

Holland Cooke Newsletter • October '10

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Yes! I'm late! On purpose, so I could include my notes from the NAB/RAB Radio Show which wrapped up October 1. See/hear/read more at www.HollandCooke.com, and in the next issue of Talkers magazine.

Many, including your consultant, were curious about this convention. Attendance has been embarrassingly sparse at some recent industry conferences; and the Radio Advertising Bureau skipped a year. And what's up with no Exhibit Hall as-we-knew-it?

The show was a pleasant surprise. No, it wasn't – and probably never again will be – as big and energetic as the Radio Show was pre-consolidation. I saw very few programmers at the-convention-once-named NAB's "Radio Programming Conference." Then again, there are so few programmers left in radio, period. The reconfigured Exhibit space seemed to work, and sessions I went to offered plenty of "take-home pay."

“239 million people listen to radio each week – an increase of four million listeners in just one year.”

National Association of Broadcasters President/CEO Gordon Smith

Especially encouraging was the clear consensus that transmitters are no longer "the end" but instead "the means," a powerful head start to line-extend the station's brand, content, and advertisers to new platforms with-which transmitters now compete.

And with various station managers crowing that "August was great!" and political money now pouring-in, the vibe was upbeat.

“The great rebound from this recession has also been a reset on advertiser spending – we are up 6% -- all media up 3%.”

Radio Advertising Bureau President/CEO Jeff Haley, opening the Radio Show

SINCE LAST MONTH'S NEWSLETTER:

- GE CLOSED THE LAST USA FACTORY THAT MADE INCANDESCENT LIGHT BULBS.
- BLOCKBUSTER FILED FOR CHAPTER 11.
- THE IRS ANNOUNCED THAT IT WILL NO LONGER SNAILMAIL TAX FORMS.
- AFTER 30 YEARS AT NEWSWEEK, HOWARD FINEMAN LEFT FOR A BLOG.

I was on an airplane when CBS-TV's GREAT new "Hawaii Five-O" premiered. No problem. I watched it later, at cbs.com. Technology is changing life. In fundamental ways, like...light bulbs...and, conspicuously, how we consume information and entertainment content. [Consumers lead providers to new distribution opportunities.](#)

Yet News/Talk – radio's #1 format, and its most-Sales-friendly – has remained largely confined to the AM band...until now...

“Despite the huge audience we currently enjoy, the fact is a significant portion of the Capital Region audience never thinks to visit the AM dial.”

Clear Channel/Albany VP/Market Manager Kristen Delaney, announcing that WGY will add an FM simulcast

WGY is already #3 P12+. Guess what happens next. Clue: They won't end-up #6. For a copy of my white paper on FM News/Talk, simply send an Email to fmtalk@hollandcooke.com, even a blank Email will do. Moments later, the E-robot will deliver this document, which you may share with friends and associates.

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5 IDEAS IN 5 MINUTES

1. Sales: Kill two birds with one stone!

Two facts of radio life:

- We have to cover-up some on-air spots online. Few stations do this well; and many stations run PSAs and promos that are sufficiently lame and repetitive to repel long-TSL streaming listeners.
- Many advertisers need to show pictures, radio's Achilles Heel...until now.

Picture people-who-listen-online. They're AT the keyboard, just-a-click-away-from pictures/video/documents you can invite 'em to see. Think real estate listings, tattoo parlors, WHATEVER-else local retailers sell that benefits from a look-see.

Instead of treating stream-only ads as a nuisance, treat 'em like beachfront property. Worth brainstorming in a Sales meeting.

2. GMs: "Clean up your web sites."

Speaking in the Radio Show session "Retailers: What They Want and Need From Radio," Hill Holiday's Karen Agresti explained that most national advertisers look at station web sites when they're trying to decide which stations to buy. "If they see a lot of girls in bikinis, they'll cut you out."

From that same session...

3. On-air hosts/Sales reps: An endorsement spot "has to sound real..."

...Agresti told us, citing two examples:

- Using college interns for a Marshall's spot targeting teens;
- Choosing only DJs-with-kids for CVS Pharmacy spots pitching in-store flu shots.

Are you casting your endorsement spots as-carefully? Sometimes, in my travels, when I hear a station, it sounds like every local host is passionate-to-the-point-of-overstatement about a different replacement window company.

