Public Radio
Local Economic Impact – An Update

USA station surveys in 2008 and 2009 gave the public radio system a first and second look at the potential economic effects on their operations. This is the third annual look that will give managers understanding of the economic impact on stations.

JUNE 2010

Here are the results of the June, 2010 USA Local Economic Impact Survey with 147 stations responding. Like the first two surveys, this was sent to multiple listservs and all licensee types.

NEW QUESTION FOR 2010: *The station and/or licensee are considering a new governance/ownership structure including: (check all that are being considered)*

Stations could respond with more than one answer to this new question. Therefore, some of the responses reflect multiple considerations by individual stations.

82% of the stations are **not** considering a new governance/ownership structure.

7% are considering consolidating with another public media entity.

4% are considering the sale of the station.

7% are considering a license management agreement (LMA).

7% are considering other options like shared service agreements, staff reorganization, increasing partnerships, transferring more control to the foundation, purchase of a second FM station, and surrendering the broadcast license. One station manager stated, "With the current economic situation everything is on the table."

Black = 2010 Responses ** Blue = 2009 *Red = 2008

JUNE 2010 SURVEY – (147, **164, *160) STATIONS RESPONDING

COMPARING SURVEYS

46% (**46%, *42%) of station managers anticipate and/or already have received notification of cash support reductions from their university, college, school system, or state licensees. **54%** (**54%, *58%) of the stations said they have not received notification or this question was not applicable to their licensees.

Black = 2010 Responses ** Blue = 2009 *Red = 2008

5% **(**7%,** *<1%**)** of the stations are experiencing significant licensee cash support reductions at levels of $200,000 and over. Other cash support reduction amounts are similar among the 2010, 2009, and 2008 surveys. **24%** **(**26%,** *28%**)** say their cash support will be reduced by their licensee by up to $49,999, and **12%** **(**12%,** *10%**)** say their anticipated cash support reduction would range from $50,000 to $199,999. Another **6%** **(**6%,** *6%**)** do not know what the reductions, if any, will be.

How does the economy affect programming and public service? The economy is still having an impact on changes reported by some stations in national programming. **19%** **(**24%,** *9%**)** of stations are reporting their national programming services will be affected. However, more stations **59%** **(**52%,** *67%**)** say they anticipate no changes in their programming or public service offerings. The effect of the economy on local programming and website services is a little less with **12%** **(**19%,** *20%**)** responding that local programming services will be reduced or eliminated, and **4%** **(**7%,** *4%**)** say website services will have to be reduced or eliminated.

As has been observed by the down turn in attendance at the national and regional conferences, the economy is still affecting meeting attendance and resources for the national and regional organizations. **20%** **(**20%,** *12%**)** say travel, memberships in organizations, phones, temporary student staffing, and various other reductions were also anticipated.

The technical and equipment reductions or eliminations remain constant. **25%** **(**24%,** *17%**)** report reductions in technical upgrades, **28%** **(**29%,** *25%**)** in equipment purchases, **9%** **(**10%,** *6%**)** on service area expansion, and **14%** **(**15%,** *13%**)** on planned HD upgrades.

In the area of personnel, **31%** **(**32%,** *29%**)** report staffing reductions with **22** **(**23,** *22**)** stations eliminating one or two full-time-staff (FTE). **4** **(**4,** *5**)** stations eliminating three to six FTE, and **3** **(**4,** *0**)** eliminating six or more FTE.

In regards to imposed service fees or administration overhead charges paid by the station to the licensee, **58%** **(**75%,** *73%**)** anticipate no change, **18%** **(**18%,** *19%**)** anticipate an increase and/or new charges, and about **6%** **(**7%,** *8%**)** are

Black = 2010 Responses **** Blue = 2009** ***Red = 2008**

"waiting to see" what new charges may be imposed upon the station. For **18%** of the stations responding this question was not relevant.

When managers were asked to project changes in audience support, business support, and/or foundation support, a variety of responses were given. For this question, multiple choices were allowed. **22%** (****15%,** *27%) expect no changes. **25%** (****29%,** *33%) anticipate less audience support. **36%** (****64%,** *49%) anticipate reductions in business support, and **18%** (****36%,** *23%) anticipate reductions in foundation support.

On the positive side, **36%** (****28%,** *18%) of stations anticipating an increase in audience support, **32%** (****13%,** *11%) in business support, and **8%** (****5%,** *5%) in foundation support.

Stability seems to be coming back into some of the projections. When asked to project changes in cash support excluding cash support from the CSG, university, college, school system, and/or state but including support from listeners, business and foundations, about **42%** (****28%,** *31%) of station managers anticipate no change or an increase in support, **31%** (****51%,** *57%) foresee a reduction of up to $139,999, and **5%** (****13%,** *6%) expect a cash support reduction of over $200,000.

This survey will be repeated again in 2011. Thanks to all the stations that participated.

The *University Station Alliance (USA) is a grassroots organization founded in 2001 to assist university-licensed stations with the challenges and opportunities associated with their licensees. University-licensed stations make-up 63-percent of the public radio system. *University is a generic title that includes colleges, school systems, and state agencies. More information about the USA can be found at www.us-alliance.org.

Craig Beeby
USA Executive Director
craig.u-sa@sbcglobal.net
(405) 624-1192