



## ***What IF?***

# ***What If Project ACORN Succeeds?***

By 2010:

- **1,000 Member Stations**
- **Increased Format Focusing & Diversity**
- **Adding 5-10 Million New Listeners**

DECEMBER 2002

Mike Starling  
VP, Engineering & Operations  
Signal Expansion Summit  
December 10, 2002



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# Strategies for Signal Expansion

- **Save (Protect Vulnerable Services)**
  - 800 translators *unprotected*
  - Some licensees under pressure; WDCU>WYPR
- **Shoe-Horn (Add New Stations)**
  - Primary Growth During 90's: 447 to 709
- **Acquire (Purchase Stations)**
  - Colorado Public Radio; Nashville; Boise
- **Convert (Existing "NCE's")**
  - Bates Technical College



# Respectable Growth To Date

## Number of National Public Radio Stations

787% Growth in 30 Years

Source: NPR Audience Research





## ***Is There Public Radio Under-Service? In the Top 50 Markets?***

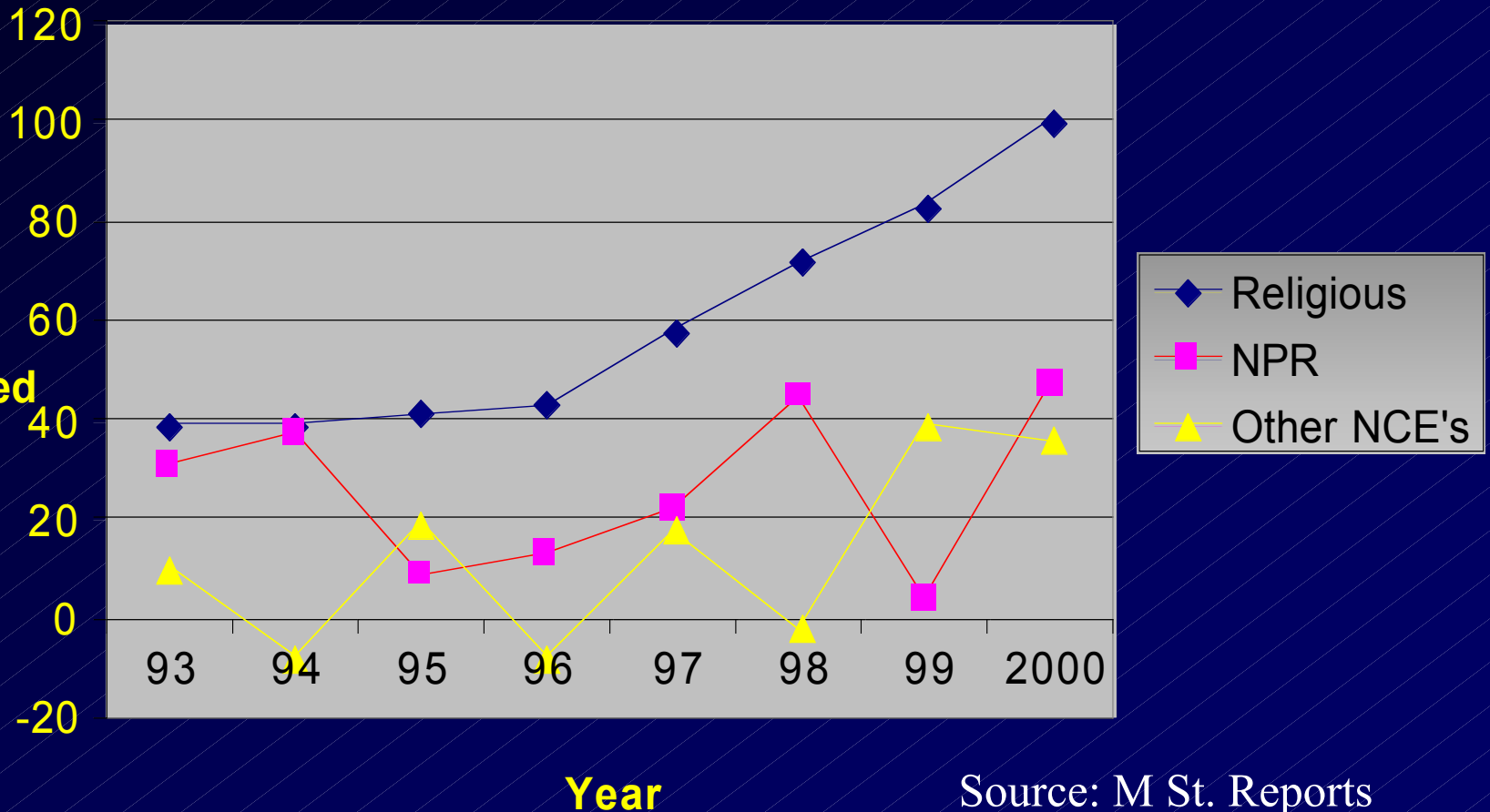
- **122 Million Americans live in the Top 50 Radio Markets**
- **One market *appears* to have no licensed NPR station**
  - 1.4 million (Somerset-Union)
- **22 Markets *appear* to have sole NPR service only**
  - 46 million
- **15 markets *appear* to be dual NPR service markets**
  - 38 million
- **Totals for the Arguably Underserved Markets**
  - **39 markets**
  - **Covering 85 million out of 122 million (nearly 70%)**