Want to hear a GREAT (not good, GREAT) spot for replacement windows? Listen to WTOP/Washington's Chris Core, when you click "Sales" at www.HollandCooke.com

4. Morning hosts, EVERY format: Play "Monster Mash" on Halloween morning.

Talk hosts: Play THE WHOLE THING, just like your station did back when the station was Top 40, and this classic was a current. For you, the living, this mash was meant too.

5. Funniest idea I heard at the Radio Show: the "Show Us Your Rack" contest.

Contestants enter by uploading photos to the station's web site...photos of deer they (hunters) bagged.

Response was huge, and the contest was sponsored.

WHAT WILL BE IN SANTA'S SLEIGH THIS YEAR? YOU WILL KNOW NEXT MONTH.

In early November, I will be attending a research briefing about 2010 holiday shopping and 2011 spending in THE hottest product category. Each year, this data NAILS IT.

I held-the-presses this month to get you my Radio Show notes, but I don't want to be late two-months-in-a-row, so look for a bonus issue, a 13th newsletter this year, by mid-month. No charge.

Not a subscriber? See back page.

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“Beck seems to be able to cry on cue.”

From the New York Times TEN PAGE 9/29/10 article “Being Glenn Beck” by Mark Leibovich

Glenn Beck seems as daft as he is deft. Hauling-in north-of \$30 million a year from various enterprises, he demonstrates a mastery of his various media. But this New York Times article invites the same inference that troubles some Beck affiliates: Has he peaked?

“His television ratings have declined sharply.”

Leibovich reports that “his show now averages two million viewers, down from a high of 2.8 million in 2009, according to the Nielsen Ratings.” As he was losing nearly a third of his cable audience, affiliates complain that his radio show has suffered since Beck went-TV. Often it degenerates into silly, self-amused crosstalk with sound-alike suck-up sidekicks. “Mailing it in” is a phrase I hear from concerned GMs and PDs.

Sales is paying attention too. While many of his radio ads ask listeners to “enter the Promo Code ‘Beck,’” The Times reports that, “as of Sept. 21, 296 advertisers have asked that their commercials not be shown on Beck’s [TV] show (up from 26 in August 2009). Fox also has a difficult time selling ads on ‘The O’Reilly Factor’ and ‘Fox and Friends’ when Beck appears on those shows as a guest. Beck’s show is known in the TV sales world as ‘empty calories,’ meaning he draws great ratings but is toxic for ad sales.” Why?

What many regard as hate speech, and fear mongering.

Notwithstanding his recently-adopted come-to-Jesus tone, “Beck’s statement that the president’s legislative agenda is driven by Obama’s desire for ‘reparations’ and his ‘desire to settle old racial scores’ is hardly a uniting message.”

“While public figures tend to eventually learn (some the hard way) that Nazi, Hitler and Holocaust comparisons inevitably offend a lot of people, Beck seems not to care. In a forthcoming book about Beck, ‘Tears of a Clown,’ the Washington Post columnist Dana Milbank writes that in the first 14 months of Beck’s Fox News show, Beck and his guests mentioned fascism 172 times, Nazis 134 times, Hitler 115 times, the Holocaust 58 times and Joseph Goebbels 8 times.”

Meanwhile, as Beck hints that the government could confiscate your gold, the House Energy and Commerce Committee is looking into the way his sponsor Goldline markets. Goldline actually sends would-be investors a copy of President Roosevelt’s 1933 Executive Order ending the gold standard, to stabilize U.S. currency. They emphasize an anti-hoarding provision which exempted coins “having a recognized special value to collectors of rare and unusual coins;” and use that to up-sell coins of dubious numismatic value. One aggrieved customer – whose \$140,000 purchase turned out to be worth \$85,000 – testified that the Goldline rep told him the price of gold would hit \$3000 by year’s-end.

Beck’s relentlessness has apparently become an issue at Fox News.

Lately, it’s hard to keep count of the plugs for his TheBlaze.com web site. The Times reports that Fox News President Roger Ailes “has complained about Beck’s hawking his non-Fox ventures too much on his Fox show. Ailes has communicated this to Beck himself and through intermediaries.”

And “the friction is evident in many areas,” according to Leibovich, who says “When I mentioned Beck’s name to several Fox reporters, personalities and staff members, it reliably elicited either a sigh or an eye roll. Several Fox News journalists have complained that Beck’s antics are embarrassing Fox, that his inflammatory rhetoric makes it difficult for the network to present itself as a legitimate news outlet.”

