found it good managerial policy to involve the salesmen in sales decisions. Loudens said that a couple hundred reprints of the letter might be given to the sales staff to circulate around town. This could demonstrate the KNNN impact and perhaps win over some hesitant clients. Further, if the budget permitted, why not put the

letter in a trade ad to "show the world?"

Brasher reacted favorably to both of these suggestions. His keen mind, however, told him to walk softly. After all, the agency just didn't pass out comments like this. Something seemed to indicate trouble and with a big buyer such as Runyon it could mean big trouble. Brasher suggested that Loudon call Ben MacIntosh at Runyon & Son to get a final OK for the intended use. A little disheartened but still excited, Hank Loudon left Brasher's office to get the final clearance.

Ray Brasher had examined every conceivable motivation behind the Runyon letter and had arrived at a big zero. There was reason, he knew, why MacIntosh would write such a letter because he was a relatively new agency employee in Metro City. The agency, however, was not in the habit of turning out impulsive sales pieces. That was the word, impulsive! One had to be either impulsive or an idiot to release such a glowing report; especially when one worked for an agency which had the reputation for selecting media with extreme care. First, Brasher thought, the bulk of the agency's buys are in the print media. (Remember the amazingly effective newspaper campaign which turned a simple candy bar into a virility symbol?) When they buy broadcast media, it's for a good reason. The resultant sales figures are always guarded like the Hope Diamond. All that's really known is that more times than not, the client's sales sky rocket after most ad campaigns.

Brasher's thoughts were interrupted by the entrance of Bill Hansdorff, the radio sales manager. Hansdorff seated himself across from the

cluttered desk and promptly announced that MacIntosh had given the clearance to Loudon. Therefore, the letter from MacIntosh should be circulated to every available client. The reproduction room could burn an offset plate the following day and have 300 copies on Brasher's desk by Friday, two days away. The agency serving KNNN could have layout specialists in Brasher's office early Thursday morning to get material for the ad which would be ready for a final OK by Monday. Hesitantly, Brasher gave the go-ahead.

It was after 5:30 that day when Ray Brasher pulled himself from his now uncomfortable contour desk chair and headed out through the cluttered secretarial pool outside his office. A scrap of paper draped limply over a battered typewriter jumped out at him as he passed, "MIRACLE WASHERS"! The words snapped him back to an awareness that something still gnawed at him about the Runyon thing...how could he find out for sure whether to run the ad? Certainly, he couldn't call Runyon himself to get a final authorization to run the ads and distribute the reprints. The only person who could approach Runyon would be KNNN's General Manager, Milt Block. Brasher had decided not to bother him with the problem.

Thursday came and went. Brasher ordered the final artwork for the Runyon trade ad.

Friday arrived. The 300 copies of the Runyon letter were delivered to Brasher's desk. He routed them to Sales for distribution on Monday. With the disposal of the reprints, Brasher forced himself to forget the Miracle Washer problem and convinced himself that this week-end would be one in which all the office worries would be left at his desk. Strangely

enough, the week-end did turn out to be worry-free.

Monday morning arrived with its usual crises. One, however, took precedence...it originated in the office of Milt Block, KNNN General Manager, who told Brasher, "I attended the Runyon Agency open house over the weekend where Runyon was talking about his success with Miracle Washers. Bill Hansdorff had told me about that letter from MacIntosh, so I mentioned it. Runyon looked irritated and said he had never heard of a letter endorsing KNNN. We'd better talk about what we're going to do!"

The two seasoned broadcasters quickly realized the need to evaluate the consequences of what appeared to be two distinct avenues of action open to them; they could decide to go ahead with plans for exploitation of the Runyon letter or they could choose to cancel those plans. After some thirty minutes of discussion, they had produced two lists of possible consequences for each course of action.

If they went ahead with plans for use of the letter they might expect:

1. An increase in sales effort as a result of active station/salesman support. (Nearly \$700 had already been invested in the promotion.)
2. KNNN might develop an even more successful sales image among area business enterprises.
3. Untold thousands of new advertising dollars from other appliance dealers and the retail trade in general.
4. Salesmen would not have to be asked to retrieve those already distributed pieces, which might make an embarrassing situation.

If they decided to cancel already laid plans for exploitation of the letter, they might expect:

1. Continued, or even increased, billings from Runyon & Son for Miracle Washers and other products represented by the agency. Runyon now placed over \$150,000 annually with KNNN.
2. A favorable image among other agencies who would learn of KNNN's willingness to cooperate.

The men must consider the future of KNNN in making the decision but which should it be?

A Commotion Over Cougars

The March day dawned brilliant and crisp on Centerton, a city in America's Southwest. The city was noted for a variety of things, not the least of which this year was basketball. A fever ran rampant in the population of half a million ever since the dark horse Centerton University Cougars had started to click. Now, the team had a good chance to become the next Mid-Southwest Conference champions.

Bill Mandeville, Sales Manager of Centerton's KGGG-TV, Channel 12, was fully aware of this "fever" in the Centerton area. KGGG-TV usually scheduled an 8 - 10 game random coverage of regular season games. This season, the coverage had been expanded to include all of the road games of the Cougars. When additional Cougar "away" game coverage had been arranged, KGGG-TV salesmen had hit the street with the news and promptly had sponsors for all new availabilities. Now, interest in the approaching playoffs was even higher. Clients, as well as KGGG-TV personnel, instinctively knew of the potential audience for these championship games.

Basketball Network Incorporated (BNI), an independent syndicator of regional basketball contests, had been granted the tournament broadcast rights by the participating conference colleges. BNI in turn had offered tournament coverage to television outlets in the cities having teams in the playoffs. Where there were two or more television stations in a market, BNI advertised for bids and, of course, accepted the highest. In Centerton, KGGG-TV and its competitor KTT, Channel 2, were contenders.

BNI's 48-hour deadline for bids was none too long to compute the cost to KGGG-TV in terms of line charges and engineering needs. But Mandeville made the deadline with a figure which he hoped would be more attractive to BNI than the bid of KTT-TV, Ch. 2. He based the figure on actual costs to the station and included no station time charges. These, he hoped to recoup later in the price to sponsors.

Word came back from Los Angeles that Basketball Network Incorporated had granted KGGG-TV the local broadcast rights to the Mid-Southwest Conference championship games. Mandeville believed that the decision had been based on his attractive guaranteed figure of \$10,000 for the first two games of the playoff which KGGG-TV obligated itself to telecast whether the Cougars won their first game and continued to the playoffs or were bumped from competition the first day. In effect, KGGG-TV was obligated to broadcast two games for which they guaranteed BNI \$10,000. Should the Cougars continue to win, KGGG-TV would carry the remaining contests and pay BNI another \$11,000. It was later learned that KTT's bid was roughly equal to that of KGGG-TV for all four playoff games, netting BNI the same long term income but guaranteeing it less, since KTT could cancel coverage after the first day if the Cougars lost.

Mandeville consulted his rate card for station time charges, added them to the production costs and came up with a sponsor cost figure of \$3,000 for each quarter of each game. (\$2,000 production costs, \$1,000 time charges). These figures were given to KGGG-TV salesmen for presentation to interested clients through their agencies. It was made clear that three 60-second commercial time slots per quarter would be made available to the

client. The agencies, however, could collect commissions from KGGG-TV only on the \$1,000 portion of the \$3,000 total figure; the inflexible \$2,000 station cost would not be eligible for the 15% standard commission to agencies. The agencies had two alternatives:

1. They could charge their clients \$3,000 and expect in effect only 5% KGGG-TV commission, or
2. If they demanded a full 15%, they would have to charge their clients \$3,300.

