Public Radio
Local Economic Impact – 2011 Update

USA station surveys in 2008, 2009, and 2010 gave the public radio system looks at the potential economic effects on their operations. This is the fourth annual glance at the economy's impact on stations. Stability and optimism seems to be coming back into some of the projections and fewer stations considered new governance/ownership structures.

JUNE 2011

Here are the results of the USA Local Economic Impact Survey with 141 stations responding. Like the first three surveys, this was sent to multiple listservs and all licensee types. The responses from 2008 – 2010 are included for comparisons.

Green = 2011 Black = ***2010 ** Blue = 2009 *Red = 2008

2011 SURVEY RESPONSES – 141 (***147, **164, *160)

This is the second year we asked this question: *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. Therefore, some of the responses reflect multiple considerations by individual stations.

88% **(***82%)** of the stations are **not** considering a new governance/ownership structure.

- **4%** **(***7%)** are considering consolidating with another public media entity.
- **5%** **(***4%)** are considering the sale of the station.
- **4%** **(***7%)** are considering a license management agreement (LMA).
- **5%** **(***7%)** are considering other options like: purchasing a new station; discussing partnerships; selling the TV station and keeping the radio station; and entering into an LMA over another station.

Other comments reflect that university-licensed stations are equally purchasing additional stations and/or selling existing stations. An unnamed University has completed the purchase of a second full-service public radio station. Another station manger comments, "We are in the process of selling one of our stations. This sale was not predicated on loss of support, but rather a reordering of priorities that focus the station's strategic goals more towards news/information." A third manager says, "We are looking to increase partnerships with other state public radio stations … we are leery of public TV partnerships, but not completely apposed." A couple of station managers commented on pending potential LMA agreements. One station was sold to another public radio entity and finally, another station management team looked at the financial opportunity to consolidate but the financial numbers did not support the concept.

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Licensee Cash Support Reductions

38% (***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.

62% (***54% , **54%, *58%) of the stations said they have not received notification or this question was not applicable to their licensees.

Cash Support Reduction Amounts

5% (***5%, **7%, *<1%) of the stations are experiencing significant licensee cash support reductions at levels of $200,000 and over.

28% (***24%, **26%, *28%) say their cash support will be reduced by their licensee by up to $49,999.

13% (***12%, **12%, *10%) say their anticipated cash support reduction would range from $50,000 to $199,999.

5% (***6%, **6%, *6%) do not know what the reductions, if any, will be.

Economy's Affect on Programming & Public Service

15% (***19%, **24%, *9%) of stations are reporting their national programming services will be affected.

72% (***59%, **52%, *67%) say they anticipate no changes in their programming or public service offerings.

13% (***12%, **19%, *20%) responded that local programming services will be reduced or eliminated.

3% (***4%, **7%, *4%) say website services will have to be reduced or eliminated.

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Technical & Equipment Reductions

11% (***25%, **24%, *17%) report reductions in technical upgrades.
17% (***28%, **29%, *25%) reductions in equipment purchases.
4% (***9%, **10%, *6%) reductions on service area expansion.
10% (***14%, **15%, *13%) reductions on planned HD upgrades.

Personnel

30% (***31%, **32%, *29%) reporting staffing reductions.

16 stations (***22, **23, *22) eliminating one or two full-time-staff (FTE).
3 stations (***4, **4, *5) eliminating three to six FTE.
3 stations (***3, **4, *0) eliminating six or more FTE.

Imposed Service Fees or Administration Overhead Charges Paid by the Station to the Licensee

64% (***58%, **75%, *73%) anticipate no change.
14% (***18%, **18%, *19%) anticipate an increase and/or new charges.
6% (***6%, **7%, *8%) are "waiting to see" what new charges may be imposed.

Support from Audience, Businesses, and/or Foundations

(Multiple Choices Were Allowed)

30% (***22%, **15%, *27%) expect no changes.
7% (***25%, **29%, *33%) anticipate less audience support.
19% (***36%, **64%, *49%) anticipate reductions in business support.
6% (***18%, **36%, *23%) anticipate reductions in foundation support.
47% (***36%, **28%, *18%) anticipate an increase in audience support.
37% (***32%, **13%, *11%) anticipate an increase in business support.
18% (***8%, **5%, *5%) anticipate an increase in foundation support.

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Cash Support Projections Excluding Cash Support From the CSG, University, College, School System, and/or State but Including Support from Listeners, Business & Foundations,

55% **(***42%, **28%,** *31%**)** anticipate no change or an increase in support.
22% (*****31%, **51%,** *57%**)** foresee a reduction of up to $139,999.
5% **(***5%, **13%,** *6%**)** expect a cash support reduction of over $200,000.

This survey will be repeated again in 2012. Thanks to all participating stations.

> 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.

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