To the Graduate Council:

I am submitting herewith a dissertation written by Linwood A. Hagin entitled "U.S. Radio Consolidation: An Investigation of the Structures and Strategies of Selected Duopolies." I have examined the final copy of this dissertation for form and content and recommend that it be accepted in partial fulfillment of the requirements for the degree of Doctor of Philosophy with a major in Communications.

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U.S. Radio Consolidation: An Investigation of the Structures and Strategies of Selected Duopolies

A Dissertation

Presented for the

Doctor of Philosophy

Degree

The University of Tennessee, Knoxville

Linwood A. Hagin

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DEDICATION

This dissertation is dedicated to my family:

Lisa, my wife,

Heather, my daughter, and

David, my son

for their sacrifices and encouragement during

the last three years.

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ABSTRACT

This study investigated the organizational structures and management strategies of selected radio duopolies. At the time of this study radio duopolies had been legally permitted to exist throughout the radio industry for less than two years. Radio broadcasters were groping for the appropriate designs and strategies to successfully operate a duopoly. Sixty-nine owners and managers representing 16 duopolies and 15 markets were interviewed using an interview guide. Two of the 69 interviews were conducted as a pilot study to revise the interview guide and develop more precise research questions. Station documents were analyzed from the local public file and the stations' files at the FCC building in Washington, D.C. An FCC official was also interviewed for background information. Observation of some duopoly activities was also used in data collection.

Qualitative analytic techniques used by three other researchers (McCracken; Strauss and Corbin) were used to develop an overall model supported by four themes and 12 sub-themes. The interview transcriptions were individually analyzed word by word and by participant. The interview transcriptions were collectively analyzed by six responsibility areas and by nine question groups.

Results indicated some consensus among duopoly managers on the ways available to structure and manage duopolies. However, there was not uniformity in the implementation of those strategies throughout the duopolies in this study. Duopoly managers and owners have used a vehicle (the duopoly staff) to travel along the duopoly highway in three phases. The travel process model consisted of the finding, learning, and leading phases.

Duopolies have succeeded in the radio industry. The success rate may not have been as fast as some owners hoped. Duopolies have put some people out of work. Duopolies have eliminated some niche formats from certain markets. On the other side, duopolies have added jobs to a community and created new positions in some radio stations. Duopolies have brought niche formats to a market to serve an unserved audience. Duopolies have kept some stations on the air. This study has shown that duopolies on the local level can be a benefit to the communities of listeners, advertisers, and employees.

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CHAPTER ONE

INTRODUCTION

United States radio stations have increased in number since the era of deregulation began in earnest with the 1981 Federal Communications Commission (FCC) deregulation order.[1] There were 8,761 radio stations on-the-air in mid-1980 (Broadcasting, 1980). This number increased 25% to 11,647 by mid-1994 (Broadcasting&Cable, 1994). Two deregulatory FCC decisions contributed to this growth: repeal of the anti-trafficking rule in 1982 and the introduction of 689 additional allocations (Carter, et al., 1989) for more FM stations through what became popularly known as Docket 80-90.[2]

In 1962 the FCC adopted a three-year holding period for radio licenses before the stations could be sold again.[3] The anti-trafficking rule's repeal allowed station license holders to sell a station without holding the license for any specified time. The FCC required a one-year holding period, however, for licenses acquired through a comparative hearing or the minority ownership policy (Carter, et al., 1989). Marketplace forces have helped correct the excess number of stations being trafficked. National Association of Broadcasters (NAB) official Mark Fratrik said: "You can no longer buy a station, then turn

1. 84 FCC 2d 968 (1981).
2. 94 FCC 2d 152 (1983).
3. 32 FCC 689.

around and sell it. There are fewer buyers and more sophisticated buyers in the market" (Kadzis, 1992).

Docket 80-90 created a table of FM frequency allotments to be introduced and assigned on a rotating basis from 1985-1988. Docket 80-90 also allowed stations the flexibility of upgrading their technical facilities in order to put their signal over a larger, more populous market.

Additional stations seeking revenue from essentially the same number of advertisers forced many stations to close their doors by 1990. Even before the U.S. recession that began in the late 1980s, many radio stations found that the revenue pie had become a lot smaller than when they started their businesses. Subsequently, many stations began losing money and even going dark (off-the-air). More than half of all radio stations lost money in 1990.[4] Since 1988 average AM station operating profits fell 50% and average FM station operating profits fell 36% (Mass Media Bureau, 1992). Almost 300 stations were silent in 1992[5]. Two years later that number increased to 379 silent stations (Radio Business Report, 1994). Hundreds of stations that did remain on the air were switching from live programming to satellite-delivered programming in order to reduce expenses. Many broadcasters from around the country said this was not serving the community.

This introduction chapter has five parts. The first part will be a combination of a brief background to the study and definitions of terms used in the study. The second part will include the historical and legal background of the study. The third part will explain the research questions. The fourth

4. 7 FCC Rcd 6387, footnote number three, refers to an NAB Press Release (July 2, 1992) that the trend continued in 1991 with 58% of all radio stations losing money.
5. 7 FCC Rcd 6387 (1992).

part will outline the parameters of the research. The final part will describe the organization of this study.

PART ONE

BACKGROUND

FCC deregulation combined with two other factors to force the radio industry to re-examine the way stations were operated. The first factor was the accumulation of heavy debt loads by companies that expected to make a quick profit from radio station trading. The second factor was a decrease of available advertising revenue during the 1989-1992 U.S. recession.