The high price of the games immediately eliminated some of the advertisers who had been sponsors of regular season games at the local rate. Several of the heavy users of television, however, bought the package. Foodville, a supermarket chain represented by the DRC Agency (a regional agency with Centerton offices) was one of these. Foodville agreed to pay \$3,300 for one quarter of an upcoming game. It could afford the high cost because it planned to ask wholesalers to contribute portions of the total on a coop basis.

Zippi-Cola was one of the suppliers who agreed to "coop"; that is, until Zippi was approached by its own agency, L. E. Bristol, and was offered a quarter of the playoffs for only \$3,000! The regional Zippi manager called Foodville promptly and withdrew the coop saying that he had a better deal and that Zippi would buy a full quarter of a game by itself.

Mandeville could have sworn he heard a muffled explosion that afternoon but he wasn't convinced until he received a call from Tony Miller, Junior Account Executive of the DRC agency. In no polite words, Miller

spelled out the problem between Foodville and Zippi. It was evident that DRC must have the full 15% commission in order to profit from the transaction, while Zippi's agency apparently was satisfied with 15% of the \$1,000 time charge.

Miller started the conversation in high pitched four letter words with accusations of rate cutting and preferential treatment. He finished in a total rage. Miller charged that he had been forced to give in to Foodville's demands for the flat \$3,000 rate, thus losing DRC \$300! Mandeville listened while Miller ranted on for some five minutes about the "unethical, underhanded" way in which KGGG-TV operated. Mandeville's mind vacillated between feelings of pity and dislike for Miller.

Time only aggravated the situation. Mandeville found an envelope from DRC on his desk the following afternoon. He quickly opened it and read a verbal approximation of Miller's telephone comments of the preceding day. The missive wouldn't have bothered him quite so much if he had not noticed at the bottom of the page that carbon copies had been routed to the KGGG-TV general manager and vice president and to the presidents of the three leading advertising agencies in Centerton. Miller, in effect, was urging them to terminate their business with KGGG-TV!

What action should Mandeville take regarding the Miller letter?

At least four alternatives existed:

- A. Eat humble pie. Call DRC and apologize.
- B. Ignore it.
- C. Go directly to DRC's clients and explain the misunderstanding.
- D. Urge DRC's clients not to work through DRC, but directly with KGGG-TV.

The Price of a Dollar

Tom Bridgemeyer had joined WAA-TV, UHF Channel 4 in Denton as an account executive only three months ago. Now, he was encountering his first real crisis. In spite of the ulcer-producing 16 hour days and his constant struggle with competitive Channel 5 for business, he found the sales game rewarding. He considered WAA-TV the perfect outlet in which to start. Tom could reasonably expect to earn \$20,000 a year in another year or two and, for him, the WAA-TV market seemed perfect. Here he could apply his sales technique directly to local clients since he was not forced to work through agencies as he would have been in a larger market. Even so, the WAA-TV market was large enough to support more than 40 agencies and many of Bridgemeyer's clients did utilize their services. It was, in fact, this agency arrangement which caused the present problem which he explained to Sales Manager Larry Atwood.

It had started two months ago when Bridgemeyer's finger traced down the account list to the "U" section. He had singled out Ursel Business College for a call. What he expected to be another dead-end soon turned out to be something else entirely. Bridgemeyer found himself listening to a long, sad history of Ursel's advertising failures. The head of the school told him that they usually bought a small newspaper ad each day for a certain period preceding each school semester plus radio commercials on three rock and roll and one "good music" station in the market.

Ursel Business College (UBC) had experienced problems with local agencies. Their first agency merely passed client-written copy along to local mass media outlets and raked off a 15% commission. A new agency was hired which wrote some of the UBC copy but it was generally ineffective in other ways and it, too, was released from service. UBC then established its own house agency which was recognized, with the exception of WAA-TV, by the majority of the mass media.

It was not until after Bridgemeyer had successfully sold the head of UBC on WAA-TV advertising that he turned to the problem of the house agency which WAA-TV did not recognize. After signing the client to a 13 week \$5,200 schedule to promote UBC's programs in accounting, drafting, and its charm school, Bridgemeyer carefully suggested a change back to a regular agency for UBC. He sold the agency idea perhaps even more effectively than the TV approach itself. Tom Jones, the agency he recommended, was young and eager for business. Just a few days earlier, Tom Jones had asked WAA-TV and Bridgemeyer personally for referrals. The UBC head agreed to meet with a Tom Jones representative to discuss the possibility of affiliation. At a luncheon arranged by Bridgemeyer, UBC decided to affiliate with the Tom Jones agency. This was eight weeks before the UBC schedule was to begin on WAA-TV.

Bridgemeyer was frankly quite proud to have brought the two together. He now focused his attention on other accounts. About a month later, Bridgemeyer received a call from UBC expressing displeasure with the new agency due to a misrepresentation of the cost of filming the UBC

commercials. Realizing that his income and future reputation could be definitely threatened, Bridgemeyer mediated this misunderstanding and left the two on what he thought were amicable terms. It was agreed that the agency would shoot slides rather than film for the spots. Bridgemeyer cautioned the agency that the material would have to be received by WAA-TV one week prior to each broadcast; Tom Jones agreed. Bridgemeyer scratched a dominant X across the calendar one week prior to the air date and went about his other duties. About 3 p.m. on that day, when it was apparent the deadline would not be met, he called the Tom Jones agency and learned that the UBC account executive was out of town. From a subsequent call to UBC, Bridgemeyer learned that the two organizations were not on good terms. The head of UBC was irate over the spotty servicing and follow-up which he had received from the Tom Jones representative who was "always out of town!"

Bridgemeyer told his WAA-TV superiors that the material for the commercials would come through in time for broadcast. They gave him two days of grace. On the Tuesday preceeding the Sunday starting date of the UBC account, Bridgemeyer finally reached the Tom Jones representative who claimed that he was unable to get cooperation from UBC. A promise was given that the slides would be delivered to WAA-TV hands by Thursday. WAA-TV agreed to wait. The agency finally shot the slides on Friday, took them to the processor, and agreed to deliver them to WAA-TV on Saturday. When it was apparent on Saturday that the materials were not going to be available, WAA-TV cancelled the schedule through the following Thursday.

On Monday at 7 AM, Bridgemeyer called the Tom Jones Agency and was told the slides would be ready by 10 AM. By 5 PM the slides had not arrived so Bridgemeyer cancelled Thursday's spots. He was through bending backward to please the agency and he vowed to abide by the strict 3 day advance copy and art requirement established by WAA-TV.

Tuesday noon, after three phone calls from Bridgemeyer, the agency man appeared at the WAA-TV studios with a set of slides. They were, however, of borderline quality and seven of a total of 25 which were needed were missing!

Even if anything resembling an acceptable commercial could be fabricated from the material which was available, Bridgemeyer knew that it would be impossible to make up the six spots already missed. He looked to Larry Atwood, the Sales Manager, for guidance knowing full well what the alternatives might be.

Could WAA-TV afford to disclose to the client its bad judgment in recommending Tom Jones (if the situation were, in fact, the fault of Jones)?

Could the station afford to throw the whole problem over to Jones and risk losing a \$5,200 account for the station?

Should the Sales Manager offer to help solve the problem or should he ask Bridgemeyer to solve it in the best way he can?

Since the Tom Jones Agency handles other substantial accounts, how much attention should be given to the maintenance of good relations with the agency?

What other considerations enter into the case?

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CHAPTER V

GENERAL ADMINISTRATION

The Farmer's Other Daughter

It was a Friday, one of those lazy, overcast midsummer days as Jean Hastings, Copy Chief of radio station WXXX parked her car the usual three blocks away, and started the morning trek to work. Even though she felt her job was a little too routine to be ideal, the Bridgeville market was a healthy one for radio, and days in the copy department went quickly. The New England coast was not far away, and she could almost smell the smoke from the clam bake she wanted to hold for some of her friends the following day. Inadvertently her mind skipped to the work schedule for the day. The copy had to be written for the furniture store, new formats for news, the record stores had to be telephoned for record sales to compute next week's "Top Forty" survey.