What all this means to radio:

Two playbooks:

- **If you’re the affiliate**, you might also have Premiere Radio Network stable mates Rush Limbaugh and Sean Hannity. Pitch ‘em as “the three biggest stars on Talk Radio,” and sell the whole enchilada as a 9-hour Rush Limbaugh Show. **IMPORTANT:** Read “Are Your Promos Frightening Advertisers?” in last month’s newsletter about how to promote these shows on-air. If you missed that issue, you can read my recommendations here: <http://mcvaymedia.com/newstalk/10/promos-frightening.html>
- **If you’re a Talk station competing with Beck**, your best bet is to be live-and-local, and say so. Sound affable and engaging and reasonable and real and relevant, avoid dispensing history lessons, and get lots of callers on-air. Even if your topic isn’t intrinsically-local, those callers will have local accents. And know what your advertisers are selling. And no crying.

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MORE NOTES FROM THE 2010 NAB/RAB RADIO SHOW

APPLAUSE to Arbitron and Jacobs Media for the "Goin' Mobile" project, which packed a standing-room-only crowd into the biggest room at the Radio Show. Make a note on your schedule to hit Arbitron.com on October 15, for an online version of Fred Jacobs' seeing-is-believing presentation. There's a preview and Executive Summary at http://arbitron.com/radio_stations/goinmobile.htm

MUST-SEE VIDEO: Again this year, visionary Talkers magazine publisher Michael Harrison delivered a real whack-on-the-side-of-the-head via his Annual State of Talk Media Address.

If you are mindful of the 10 "Principles of 21st Century Media" he outlines, you will see opportunity. If not, they're a threat. See his presentation in its entirety at www.Podjockey.com.

THE IMPACT OF GOOD DESIGN: 5 WAYS TO DIRECT TRAFFIC AND INTERACTION ON YOUR SITE

I was scribbling as fast as I could in this session, led by Emmis Interactive Co-President Rey Mena:

1. **Develop easy navigation**, "the most important thing on your web site." Mena says the purpose of a home page is to "tease content and pull users through the site." Think "Table of Contents, a publishing technique;" and page one of The Wall Street Journal or the cover of People magazine or Cosmo.
2. **Establish good content hierarchy**. What goes where and why?
3. **Typography** "is to web pages as voice is to on-air." Create a look through proper – and moderate – use of fonts. Exercise "design discipline by avoiding that ransom note look you get using too many fonts. "Fonts are becoming bigger, and white space is valuable."
4. **Advertising**, "part of the brand experience" of using your web site. Avoid piles-of-tiles, the online equivalent of audio clutter. Like on-air programming, there are no "stopsets" on a web page. "Users don't separate [advertising from content, which need to co-exist]."
5. **Animation**: "Less is more." Avoid "the Times Square effect, sensory overload" as animated elements compete for attention.

From Q+A in this session:

Q: Best web site content?

A: Content from users! (See Idea #5 on page 2.)

Q: What just-plain-DOESN'T-work?

A: White text on black background. And red-and-black now looks "dated."

"If you control the production, you can control the buy."

Triad Broadcasting Senior VP Mike Wild, panelist in the "One Great Thing" session

It plays in Peoria, and Triad is rolling-out its success template to other markets. Mike Wild says that "it is going to be necessary and expected" that advertising media "provide a multi-platform" repertoire for advertisers. And he figures we're on-the-verge-of the same fundamental platform flip that Michael Harrison talked about in his presentation: online becomes "the dog" and AM/FM transmitters are "the tail." Like Harrison, Wild urges that radio "get out in-front-of-it," and flex the transmitter's muscle, radio's uncanny ability to drive Internet traffic.

"We write code, our guys build apps," Wild explained, calling "web maintenance a growing opportunity." And by becoming advertisers' Internet wizard, a station can tap-into "a new revenue stream with advertisers who are not otherwise radio clients."

How seriously does Triad take this opportunity? Wild says that in his company, new media teams DON'T tend to station web sites. And Internet inventory is sold separately by dedicated new media reps. "If you give it to the [radio] Sales staff, you never get what it's worth." Radio reps will favor radio and treat Internet inventory as an add-on, and "be happy to tack-on 10-15%."