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# Competitive NCE Environment

## Noncommercial Station Growth in 1990's

Number of Stations Added



## Radio Industry Growth Trends in the 90's

- **Commerical Stations –9.3%**
  - From 9,723 to 10,629
- **Independent NCE's – 11% Growth**
  - From 937 to 1041
- **NPR Stations – 46% Growth**
  - From 447 to 655
- **Religious Stations – 123%**
  - From 385 to 860

# Good News, Bad News

- **FCC**
  - Possible Freeze Lift in '03 – '04
  - Newspaper Crossownership Limits Likely to be Lifted in '03
- **AM Opportunities**
  - HD Radio ; AM Expanded; Real Estate issues/Diplexing
- **800 Translators – all *displacement vulnerable***
  - Recent Lake Charles Episode Just One Example
- **Economic Pressure on State-Municipal-HE Licensees**
- **Economic Pressure on Commercial Debt Loads**

# Methodical Assessment of National Priorities

- **Urgent Need to Prioritize**
  - Underservice Needs
  - Best Audience Growth Opportunities
- **Service need + signal opportunity + station readiness**
- ***No National Survey Since 1988 – last survey used '80 data***
  - Two Census Reports
    - Significant Demographic Shifts
  - Majority of Minorities
- **Work Underway**
  - Catalog of Best Spectrum Engineering Practices
  - FCC Activity Flagging Service RFP
  - Signal Expansion Summit set for Dec. 9-10
  - Outreach to funding partners



# Team, Next Steps

- **NPR Engineering, Member Services, Audience Research**
- **Regional Station Partners**
- **Institutional Partners (PRC, PTFP, CPB)**
- **ACORN Steering Committee (“Dirty Two Dozen”)**
  - **Commercial & NonCom Experts (December in DC)**
- **Estimated \$400,000 NTIA Style Nationwide Study**
  - Urgency Prompts focus to \$150,000 *drill-down* in Top 100 Markets

## What’s Missing:

- **Need for “Signal Expansion Dept” at NPR?**
  - **Brokerage Relationships?**
  - **Tax Credits for Sales to CPB-Qualified Stations?**
  - **Point System Enhancement for Local Ownership Integration & Community Ascertainment?**
- Mike Starling, [mstarling@npr.org](mailto:mstarling@npr.org); 202-513-2484; 202-744-7655 (7/24)**

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# Digital Transition Challenges

- **Cost for radio conversion = \$116 million for “main stations”**
  - TV funding need enormous & not complete
- **Cost for translators not yet determined**
- **Secondary audio in experimentation phase**
- **Receivers must be adopted by consumers**