At WXXX Dan Tripodi was already at work adjusting the new desk set he had received from his wife. It seemed like only yesterday (although it had been several weeks ago) that he was promoted to Program Director. While Tripodi was literally swamped in work as the WXXX Program Director in addition to his regular announcing duties, he felt the work load to be a challenge. He couldn't help but worry over what he feared might be a real conflict in his new position - enforcing his policies with the two-man WXXX sales force. The person concerning him most was Dick Lange, WXXX's best billing salesman.

Everyone knew Lange's loyalties were to WXXX, but Tripodi thought the promise of the mighty dollar sometimes blinded him to questionable taste and to broadcast quality. Tripodi knew it would only be a matter of time before he and Lange met head on! As he was considering this possibility, he glanced up to see Jean Hastings walking by his office. "Morning Jean, I think that's your extension ringing. Probably another hot copy job."

Miss Hastings entered the copy department and picked up the receiver. "Jean, this is Dick Lange. What the hell have you got running on the air for Bridgeville Drive-In Theatre?"

It took a moment before she recovered from the brusque demand and thought back to the preceding day. She told Lange she had used a commercial tape brought in by Lange himself. "What the devil did you do to it? The drive-in tried to reach me all last night and this morning. They claim the spots are so chopped-up they don't sound like they have a thing to do with the movie that's running. You cut out all the good parts! You'd BETTER get the unedited version on FAST, or we're out \$10,000 a year in billings! They threatened to cancel their contract!" Miss Hastings tried to convince Lange that she had edited the commercial in the interest of good taste and to avoid any infraction of the broadcasting code.

Lange broke in to say that he was in a hurry to get the thing straightened out, and that she should cancel all Bridgeville Drive-In spots until he could see the management on his way in to work. She said she would talk with Tripodi, reevaluate the commercial and call him right

back with a decision. She picked up the original and the edited versions of the spot and headed for Tripodi's office.

After a brief explanation of the situation, Tripodi played the unedited commercial.

"The Farmer's Other Daughter...What her sister wouldn't do, she would! Dirt poor, needs money, she'll do anything. The Farmer's Other Daughter. The hotter the danger, the cooler she takes it! It's a film about men, money, and mayhem. Entertainment as you like it...in the barn, in the bedroom, in the old swimming hole. The Farmer's Other Daughter... she's fire in the haystack. See The Farmer's Other Daughter and learn all about the birds, the bees, and the traveling salesmen. The Farmer's Other Daughter, a howling success in motion picture entertainment...in color!"

Tripodi cued up the edited tape and started it rolling without comment.

"The Farmer's Other Daughter, dirt poor, needs money. The Farmer's Other Daughter... the hotter the danger, the cooler she takes it. It's a film about men, money and mayhem... entertainment as you like it. The Farmer's Other Daughter, a howling success in motion picture entertainment. The Farmer's Other Daughter... in color!"

The remainder of the minute spot was filled by a local announcer pitching the second feature at the drive-in.

Tripodi thought for a minute and then agreed that Miss Hastings had acted in the best interests of the station. She reminded him that he was to telephone Lange so that Lange could stop at the drive-in on his way to work.

Miss Hastings returned to her office thankful that she had survived the first major crisis of the day. She was finally happy to be able to start chopping away at the weeks-end pile of work awaiting her.

The morning went smoothly until, halfway through a lengthy typing job, the phone rang. "Jean, this is Dan. Would you bring the Bridgeville Drive-In spots back to the recording studio?"

She located the commercials and started for the studio where she was confronted by Tripodi, Lange, and WXXX General Manager Mark Hurm. Tripodi took the tapes from her and played them for the somber audience. All eyes turned to Hurm for his opinion. "First of all", Hurm said, "I've got to agree with Miss Hastings' action. Not only are some of the phrases in the original tape questionable, but they leave little room for doubt as to what the writer is saying. But, I can see your side of it too, Dick. The edited version is lifeless."

This was the spark needed to ignite Lange's side of the argument.

He questioned the authority of Miss Hastings to edit the spot without his knowledge; claimed that the same spot was running on other area radio stations as well as television; and quoted the Legion of Decency as rating the film as acceptable. He noted that previously the station had carried advertising for a film about a minister who committed adultery... a situation which he thought was far more objectionable. He stated further that the Bridgeville Drive-In's \$10,000 yearly advertising budget was not "peanuts".

At this point Hurm asserted that he thought Miss Hastings was capable of editing in good taste any material which might be thought objectionable; it was doubtful that any other medium would accept the commercials; and the previous film dealing with adultery had used acceptable promotional commercials. "Further, if we have to broadcast 'garbage' like that, we don't need the \$10,000."

Lange was becoming more defensive by the minute and refused to proceed any further on the question until the station relented on at least some of the phrases of the copy in point. He emphasized that it was impossible for him to meet with the client without some concessions. Lange felt the station could keep the account if only very obvious phrases were removed from this spot. These included, "what her sister wouldn't do, she would", "in the bedroom", and "the traveling salesman". He claimed he was caught in the "middle", and would not face the theatre people until he "had something to fight with".

The discussion continued with several emotional peaks and lengthy periods of uneasy silence until all points of difference were settled but one. Lange wanted "Fire in the haystack" to remain in the broadcast copy. He asserted that "It means nothing! Half the boys around here don't know what a haystack is for. Mark, you're an old farmer, what does it mean to you?" Hurm answered slowly with conviction, "It doesn't matter what I think about the meaning of the phrase. Miss Hastings and Mr. Tripodi agree that "She's fire in the haystack" is of such a questionable nature as to warrant its deletion!"

Hurm and Lange left the recording studio in ominous calm, leaving Jean and Dan Tripodi with the two controversial tapes still threaded in the recorders.

Miss Hastings argued that agreement was so close it seemed a shame to discount Lange's point entirely. After all, he was the number one salesman, and he knew what was needed to pacify the account. If WXXX didn't salvage the yearly \$10,000, it would surely go into print advertising, or a nearby radio or TV station. She could appreciate his position, being "in the middle", and being accused by the theatre management.

Tripodi affirmed her right to edit the objectionable material on the basis that the station had a responsibility to the public and a right to protect its broadcast license. He went on to say that there was another factor involved which might take precedence in this case. Lange had been with WXXX 7 years. He was the top salesman and undoubtedly could demand a higher salary at another station in a different market. These facts pointed to a potential situation where Lange might pull out, leaving WXXX to retrieve his accounts. Tripodi completed editing the tape as suggested by General Manager Mark Hurm.

The completed version was essentially the same as that offered initially by Miss Hastings with two exceptions. The underlined phrases indicate additions made by Hurm, hopefully to sway the account and salvage the billings. While not extensive, these phrases were as close as the station felt it could get to the breaking point in good taste.

"The Farmer's Other Daughter, dirt poor, needs money. The Farmer's Other Daughter, the hotter the danger, the cooler she takes it. It's a film about men, money and mayhem. Entertainment as you like it...in the barn, in the old swimming hole. See the Farmer's Other Daughter and learn all about the birds, the bees. A howling success in motion picture entertainment. The Farmer's Other Daughter, in color."

The Western Union clock in Master Control marked 11 AM just as Tripodi walked into Salesman Dick Lange's office with the final edited tape. Lange assured him that before he would take that "chewed up" tape out to the client, he would forget the matter entirely, and let someone else patch up the rift between the station and Bridgeville Drive In.

Tripodi reported Lange's remarks to Mark Hurm, and considered himself fortunate that he would not have to make the final decision on the matter.