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COMING ATTRACTIONS:

In addition to that item I allude to at the bottom of page two, here's what else is in the pipeline:

- **Blogworld New Media Expo:** It began in 2005 as the Portable Media Expo, and it drew a bigger crowd than radio conventions were still getting by then. Enthused content creators -- people-we-used-to-call "podcasters" -- packed the Ontario Convention Center in California. And the mojo was contagious. Several years later, this shadow media has gone mainstream, and this conference merged with a blogging convention. I haven't missed one yet, and I'll be there this month in Las Vegas. Look for my notes in next month's newsletter, at www.HollandCooke.com, and in Talkers magazine.
- **Arbitron Programmers' Fly-In:** Formerly their "Consultant Fly-In," it opened the door last year to managers from Arbitron client stations. If that's you, call your Arbitron rep, and tell him you want in. Thank me later for nagging you.

I've attended this conference each December for the past dozen-or-so years, and every year I still come-away with a clearer sense of how-to-move-the-needle...specific strategies and tactics. Last year, we got a first look at what-PPM-is-teaching-us-about format clocks. And I CAN'T BELIEVE that they didn't make us sign a non-disclosure form before a marketing segmentation briefing we got from a Starbucks marketing suit. If you saw my two pages of notes from-that-presentation-alone in the January '10 newsletter, your scalp is still tingling. Or is it just the caffeine?

Look for my Fly-In notes in the January newsletter. But first...

- **2010 Year-in-Review, 2011 Forecast:** As each December, this year's year-end newsletter will catalogue what-the-heck-happened in the year just past, and what-the-heck-it-all-means; what-to-expect in the coming year; AND I own-up to last December's equally-nervy predictions.
- **CES2011:** Consumer Electronics has been a conspicuous bright spot in an otherwise tough economy these last couple years. It's a \$182+ BILLION business this year, in the USA alone. Every day, almost everything we do is enabled-by or changing-because-of digital technology. And all of this matters A LOT to radio, the original electronic gadget.

Look for my CES notes in the February newsletter, at www.HollandCooke.com, and in Talkers magazine; and listen for my CES reports, from Las Vegas, on Westwood One's Jim Bohannon Show and America in the Morning.

You won't believe your ears, when you witness...

THE INCREDIBLE VANISHING STOPSET

See-and-hear how to create special value for local retailers, in weekend specialty programming. It's an excerpt from the presentation I have given at several state broadcasters association conventions this year.

Hit www.HollandCooke.com, click "Sales," then scroll-down to the video player that says "Hear This?"

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SOUND BITES

"If the parking lot's full, the advertising is working. If I switch-off radio advertising, I see it in the parking lot. I save a lot of money on accountants."

Ronnie Mervis, the Washington DC area's most-top-of-mind diamond retailer, who uses radio heavily, buys the entire market, has for decades, and voices his own story-telling spots...one-of-which you MUST hear. Click "Sales" at HollandCooke.com, and hear a template for doing $1 + 1 = 3$, by hooking-up two seemingly-unrelated advertisers.

Mervis – who urges that "there has to be a value and service message" in copy, was a panelist in the Radio Show session "Retailers: What They Want and Need From Radio."

"I run a class operation and I wasn't able to continue that."

Possibly radio's most-admired station manager, Mickey Luckoff, who stunned his KGO/KSFO staffers by resigning abruptly, after 35 years, 4 owners, and more consecutive #1 Arbitron books than any other major market station ever.

"These aren't good people," Luckoff told the San Francisco Chronicle, of Citadel Broadcasting. "They don't treat people well. They undermine you at every turn."

After reportedly keeping "a resignation letter on my desk for months," Luckoff says he has no plans to retire.

"We are grateful for Mickey's long service to the stations and wish him well in his new endeavors."

Citadel CEO Farid Suleman, whose well wishes offered that "the company is focused on the station regaining the 25 54 audience it has lost over the last two years."

"I love the team I work with, love my PD, and although I'd like more money, staff, marketing, etc., who wouldn't these days? I've worked in bad places, and this one is not. I'm treated like a human being, and I'm grateful. You'll always have whiners, but I ignore them."

A talk host I work with, someone I'd like to clone.

"Get Uncle Sam OUT of the Examination room."

Delaware Republican U.S. Senate nominee Christine O'Donnell, who opposes abortion in cases of rape and incest.