# Future: All Paths In Use

- **Great Spectrum Repack Initiative**
  - (Smart Finder vs. T.A.M. Craven Principle)
- **DTV's Analog Return (O<sub>2</sub> Please)**
- **Wireless Convergence**
- **Radios As Computers w/ RF Front-End**
  - **Time-shifting Reinvents The User Relationship**
  - **Radios Become Gateways**
  - **Receiver Functionality Becomes Competitive**



# Digital Transition Benefits

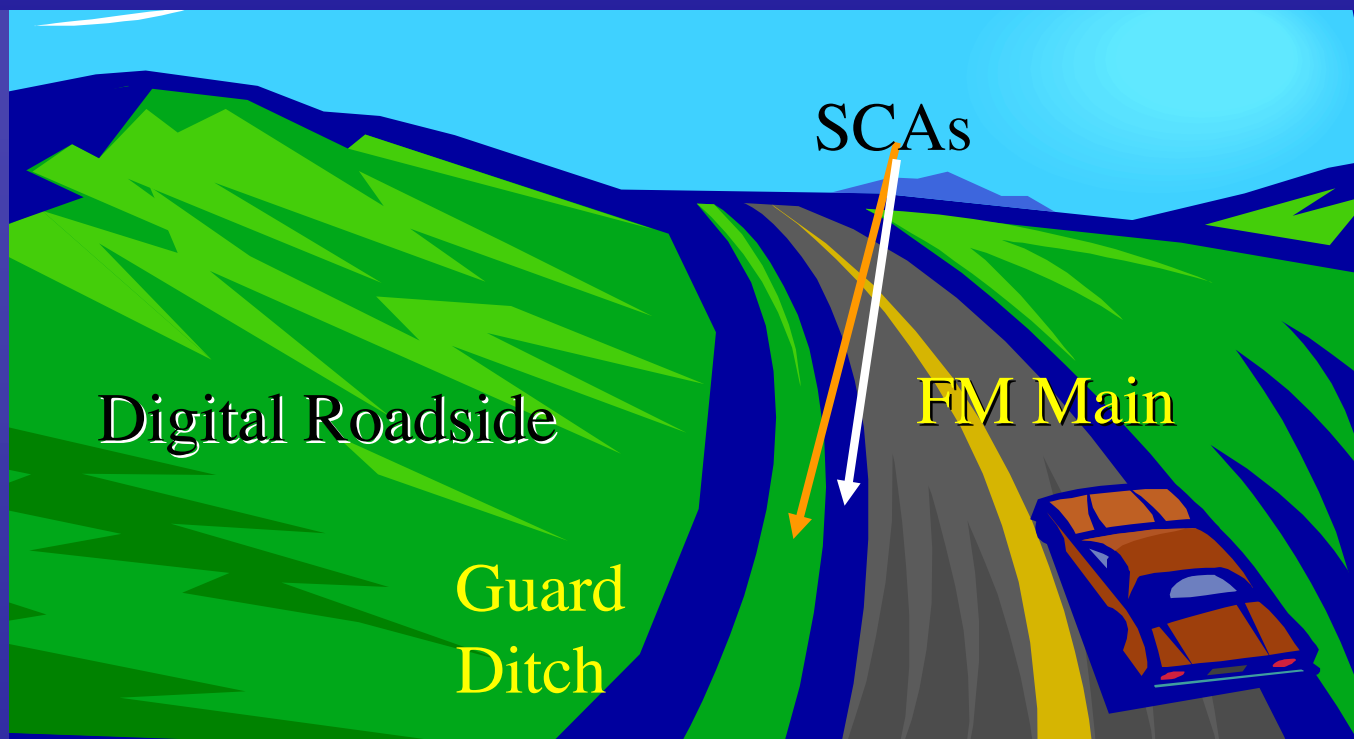
- **FM to CD Quality**
- **AM to FM Quality**
- **New Services on the “digital roadside:”**
  - Secondary audio in “hybrid” phase
  - Addl audio in later all-digital phase
  - Text, data, graphics & on-demand content

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# Related Service Expansion Work

## High Definition Radio

### NPR's MultiChannel Demonstration Project



Dual Program Services; Weather, Traffic  
on Demand; Tivo<sup>tm</sup>-Radio (for starters)