Fielding's Financial Function

The final figures were in, the totals were posted and General Manager Margaret Fielding knew WMMM Radio stockholders would be pleased again this year. There was no doubt but that WMMM was to be dominant in both gross and net income figures; the two other stations in the market were weak contenders for top profit in Hamilton, the 60,000 population mid-western city.

WMMM was a group-owned one-kilowatt outlet on one of the most desirable frequencies. The closest competitive Hamilton station was WLLL, also a thousand watt, group-owned station, with a less desirable higher frequency which was not effective much over twenty miles away. The third outlet, WKKK played a minor role in the competitive arena because of its low power, a relatively poorer frequency, and a policy of "minority-group" programming.

WMMM programmed a variety of standard music which had broad appeal. WLLL concentrated on a hard rock and roll offering which appealed largely to younger age groups. WKKK was a country and western music station.

Margaret Fielding was one of the few broadcast managers who were women. She had been very successful, too. She revelled in her involvement in what had traditionally been a man's world. In her own small way she was helping to change this. She was proud of her long record of continuous years of profit. This year, though, she noticed a growing uneasiness as she poured over the rating, profit, and sales figures. The profits were up,

there was no doubt, but she sensed a red flag waving just over the next financial hill. It was especially important for Mrs. Fielding to pinpoint any threats to continued WMMM success now before adjusting the coming year's budget.

Programming effectiveness was measured rather well by the rating figures, she thought, as she took the mustard-colored ARB circulation report from the neat bottom desk drawer. It showed WMMM with an unduplicated weekly listening audience, 12 years and older, of 64,100. This was 19.8% of the total available audience. WLLL, WMMM's nearest competitor in Hamilton gleaned 43,500 persons, or 13.4% of the available audience. Clearly, she mused, WMMM's lead had diminished somewhat over last years figures. Her station would stand to benefit by a stronger lead over WLLL! But how should one adjust, if at all, the budget allocations? If there were to be any programming budget readjustments, she must take into account the existing staff and properties.

Programming

In announcing, she had four full time disc jockeys of longer than usual tenure plus four part-time announcers and one full-time multi-purpose man, who could produce spots, engineer remotes, and run errands, etc. The full time announcers were loyal, likeable and they were hard workers. A portable broadcast console was used for in-store remotes. The record library was reasonably complete.

The news department consisted of one full-time broadcaster who covered the activities of civic organizations and government. A panel truck was

used for "on the scene" broadcasts of news events.

Copy and production consisted of one full-time person, an additional girl who spent half her time in sales and various staff announcers who produced commercials. The jingle and production music library was well stocked with various packages. A new station ID and image jingle package, purchased just the year before, presented a pleasant middle-of-the-road sound.

Engineering & Facilities

In this area Mrs. Fielding listed three full-time and two part-time engineers.

The repairs and maintenance budget for the current year was down 10% because WMMM planned to move to a new building shortly and thought it foolish to make major investments in the existing physical plant. Major equipment had been replaced this past year and could normally be expected to be replaced in another six to eight years.

Sales

The sales department was made up of two full-time local salesmen and one saleswoman who spent half her time in promotion and production. More general staff included a full-time receptionist/traffic manager, and a secretary to Mrs. Fielding whose additional job it was to see that billings prepared by the parent company were distributed locally.

Mrs. Fielding sometimes found it useful to consult "average" radio station expenditures in each category so as to compare her budget and determine any expenses which were out of line with the national average.

She studied the market yardstick chart regularly (Table 1). The total broadcast expense for the average radio station in markets of from 50,000 - 100,000 population is shown on the first line with additional statistics farther to the right reflecting the expense range of only stations showing a profit.

The percentage of total expense represented by each area (technical, programming, sales, etc.) for the average station is shown in the second column. A selected expense, salaries, is displayed for similar categories lower in the table.

Also available to her were the outlay figures for the current year. These statistics, she thought, would point up areas of disproportionate spending as well as guide her in planning for the next year, (Table 2).

While Margaret Fielding placed a high value on the profit and loss statement as an indicator of station success, she also respected the rating picture as well as programming and engineering excellence. Her task, if she were to sustain her impressive managerial record, was to allocate funds so as to:

1. continue to out-sell other local media.
2. continue to out-rate the competition.
3. technically out-perform the competition in Hamilton and elsewhere.

Table 1. Radio Expense Yardstick
(50,000-100,000 population)

	Average	Percentage	Profit Only Stations Range
TOTAL BROADCAST EXPENSE	\$124,800	100.0%	\$99,300-\$168,400
From:			
Technical	15,200	12.2	10,000 19,800
Program	38,000	30.4	30,600- 53,800
Sales	26,700	21.4	16,600- 36,500
General & administrative	44,900	36.0	34,800- 66,600
SELECTED EXPENSE ITEMS			
<u>Total Salaries</u>	67,700	100.0%	57,100- 88,700
From:			
Technical	8,000	11.9	5,300- 13,000
Program	23,700	35.0	19,100- 35,300
Sales	19,600	28.9	13,100- 27,800
General & administrative	16,400	24.2	12,000- 20,800

Table 2. WMMM Statement Showing Departmental Expenses
Market Size 60,000 Population

Operating Expense Budget \$152,165

	Tech. Dept.	Program Dept.	Sales Dept.	General & Admin. Dept.	Total
Advertising and Promotion	\$ -0-	-0-	5573	-0-	5573
Donations	-0-	-0-	-0-	522	522
Dues and Subscriptions	-0-	-0-	-0-	1750	1750
Fuel	142	-0-	-0-	-0-	142
Insurance (General)	-0-	-0-	-0-	-0-	1755
Insurance (Group)	-0-	-0-	-0-	-0-	6419
Light and Power	3272	-0-	-0-	-0-	3272
Phone Lines	-0-	1480	-0-	-0-	1480
Miscellaneous	-0-	105	65	63	233
Music, Records and Program Materials	-0-	2204	-0-	-0-	2204
News Service	-0-	3403	-0-	-0-	3403
Outside Engineering	1083	-0-	-0-	-0-	1083
Postage and Freight	-0-	-0-	-0-	508	508
Professional Service	-0-	-0-	-0-	-0-	-0-
Repairs and Maintenance	1407	-0-	-0-	-0-	1407
Royalties and Privilege Fees	-0-	6355	-0-	-0-	6355
Salary and Commissions	23,181	29,540	23,524	20,393	101,638
Supplies	151	-0-	441	1,200	1,792
Taxes (General)	-0-	-0-	-0-	2,335	2,335
Taxes (Payroll)	-0-	-0-	-0-	4,686	4,686
Telephone and Telegram	-0-	-0-	-0-	3,567	3,567
Travel and Entertainment	-0-	-0-	986	1,055	2,041
Retirement (included in Insurance Costs)					
	17,236	47,087	39,589	40,079	152,165

Mr. Krispee

"Attractive girl. No, on second thought, the most beautiful girl on the staff. Even though her make-up is still thick and the dress too tight and low-cut she's a grand employee, and best of all, Bill Whorton says she's indispensable in the Copy Department." These were Warren Reinecke's thoughts as he finished commending Miss Amy Hall for her glowing three month probationary report and then watched her glide from his office. He turned slowly in his plush chair to study the skyline of Media City while applauding himself for his shrewd selection of station WPP's personnel. This was Reinecke's forte....selecting competent personnel for WPP. He took no small pride in choosing only the most pleasant and attractive people for the multi-million dollar independent radio and TV operation, located in one of the nation's most populous cities. As he sat studying Media City's montage of buildings simmering in the June sun, he chuckled at a comment overheard at lunch a few days ago; "You know, that Reinecke hires for this place like he's staffing a Sunday school, but he can sure pick the chicks." Reinecke valued this reputation...after all what's a Personnel Director for if not to obtain a highly competent and whenever possible, attractive staff? Some WPP policies weren't the most liberal in Media City (for instance coffee breaks were considered unnecessary, and heavy make-up and immodest clothing were frowned upon), but WPP offered high salaries and adequate benefits. The company was able to insist on high employee standards because of its prominent position in the market and a widespread, virtually unblemished

reputation for fair and equitable employee policies. This reputation, in turn, served to perpetuate the station's success. Because of WPP's name, news exclusives were granted more readily, access to privileged information was more easily attained and sponsor pressures were negligible. In short, WPP was the respected voice of Metro City and it could pretty much call its own shots, largely because of its success.