The TV commercial she's running this month quite likely makes history, unless you can remember another candidate for U.S. Senate...heck, a candidate for ANYTHING...begin a commercial stating "I'm not a witch." Doing so, she contradicts several previous televised declarations.

"I can't remember when anybody has canceled on us on a Saturday, but there's always a first."

CBS News "Face the Nation" host Bob Schieffer, regarding Christine O'Donnell canceling, without explanation, via terse E-mail the-day-before.

"Suppose we applied that principle [to] our property insurance. And you can call your insurance agent and say, 'I'd like to buy some insurance for my house.' He'd say, 'Tell me about your house.' 'Well sir, it burned down yesterday, but I'd like to insure it today.' And he'll say 'I'm sorry, but we can't insure it after it's already burned.' Well, no preexisting conditions."

Ex-Arkansas governor and Baptist minister turned talk show host, Mike Huckabee, denouncing the notion of providing health insurance to people with pre-existing conditions at the recent Value Voters Summit.

“If you can do what I do, then you shouldn’t have syndication.”

Tom Kent, self-syndicated night time and weekend host on a couple hundred stations (www.TomKentRadio.com), appearing on the Radio Show panel “Syndication: The Recipe for Success.”

Tom sure fooled me. I didn’t realize that he wasn’t live-and-local when I found Tom’s show on a local station at home.

“Self-expression is the new entertainment.”

Huffington Post publisher Arianna Huffington

“It really wasn’t a difficult decision at all once I really began to think about it because this is where the action is.”

30-year Newsweek veteran Howard Fineman, announcing that he’s leaving – “going paperless” -- to become Senior Editor at The Huffington Post. As The New York Times noted:

“His departure is another major loss for Newsweek, which has been losing top talent in droves since the magazine was sold in August for almost nothing to the stereo equipment magnate Sidney Harman.”

Memo to Howard Stern, whose Sirius XM contract is about to expire: YOU don’t need Mel’s transmitter.

“Media businesses these days are like those guys you sometimes see walking the beach with a metal detector. The ebb of traditional revenue streams has spurred efforts to turn up something valuable that everyone else has missed just below the surface.”

Chicago Tribune business columnist Phil Rosenthal:

“The proven loyalty of his fans, their willingness to pay to hear him the last five years and improved digital technology gives Stern a very real option of charging listeners directly to get his programming online or by phone if Sirius XM doesn’t come up with enough scratch for a renewal.

“I don’t buy into [the notion that radio] is ‘a dinosaur medium.’ If you don’t have a smartphone app for your station, make one.”

FCC Commissioner Robert M. McDowell, appearing in a standing-room-only Radio Show session. To hear the hour-long interview I did with The Commish, when I guest-hosted Westwood One’s Jim Bohannon Show, click “4Jimbo” at www.HollandCooke.com

At the Radio Show, McDowell characterized in-car streaming as “both a threat and an opportunity” to broadcasters; urging that local stations should be “more hyper-local,” because streaming is worldwide.

“The new Edge understands 10,000 voice commands. Enough said.”

Full-page newspaper ad for Ford’s 2011 Edge with MYFORD TOUCH technology, the third-generation of the dashboard this newsletter has previewed since Ford SYNC was introduced.

Each February here, you read my notes from the massive, mind-boggling Consumer Electronics Show, held each January in ‘Vegas.

- So you read two years ago that, when he keynoted the 2009 CES, Ford CEO Alan Mulally introduced the first-gen SYNC, and predicted that Ford would sell a million SYNC-equipped cars that year.
- Then, a year later, keynoting again, he confirmed that Ford reached its goal...by mid-year...during a recession. “We’re a technology company that makes products with wheels,” he explained. On-demand media are THAT in-demand.

Good News/Bad News:

- The Bad News: Radio has lost its dashboard monopoly. It did several years ago, when new cars featured an iPod jack; and, arguably, as-long-ago as 8-track tapes. But iPod’s unprecedented adoption changed the game. Now, Pandora is in-car...even in cars without Internet access. Just plug your iPhone into the dashboard connector, or use one of those FM converter cords.
- The Good News: In older cars, which many cash-strapped listeners are still driving, and will TFN, AM/FM radio is still the mobile information/entertainment “app.”

In either case, radio will make-the-most-of the situation by following Commissioner McDowell’s advice to offer local content.

