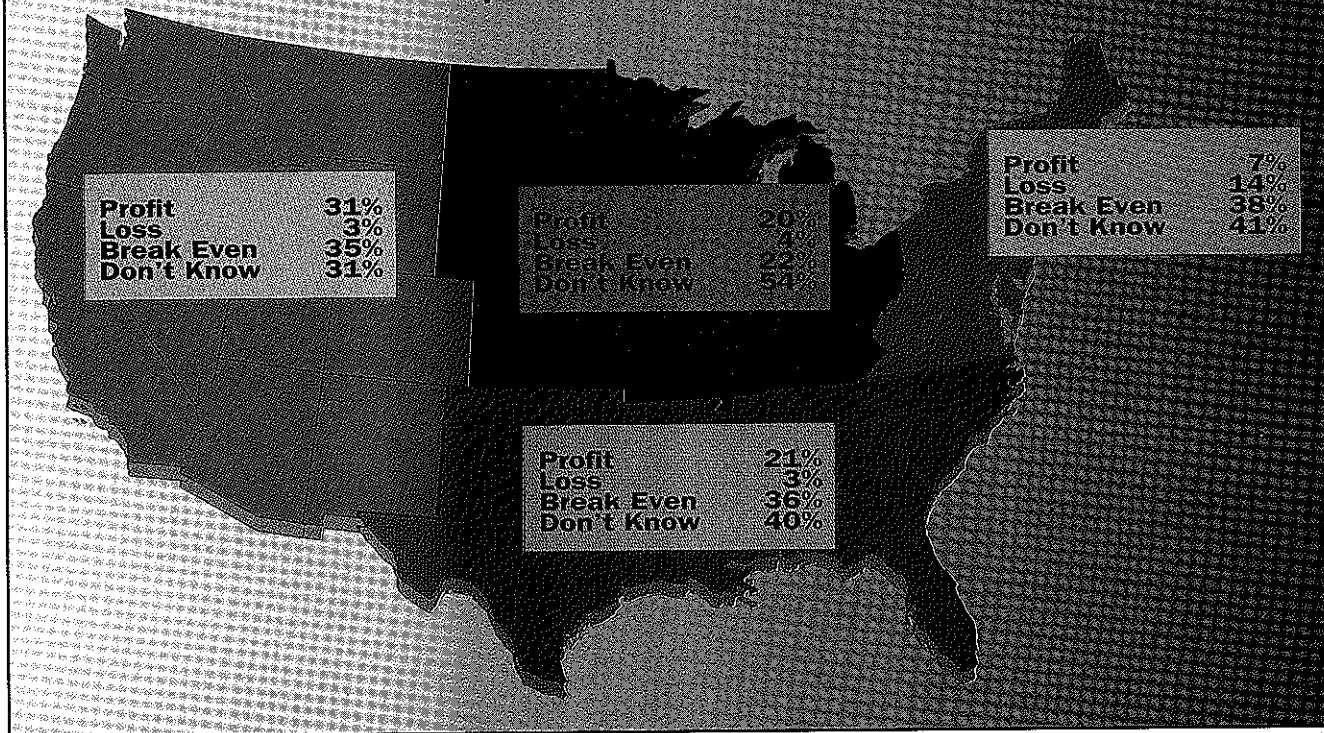


RADIO NEWS PROFITABILITY

News Department Profit by Region



The Midwest and South provided similar profit-and-loss figures, but stations in the West were most likely to report making a profit on news, and stations in the Northeast were least likely to report a profit and most likely to report a loss.

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Broadcast News Profitability

	N	Showing Profit	Showing Loss	Breaking Even	Don't Know
All TV	218	72%	4%	7%	17%
Network Affiliates		75	3	7	15
Independents		46	17	8	29
ADI 1-25		76	9	6	9
ADI 26-50		72	0	12	16
ADI 51-100		74	4	8	14
ADI 101-150		74	5	7	14
ADI 151+		64	4	6	26
FT Staff 51+		87	0	10	3
FT Staff 31-50		86	0	4	10
FT Staff 21-30		72	10	10	8
FT Staff 11-20		69	3	8	20
FT Staff 1-10		32	14	4	50
West		68	4	6	22
Midwest		76	1	7	16
Northeast		68	5	9	18
South		71	8	8	13
All Radio	229	18%	5%	31%	46%
Commercial		20	5	31	44
AM		16	11	37	36
FM		13	6	33	48
AM/FM		27	1	26	46
West		31	3	35	31
Midwest		20	4	22	54
Northeast		7	14	38	41
South		21	3	36	40

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"If you would not want your 8-year-old child to hear it, don't put it on the air."

minute newscasts a day: morning drive, noon and 5 p.m. He does all of them himself. "News makes good money," Brown said, and the audience "wants more and more."