Reinecke's eyes suddenly focused on a huge billboard beside the expressway only a few blocks away; "Krispee Potato Chips - Have one, it tastes like more." The screaming florescent hues of "Krispee Potato Chips" suddenly jarred him back to reality and to thoughts of his approaching interview with the son of "Mr. Krispee" himself. Actually, the name of the Krispee founder was Evans, but through his periodic whirlwind visits to WPP he had become affectionately known as Mr. Krispee to the office and production staff. The man commanded a great deal of respect because of his stellar rise in the snack foods area and for his equally spectacular WPP advertising budget. Evans billed nearly 1 million dollars yearly with Reinecke's station. This made him one of WPP's three leading advertisers. Soon the son of this legendary businessman would be sitting before Reinecke's desk to complete the necessary arrangements for summer employment.

Only a few moments later a gleaming Cadillac limousine came to a halt at the front door of WPP, revealing in its crisp air-conditioned comfort one rather plain looking college student, McKensie Evans, son of Mr. Krispee. In a few moments he was seated across from the older, and he thought, obviously rather pedestrian Warren Reinecke. Reinecke's

first impression of the baby fattish figure positioned across from him ran along similarly uncomplimentary lines: "Fat body, fat mind."

Reinecke had already chosen the position of "Driver" for the young Evans, which meant shuttling VIPs, film, mail and other items around Media City. It was a position, Reinecke thought, where young Evans would remain relatively obscure and out of trouble, while still retaining some semblance of respect. It was the type of job usually assigned to a summer employee to give him the feel of the business without saddling him with great responsibility. Since Evans was not the typical summer employee, he was accorded a special introduction to the staff and facilities of WPP, and later, a formal introduction to the station wagon he was to use.

The year-old Pontiac was only the first in a long string of objections registered by Evans...it wasn't air conditioned! Reinecke somehow convinced the young employee he could exist without air conditioning and things ran smoothly for about a week. Then, one day a sobbing, distraught Amy Hall was shown into Reinecke's office.

"Mr. Reinecke, I'm so upset," she said. "Have you heard what everybody's saying about me? I mean about me and Mr. Evans, the driver?" Warren Reinecke, concerned, shook his head negatively even though he had recently overheard some offhand comments relative to Miss Hall's morals. She continued, half crying, "Everybody thinks I'm a ... well some kind of a temptress, I guess. It's all over the office. They look at me like I just stepped out of the red light district! Ever since Mr. Evans drove me down town to pick up that copy the other day, everybody's been staring.

I didn't do a thing wrong, I swear it. I don't know what he told them."

Long years as Personnel Director had taught Reinecke to register little emotion, so, throughout Amy Hall's tale, he showed none. When she had partially regained her composure, he spoke. "Miss Hall," he said, "I see this is a serious matter. I'd like some time to look into it. I'll call you later. Thank you for coming to me with this problem." She rose slowly, thanked him and left the office.

Reinecke lifted the telephone but stopped short of dialing the Evans extension. "Why not a bit of informal investigation first," he thought. A few moments later he was discreetly talking with one of the older girls in Amy Hall's department. She whispered nervously, "It's all over the office, Mr. Reinecke, about that new girl and one of the drivers, Mr. Evans. Well, everybody thought they were going downtown on business. It was business, alright, but not for the company. I heard the whole story from a friend of Evans, Bob Saunders in the production department, and Evans himself surely wasn't keeping it a secret!"

It was now evident that the problem was very real and not just in Miss Hall's mind, Reinecke thought as he walked down the corridor toward the production room. Bob Saunders was conveniently alone as Reinecke closed the door, then asked him about the story.

"Yes, Mr. Reinecke," said Saunders, "Evans told me that. You know, he's quite a guy. He was saying that last winter at State University he was just about expelled for having girls in his dormitory room. Claims they just wouldn't stay away...always bugging him for dates and wanting to

spend week-ends with him in the dorm! Well, anyway, I guess this Hall girl has the hots for him too...just about attacked him on the way back from town the other day. You know the viaduct by the Beltline Highway..."

Without waiting to hear any more of the Saunders version of the story, Reinecke whirled and headed back to his office. Clearly a problem existed; a rumor threatened to weaken the structure Reinecke had been so long in building. Even if there were nothing to the rumor, it was Reinecke's job to rectify the problem and make sure that future incidents of this type didn't happen. Within a few moments he was back at his desk mulling over the implications of this thorny problem. Whatever the decision to be made, certain considerations must be studied:

1. If the accusations of Miss Hall's shameless behavior were true, (which Reinecke somehow doubted after Amy Hall's frank and straightforward statement of the problem), she must be fired, both for the good of WPP and for the good of Reinecke's reputation.
2. If the accusations were not true, action must be taken to reinstate Miss Hall's reputation, and some punitive action must be taken against Evans.
3. Regardless of the outcome of the matter, one cannot escape the fact that rumors are usually detrimental to morale and overall personnel solidarity. Some thought must be given to dealing with the rumor-producing situation.

In Reinecke's mind, there was no easy way to solve this problem. In some ways, if a bystander had witnessed the alleged affair it would have been easier to act; simply reprimand (or replace) the guilty party. Reinecke wondered if that were really the best solution or whether it might create an open door to more trouble. If Miss Hall really were the tart she was rumored to be and she were released, her supervisor, Bill Whorton, would be inconvenienced. After all, it was a slack hiring season and several months might pass before Miss Hall's position could be filled. Even then, her replacement might not be as "indispensible" as Whorton had thought Miss Hall to be.

If McKensie Evans were at fault, he would have to be removed from the staff, or at least severely reprimanded. When word of the dismissal or reprimand reached Mr. Krispee himself, it could mean the loss of a million dollars in Krispee billings. For that matter, even if Mr. Evans thought that Reinecke suspected young Evans of either dishonesty or immorality, those billings might ride off with Mackensie Evans in air-conditioned comfort.

Could Reinecke afford to confront Evans and Miss Hall? Could he afford not to do so? What punitive measures, if any, could he take? How could Reinecke put an end to the rumor problem at WPP?

Power vs Color: a UHF Consideration

Floyd Goetz, General Manager of WJJJ-TV, was a relative newcomer to the Newsco Corporation which had recently purchased the UHF television outlet in Meridian which he managed. He was pleased with the free rein given him by the aging group of newspaper owners turned TV broadcasters but still apprehensive about the huge job lying ahead. One thing for sure, he thought, his market was promising.

The Meridian metro area consists of some 244,000 people residing for the most part in the city itself and surrounding Shoesmith county. The market is nationally ranked 122nd in population, 77th in consumer spendable income per household (\$7,947/annum) and 28th in total retail sales per household. These data indicate that Meridianites are above average in income, but more importantly, they spend their dollars vigorously. A comparison of similar-size markets points up this fact. The 121st market is 198th in consumer spendable income per household (\$3,488/annum), and 234th in total retail sales per household. The 123rd market is the 129th market in terms of consumer spendable income per household, (\$7,344/annum) and ranks 215th in total retail sales per household. Even a more highly populated market such as the 43rd in population and retail sales ranks only 182nd in total retail sales per household. This means that Meridian television beams into homes with spending potential well above that of the bulk of markets AND reaches into more TV homes (68,000) than similar size markets.¹

¹Spot Television Rates and Data.

Meridian is a three station television market. Channel 7, WII-TV, is a network affiliate represented by a leading national TV representative. WHHH-TV, Channel 35, is also a network affiliate represented by one of the nation's prominent reps. WJJJ-TV, Channel 28, is a network station sold nationally by a smaller representative.

WII-TV is consistently rated number one, at least partially because of its VHF status. WJJJ-TV holds a slight rating advantage over WHHH-TV but has yet to out-rate them substantially. At the moment, the rating picture looks like this:

	Station	Metro Share	Total Homes	Education of Head of Household	
				H.S. or Less	College
9:00 AM to Midnight	WII-TV	36	244	72	28
	WJJJ-TV	32	117	67	33
	WHHH-TV	30	99	73	27
	Others	2			

Last year 1.4 million national advertising dollars were placed in Meridian. WII-TV captured 80% of this; WHHH-TV and WJJJ-TV fought for the remainder. Of the total advertising income of WJJJ-TV, 55% is local, 30% is network, and 15% is national spot.

Goetz felt an urge to make the move for market dominance now. Too many broadcasters, he thought, played the conservative game and watched the audience slip away to more aggressive outlets. Mentally, his plan was already a long way toward formulation as a result of intermittent cerebral

note-taking and periodic staff brainstorming sessions. Physically too, he had implemented a number of programming and scales schemes to maximize the WJJJ-TV share. It would be easiest to build up WJJJ-TV power/coverage at the present time because the FCC was favorable to UHF installations. UHF competitor WHHH-TV was evidently not planning large scale power increases in the near future. This left the dominant outlet, WII-TV, an isolated target! With any degree of promotional exposure, the power/quality increment would surely enhance WJJJ-TV's image and cut into those lucrative 80% national billings being enjoyed by WII-TV.

The coverage patterns of WJJJ-TV and WHHH-TV were similar in reach. However, the WJJJ-TV contour suffered from at least two dead spots in outlying communities. WII-TV blanketed the surrounding terrain and beamed out at least 30% farther than its competitors in all directions.

If Goetz decided to opt for increased power to 1,000 KW (which he felt would be certain of FCC approval) Harold Price, his Chief Engineer, had supplied a choice of acceptable equipment. He spoke well of the Acme 1,000 KW transmitter and quoted a price of \$290,000. Also acceptable to Price was the Canoosta transmitter which he thought could be bought for about two thirds the Acme price. Goetz balked at this suggestion, however, as he recalled the Canoosta history. Some eleven years ago Jack Feldman, a young native of Canoosta, Maine, pooled the investments of three business friends and formed the Canoosta Broadcasting Company. Within six years, the company expanded to control four more outlets in New England. The operation was

largely masterminded by the enterprising, profit-conscious Feldman. While the Canoosta Company's outlets were not particularly known for their genuine community interest or competent corporate management, they seemed to succeed and to return a substantial profit. Goetz recalled it was this focus on profit which motivated Feldman to order the first Canoosta transmitter constructed. According to WJJJ's Chief Engineer, it was an "economical, interesting and rather exciting piece of gear."

Feldman backed the Canoosta transmitter venture solely to provide equipment for the Canoosta chain, but WJJJ-TV's Price felt sure he could obtain one for WJJJ. Price assured Goetz that the uneasy feeling he experienced when hearing Feldman's name was unfounded in the case of the transmitter, as Canoosta was merely the fabricator of the equipment. All components were top quality, well known names; only the housing bore the Canoosta name.

Price amplified the reasoning behind his \$200,000 Canoosta transmitter purchase cost estimate by saying that the Canoosta was not "FCC Type Accepted" as yet and that Feldman was eager to expand distribution of the equipment.

While Price was outlining further reasons for the reasonable Canoosta deal, Goetz quickly hit upon a scheme he thought Feldman might buy (if in fact WJJJ-TV decided to buy Canoosta) which would make the financing of the equipment much easier. Since the transmitter was as yet unproven, he might offer a series of \$20,000 installments starting with the signing of the purchase agreement, through delivery of the first component,

completion of delivery, etc. down through FCC approval which would probably take at least two years. With payments spread out in this manner, outside financing would be virtually unnecessary and he might expect to save \$10,000 - 15,000. Overshadowing the whole consideration, however, was the unproven character of the equipment. What good would it do to save as much as \$15,000 if the transmitter were to be a failure or if FCC approval were denied and the gear had to then be replaced?

If Goetz chose to go for increased power, whatever transmitter choice he would make would have extra costs built in:

1. increased power would roughly double the operating costs,
2. depreciation would increase,
3. studies and surveys for any power increase would cost about \$30,000 above the transmitter cost,
4. tower modifications could cost \$20,000, and
5. a new antenna would cost about \$100,000 including labor (optional).

A new antenna even without a new, more powerful transmitter would increase the contour somewhat and probably would remedy the "dead" areas now evident in the WJJJ pattern. This would bring the potential WJJJ audience up about 5,000 homes, still 5,000 short of the WII total potential figure. Goetz's Chief Engineer was in favor of a new antenna.

To Goetz's mind, at least one thing was clear...WJJJ had gone as far as it could with its programming, internal control and budget cutting. To compete meaningfully now meant delivering a more attractive signal to as large a potential audience as the competition. To do this, Goetz

knew he must get the approval of the Board of Directors. Based on their past reactions to equipment purchase plans he had proposed, he believed they might reject or at least vigorously question on principle any yearly capitol outlay commitment figure in excess of \$350,000.

He could stay within this figure by choosing any of several combinations of equipment purchases. His job as manager was to decide which combination would net the largest increase in sales and audience to the maximum overall, long-range benefit of WJJJ-TV. He knew that an increase in power would deliver his signal to as many homes as the leading station and more homes than the number three station in the market. He estimated that in five years UHF receivers would be operative in enough of these homes to put WJJJ-TV on a footing competitive with WII-TV.

He knew that while WJJJ-TV as well as WHHH-TV had publicly argued that local color was unnecessary to success, WII-TV had broadcast local color for some time. He also had reason to believe that WHHH-TV was planning a switch to color. This could leave WJJJ-TV as the least "progressive" of the group, image-wise.

Color set sales figures showed that a fair proportion of Meridian homes were equipped to receive color broadcasts. He estimated that in three to five years the figure would at least double and 50% of sponsor's messages would (or could potentially) be presented in color. This color capability was a fine sales point, and in fact, color-equipped WII-TV was now running a 30% local color spot load. Goetz knew for a fact that some of these local sponsors bought WII-TV time only because their message could be presented in color.

Goetz reviewed the recommendations about local color made earlier

by his Chief Engineer, Harold Price, whom he considered bright, practical and trustworthy. Only one color chain met Price's specifications, and only this one would he accept for WJJJ-TV. It was the Acme system; its estimated cost was \$150,000. There were no substitutes, no alternates. If WJJJ-TV went to local color it would have to be Acme's product.

Goetz studied the alternative cost figures to determine which equipment investment or combination of investments would best benefit WJJJ.

OPTIONS

<u>Power Increase</u>			
Acme Transmitter	\$290,000	Canoosta Transmitter	\$200,000
Tower modifications	20,000	Tower modifications	20,000
Surveys	30,000	Surveys	30,000
Less credit for old transmitter	<u>-40,000</u>	Less credit for old transmitter	<u>-40,000</u>
	\$300,000		\$210,000
 New antenna	 \$100,000	 New antenna	 \$100,000

Local Color (with no power increase)

Acme system	\$150,000 (Film, slide, and tape capability only. No live programming).
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Community Television: A Deep Dig For Dollars

Jim Adrian knew that Quincy Swope was a big name in ETV. He was even more convinced as he observed the General Manager's vigorous leadership of community station WFFF-TV where Adrian was Promotion and Public Relations Director.