"Local news sets us apart from the competition," according to Mike Summers, news director at KOMC (AM, variety) and KRZK (FM, country) in

Branson, MO. If news wasn't profitable, said Summers, "I wouldn't be here." They've been adding newscasts—local newscasts—to help separate them from the out-of-town competition.

"Most of the major contracts with advertisers include news sponsorships," according to Lisa Kennedy at WZTU (FM, adult alternative rock) in Bear Lake,

MI. Local news is important to Kennedy, who's lived in Bear Lake all her life, as have her parents and grandparents.

WGH (FM, country) in Newport News, VA, used to have a news director and will have one again later this spring. Budget is the problem, according to program director Randy Brooks. "This is a music station," said Brooks, "and news is very peripheral." Still, the station will hire another news director to handle morning news, pay attention to the pub-

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"There will be a need for radio news because most people get their news in the morning on the run from radio."

lic file, take care of PSAs and other aspects of the job. The station does news every half-hour from 6 to 9 a.m.—in 97-second newscasts.

News director Don Robertson has worked for four different owners during his eight years at KMXZ (FM, adult contemporary) and KKHG (FM, rock) in Tucson, AZ. He said news makes money there, and everything is sponsored. He said the news has evolved over the years,

with less hard news and more entertainment and features.

Valorie Mack isn't sure whether news makes money for WJBR (FM, adult contemporary) in Wilmington, DE. It's really a music station, but "news is an important part of the whole service package." She said there are lots of commercials in the news, and there will "always be a demand for local news. People want to know what's going on."

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Gil Daugherty is in his 21st year in radio news, the last five at WLRS (FM, adult contemporary) in Louisville, KY. Daugherty said news makes money for the station through sponsorships. The station runs 90-second to two-minute newscasts starting at 5:30 a.m., every half-hour, through 8:30 a.m. "People want to hear quick headlines," said Daugherty. The station evolved from traditional five-minute newscasts to a shorter, "lighter, almost flippant approach, sometimes irreverent." The guideline, according to Daugherty, is that "if you would not want your 8 year-old child to hear it, don't put it on the air."

"There will be a need for radio news because most people get their news in the morning on the run from radio," said Daugherty, and that will last until we have a major change in our morning and working lifestyle.

"You betcha! News is profitable," according to Mike West, news director at KMTT (FM, adult alternative) in Seattle. "We're highly salable." Sponsorship tags alone go for \$25 to \$50 each, and the station sells four per hour from 5:30 to 10 a.m. "I think news is valuable. The baby boomers are interested in facts and factoids—not in depth, but not rip 'n read." West compares his news to *USA Today*, "like brain candy." The biggest change West said he's seen is less news in dayparts outside of morning drive. He sees that as a mistake driven by consultants and budget cutbacks.

"What we try to do is break even or make a little profit" on news, according to Bob Lipman. Lipman is news director and part owner of WTSV (AM, nostalgia), WNHV (AM, nostalgia), WHDQ (FM, classic rock) and WKXE (FM, soft rock) in White River Junction, VT, and Claremont, NH. "We want to be the radio news leader in the market," according to Lipman, who feels they accomplish that. "We know the role news plays. Surveys tell us news is important in what people decide to listen to, especially in the morning." ■

Bob Papper is associate professor of telecommunications at Ball State University and has worked extensively in radio and TV news. Andrew Sharma, Ph.D., and Michael Gerhard, Ph.D., are both assistant professors of telecommunications at Ball State University with extensive industry and research experience. This research was supported by the Department of Telecommunications at Ball State University and the Radio and Television News Directors Foundation.