It was only a few months ago that Swope first contacted Adrian and started a campaign to lure him away from a \$10,000 a year job as promotion director of the number one rated WMMM Radio in a distant metro market. The appeals which Swope used were effective. Now, Adrian found himself on the side of non-commercial television in general and WFFF-TV in particular.

The license for WFFF-TV was held by a group of prominent citizens in the area who were known collectively as The Greater Metropolitan Educational Television Association, Incorporated. The officers of the association were attorneys, university and banking officials, and leading figures in the world of business. Swope shared their belief that a fiscal-minded commercial broadcaster made the ideal non-commercial staff member because of his proven ability while under pressures of the business world and because of his sense of money management. Swope knew that some commercial broadcasters wanted to leave the business world in order to work at stations such as WFFF-TV. His reasoning proved valid, at least in the case of Jim Adrian.

Even after Adrian made his decision, however, it was difficult for him to isolate the real motivation for changing jobs. For it was really more than just changing jobs; it involved a change in his philosophy of

broadcasting. He left the exciting, bustling world of broadcasting for profit and took a position with the opposition. Even though he couldn't crystalize his reasons, he knew others were making the same kind of change. Advertising executives had become social workers; industry leaders had accepted offers to teach in colleges and universities.

Adrian guessed that two probable reasons for making the change revolved around interests in what he called "social service" and creativity. To Adrian, this meant an endeavor which would somehow benefit society, while allowing him to contribute to ETV, a medium not yet fallen into the pre-set formats and rigidity of commercial broadcasting. ETV was improving its income base every day and there was still latitude for experimentation; a perfect situation for the creative person. Best of all, he could accomplish this creativity and "social service" through doing what he knew best, public relations and promotion. His assignment at WFFF-TV was to build audiences through promotion and to conceive fund-raising schemes which would insure WFFF-TV's continued success as a top market non-commercial television station.

Adrian had scarcely settled at his new desk when Swope called him into a conference to outline the problems which he would be likely to face in his new position. These were:

1. WFFF-TV operated on a UHF channel in a market which had three VHF and two UHF outlets, and more than 20 AM and FM stations. This meant tough competition for the available audience.
2. Adrian's annual budget for promotion and public relations was only \$27,500.
3. No official financial support would be forthcoming from city governmental funds since WFFF-TV was not an official city

institution, and commercial outlets in the area would not permit their taxes to support the competition.

4. All initial grants, gifts and other funds from foundations and other sources outside the city were for the first year of operation only. Those appropriations had been intended as "seed" money to get the station underway. WFFF-TV was expected to become self-sufficient as soon as possible thereafter.
5. Adrian had no existing staff to assist him. With his limited promotion budget, he could expect little help except from those employees who might be interested. Several of them could become interested except that their regular duties demanded virtually their full-time attention.

Jim Adrian thought that the best thing he had going for him was the station's location in a reasonably large metro area because where there are so many people there usually is support for community television. But were there enough interested people to support a typically "restricted appeal" non-commercial outlet like WFFF-TV? He wondered. Granted, Swope placed great value on reaching the "Johnny Overalls" in the audience, but the lack of availability of program materials which typically appeal to this class and an "ETV" image of dry, high-brow programming caused most of WFFF-TV's programs to appeal only to the upper-educated strata. Adrian examined the market's vital statistics:

Population 2,500,000

6th in Consumer Spendable Income per household

7th in Total Retail Sales

<u>Consumer Spendable Income</u>				
0	3,000	6,000	10,000	15,000
to	to	to	to	and
<u>\$2,000</u>	<u>5,999</u>	<u>9,999</u>	<u>14,999</u>	<u>over</u>
6.0%	19.4%	35.4%	20.9%	19.3%

94% of homes have TV

Minority group population
(Negro, Puerto Rican) 750,000

Heavy Industry - negligible

Medium and Light Manufacturing - less than average

Retail Trade - very active

To confound the problem of defining the kind of homogeneous audience which might be available to WFFF-TV, there was a large military establishment on the fringes of the city.

While there was a fair amount of cultural activity in the area, the atmosphere of WFFF-TV's market was far from cultural with a capital "C." The metropolitan area supported: one major legitimate theatre which featured touring road company performances of musicals and dramas; a half dozen art galleries with exhibitions from Rembrandt to Warhol; three major museums; a civic symphony; and the usual assortment of motion picture houses and bistros.

Adrian had trouble thinking of WFFF-TV in ETV terms. Rather, he thought and acted as if the station were on a commercial footing, and he found this notion a useful one in anticipating various outcomes of his

effort. Thinking in commercial terms, he reasoned that procurement of financial support was his assignment. The station must not lose its sources of income if it were to continue to be successful. It must grow! The specter of a second year of operation with insufficient funding for substantial growth and the long term possibility of professional failure for Jim Adrian drew his attention interminably to the problem; how to make WFFF-TV a financial success!

Correspondence with people in other ETV stations had given Adrian some direction. He knew, for example, that foundations and public support were major financial contributors to National Educational Television (NET) and to New York City's non-commercial outlet, while the ETV station in Boston was supported in large part by such local sources as the Lowell Foundation. He knew that individual benefactors and culture-conscious groups in San Francisco supported that city's community outlet. The Pittsburgh ETV station built a solid foundation through grants, and production of programs for elementary and secondary school systems in the area.

Adrian's problem was how to define those groups in the WFFF-TV area which might provide substantial support, and how to solicit these groups effectively in order to maximize WFFF-TV's operating funds. Would it be through contests, advertising, stunts, gimmicks or format changes? He now had to extend himself beyond the simple audience building methods he had used in commercial radio.

At least he knew the sources of funding for the first year's operation. Swope had told him that the first year's budget had been \$500,000. Of that total, most of which had been invested in physical

plant and facilities, the income had been received from the following groups:

Foundations	\$350,000
Industry - Commerce	70,000
Individual benefactors	35,000
Unsolicited contributions from the public	6,000
School systems	15,000*
Income from facilities and production contracts.	<u>24,000</u> \$500,000

Those foundation grants were considered non-renewable "seed money". In the year ahead, WFFF-TV could expect at best only matching funds from those sources. The Ford Foundation, for example, had offered to add 75¢ to every \$1.00 raised by WFFF-TV through its own efforts. So now local funding was to be the key. Money must be solicited from the local community or else the ETV station would be in trouble.

Adrian studied those sectors of the community which had already demonstrated their confidence in WFFF-TV through previous contributions. Should he seek next year's funding from (a) local foundations, which were scarce and seemingly not interested in WFFF-TV; (b) industry, of which there was little in the area; (c) individual benefactors, who had

*WFFF-TV broadcast two daily history and language programs to area schools.

shown some interest in the past; or (e) the school systems, which had only dabbled in televised instruction in the past?

If he could find the answer to that problem, how should he execute the campaign? His actual working budget for fund-raising was substantially less than the \$27,500 figure Swope had quoted to him. Adrian's salary of \$12,500, estimated newspaper program schedule expense of \$2,500, and stationery, postage and messenger service costs of \$1,500 cut this figure to \$11,000. He could use this any way he wished; he must, however, invest the sum in a plan which not only would insure WFFF-TV a budget for the next year but would also bring regularly increasing amounts for years to come.

If additional personnel were needed, Adrian might choose:

- 1) A graphic assistant who could produce art work and oversee the production of bus and taxi cards, billboards and direct mail. (\$6,500)
- 2) A sales-type assistant who could knock on doors of foundations, promote grants, solicit industrial and commercial support, and contact benefactors and/or school systems for more backing. He could also contact local mass media outlets for free time and space to promote WFFF-TV. (\$7,500)
- 3) A secretary. (\$4,500)

Regardless of whether Adrian chose to hire additional personnel, he would need to consider some of the many promotional schemes which had been used by other ETV facilities over the years:

1) Television Auction

WFFF-TV might solicit public donations of anything of value ranging from antiques and paintings to old automobiles, personal services, sports equipment etc., and auction them either on the air or at a suitable public place. The proceeds would go to the station's operating fund. About 8-12% of any income realized in this manner would be needed to purchase follow-up cards and thank you notes, etc. The approximate cost to WFFF-TV would be \$1,100.

2) Sponsor of the Week

WFFF-TV might produce promotional spots which would depict cultural or industrial interests in the community. The hope would be that these groups would contribute to WFFF-TV either before or after the publicity and thus become WFFF-TV "sponsors" or "members". The approximate cost to the station would be \$450 per spot.

3) Direct Mail Campaign

WFFF-TV might hire a direct mail consultant to compile materials and choose mailing lists. Letters could be sent soliciting "membership" in WFFF-TV. Results from similar schemes elsewhere indicated that to break even financially a 3/4 of one percent return of membership contributions would be necessary on a mailing asking for a \$10 membership contribution. The approximate cost for a test campaign including consultant fees, would be \$1,500.

4) Telethon

WFFF-TV might engage professional entertainers for, say, a twelve hour telethon to solicit phone contributions. The income from this effort might be as high as a five digit figure if viewership and participation were heavy. Generally, some 30% of the telephoned contributions should be expected to be uncollectable. Special talent for the program could cost as high as 50% of the gross. The approximate cost to WFFF-TV would be \$4,500.

Adrian had two major tasks. First, he needed to choose a sector or a combination of sectors of his community as targets for contributions to next years' operating budget. Second, he would have to spend the \$11,000 in a manner which would be most beneficial to WFFF-TV.

CHAPTER VI

OBSERVATIONS AND RECOMMENDATIONS

The student of broadcasting, once he enters the field, may expect to be faced with daily problems in the areas of programming, sales, and engineering or any combination or variant of the three. Once he reaches a position of leadership in the industry, his decisions in these areas may not only affect his own future and the lives of others in his domain but, in fact, the future of society. Through the examination and discussion of actual problems as presented in case studies, he can become better equipped to cope with the problems he will face in his professional career.

While classroom utilization of the broadcast management case study characteristically has been limited to group discussion, there is no limit to the methods a teacher can use. Examples might include role playing, or critical written examination of the cases.

Role playing is especially effective in the classroom with individuals who have experienced actual broadcast situations. These do not necessarily need to be people who have been in managerial roles because insightful commentary can be contributed by representatives of the lower levels of station hierarchies where employees meet problems face to face. By virtue of their first-hand contact with media, these professionals, both managerial and technical, are able to react to case study situations much the same as the original characters did. The instructor may assign students to fill the roles of the persons who are depicted in the cases.

He may ask them to reconstruct the problem mentally and to react to it while playing the characters in the case study. The manager, or person charged with solving the problem, may then act out his solution with the other players. The remainder of the class may act as observers and, at the conclusion of the role playing, discuss and critique the manager's solution. This method may help to insure against any possible instructor bias since the teacher's role in this situation is basically passive. Case studies involving face-to-face situations, and intra-station personnel cases are ideal for the role playing method. Those case studies in this collection which are especially adaptable to role playing are "The Farmer's Other Daughter," "Mr. Krispee", and "The Editorial vs. the Sponsor."

Another area of potential for the use of case studies is the critical written examination of the problem with suggestions for solution. This method is especially useful whenever students examine questions involving budgets or equipment. For example, in the examination of "Fielding's Financial Function" in this collection, the student may be asked to compute costs for various services and station strategies and to justify them on paper.

Perhaps it is fitting at this juncture to offer some observations on the case study construction experience pinpointing some factors which are likely to warrant consideration by future researchers. The author was acquainted with some of the broadcast personnel in five of the stations which were contacted. This allowed him to refer management officials to those acquaintances for clarification of the project. The author's

friends in those stations were knowledgeable concerning educational uses of case studies by virtue of previous informal conversations and correspondence with the author. At those five stations, no broadcast manager refused to be interviewed. The author attributes this favorable circumstance to the availability of those local sources of clarification.

An example of what can happen when such local sources do not exist is provided in the following illustration. In early May of 1966, a letter was sent to a general manager of a station outlining the project and asking for an interview. One week later, the program operations manager of the station responded expressing a willingness to cooperate. However, there was a qualification in the statement that, "I must confess that I will need more briefing on your procedures before I can answer your questions." A procedure clarification letter was sent together with a sample case study and a date for an interview was requested. Two weeks later, the program operations manager responded negatively to the proposed interview date because of the demands of a "technical and programming transition," but he added, "I found your case study very interesting and comprehensive." It was almost a year before it was convenient for the author to visit the market where the station was located. Prior to that visit, another letter was directed to the program operations manager. A firm date for an interview was received from the traffic coordinator, acting in the temporary absence of the program operations manager! The station manager was in fact interviewed on the agreed date and the author was most pleased with the cordiality of the staff once he was able to achieve personal contact and clarification.

Without exception, those station officials who declined interviews or refused to answer the initial correspondence had no previous personal contact with the author nor did they have access to anyone within their organizations who could explain the projects.

The author found a further difficulty in the gathering of data for the case studies. This was a general inability of the station officials to recall past situations in detail and, perhaps more importantly, to classify past situations as "problems." After problems have been solved, they apparently are no longer regarded as critical. The "good" manager solves problems as they arise and then dispenses with them. This is an important part of his function. If too many problems remain unsolved, he is not regarded as a "good" manager; in fact, he may even cease to be a manager! An assignment, 1) to remember a situation as a problem, 2) to reconstruct details of the problem, and 3) to separate the environment leading up to a problem from the actions taken to solve it, is a difficult task even for the best manager. In all cases, the interviewer needs to be especially alert to the manager's part of the dialogue and must be ready to steer the narrative back into focus. It is essential that every possible detail be noted for later inclusion in the case study no matter how trivial it may seem at the time of the interview. A fine line does exist, however, between details which are relevant to a case and an aimless wandering of conversation.

A serious barrier to the use of case studies in broadcast management education is the dearth of available cases. The areas of broadcast

regulation and litigation involving Section 315 (Equal Time provision) of the Communication Act, license renewal procedures, and engineering violations need to be explored for possible case studies. Other engineering problems dealing with equipment procural and physical plant should be investigated. The various problems of CATV economics and of "pay TV" can be developed into challenging case studies. Problems in the area of local self-regulation of programming and commercials need examination.

Finally, something must be said for the case study assignment as a learning experience for the person who develops and writes the cases. The interviewing of numerous media personnel is in itself an enlightening experience. The interviewer is exposed to various media problems which are not discovered in the normal educational experience. In addition, the rigor of constructing case studies and perfecting a suitable literary style develops a meaningful and useful talent in the student.

This thesis is not the first to present actual broadcast management case studies for classroom use. In the Department of Television and Radio at Michigan State University, Egli¹⁵, Baker¹⁶ and Carson¹⁷ have constructed case studies from actual problem situations in broadcast stations. To treat the full range of problems and situations which exist in broadcasting, there should be further research projects of this nature.

¹⁵Egli, op. cit.

¹⁶Baker, op. cit.

¹⁷Robert P. Carson (Master's thesis, Department of Television and Radio, Michigan State University, in progress, Summer, 1967).

For these projects are investments in education and as such yield sizable returns to the industry in the form of more adequately prepared broadcasters.

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APPENDIX
RELEASE FORM

Please return to:

David G. Schmeling
% Department of Television & Radio
Michigan State University
East Lansing, Michigan

We have read the case entitled _____
which was submitted to us for verification and approval. We hereby
authorize the use of this material:

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with corrections indicated ()

It is understood that this material will be used for classroom instruction
purposes only.

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