Elimination of the three-year holding period for radio licenses brought new money into the radio industry. Investors who previously did not want their money tied into one investment for three years could now invest into the radio business and be able to exit at any time, assuming there were always going to be other willing buyers or investors. Some radio companies would leverage their investment against a multiple of a predicted cashflow based on expected growth of advertising revenues. The ready access to new capital and investors allowed broadcasters to enter these highly leveraged transactions (HLTs) in order to increase their group holdings or upgrade their facilities. Since the acquisition of additional debt was based on the cashflow of a radio station, the owner was expected to increase the cashflow over the years so the investors would realize a sizable return on their investment.

Radio stations, along with other media, were dealt a severe blow when the economic recession forced advertisers to cut back their media spending in

the early 1990s. Two reasons have been cited for this advertising decrease. The first reason was the massive debt incurred by store owners who themselves attempted leveraged buyouts of competitors. The other reason pointed to advertisers seeking more accountability for their promotional dollars, turning their efforts to cable television, couponing, and direct mail (Anderton and Sanders, 1992). Radio stations indirectly contributed to less advertising revenues by lowering rates to compete with the additional stations that had brought in the additional commercial inventory to the market (Quinn, 1992). This downturn in advertising revenue for radio stations meant owners were not able to service their HLTs. Radio stations, as well as other media companies, were forced to adopt different business practices in order to adapt to the new economic realities (Owers, et al., 1993). These business practices included personnel layoffs, reducing the costs of production, pursuing additional revenue streams, and "niche" marketing (Owers, et al., 1993).

Relaxation of FCC policies that restricted the number of stations allowed in a market, a subsequent increase of capital and investors into the radio industry, and a weak economy in the retail advertising industry were three factors that affected the financial picture of many radio stations. Stations were forced to cut back in their service to their community of license, reduce their staff and other expenses, declare bankruptcy and put the station into the hands of a court-appointed receivor, enter into a financial workout with creditors, or turn off the transmitter and wait for someone to buy the station before the license had to be returned to the FCC. There were some station owners, however, who began to wonder if some form of consolidated

operations with another station in the same market might forestall the previously mentioned bleak financial outlooks.

The next part of this chapter will resume the discourse from this point and provide the historical and legal background to the study. At this point the author needs to introduce the reader to terminology used in the subsequent parts of this chapter and the rest of the study.

Definition of Terms

Radio station owners began combining operations by joining the programming or sales staffs of two stations in the same market or by joining the entire operations of both stations. The names associated with these alignments were varied but similar: Local Marketing Agreement (LMA), Joint Operating Agreement (JOA), Local or Joint Sales Agreement (LSA or JSA), Joint Operating Venture (JOV), or Time Brokerage Agreement (TBA). Two of these variations became widely-accepted by broadcasters: LMA and LSA. The FCC preferred to remain with the TBA acronym when referring to LMA arrangements in their written notices and regulations. FCC Mass Media Bureau Assistant Chief Stuart Bedell said, "Generally, when the Commission uses Time Brokerage Agreement or LMA they are using them the same way and they refer to the same kind of a deal" (Bedell, 1994). The difference that must be recognized is between the LMA/TBA and the LSA. The Local Marketing Agreement affects at least the programming content of the radio station whereas the Local Sales Agreement affects only the sale of time on the radio station. The LMA is regulated by the FCC. The LSA is not. Bedell said these

terms are not precise since there are also combinations of both "joint [local] sales agreements with time brokerage arrangements" (Bedell, 1994).

Two stations entering into one of these agreements would merge a portion of their operations. Usually, one of the stations was a strong station and the other a weak station in the market. Even though the sales, programming, administrative, or a combination of the three areas merged under an agreement, both licensees retained responsibility for their licenses. Typically, under an LSA, a station ("Agent") would take in another station's ("Licensee") inventory (commercial availabilities) and sell both stations' inventory. The Agent would receive part of the sales and collections. The Licensee would receive the remainder.[6] The LMA is also a financial instrument for stipulating terms by which a station's airtime is brokered to a competing station (Mims & Smith, 1993). The LMA typically is an agreement involving both the sales and programming aspects of the brokered station. A typical LMA might occur like this: Station A approaches station B. Station B is usually under some form of financial stress. Station A offers either a straight cash payment or a cash payment and a significant percentage of sales revenue. Station B will allow station A to program and/or sell all, or most of, the time on station B (Anderton and Sanders, 1992).

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6. Based on an interview with Bill Hays, February 24, 1993. Hays is General Manager and Vice President of Oak Ridge FM, Inc., the Agent in an LSA with WCKS Broadcasters, Ltd. Hays would not comment on what the percentage split was, saying, "the FCC doesn't require us to give out that information." LSAs are only required to be in the station's public file. LMAs are required to be filed with the FCC within 30 days of implementation (7 FCC Rcd 6402; 1992). This particular LSA was terminated in early 1994 when a competing radio station attempted to buy the "Licensee" in this LSA (Radio Business Report, 1994).

Relaxation of the FCC's ownership regulations in 1992[7] allowed radio station owners to expand their LMAs and LSAs into part of their ownership structure. The FCC allowed radio operators to create a duopoly in their market. A duopoly differs from an LMA or LSA in that the purchasing owner takes over the license and total control of the purchased radio station. One owner then controls the licenses of two radio stations of the same service (AM or FM) in the same market.

The revisions created two market tiers. The first tier included markets with 14 or fewer stations. In this tier an owner could own up to three stations but not 50% or more of the stations in the market. Any combination in this tier could not have more than two stations of the same service. Examples of possible duopoly combinations in this tier would be:

AM-AM

FM-FM

AM-AM-FM

AM-FM-FM.

At least five stations would need to be in the market for an owner to acquire the first or second combination to meet the 50% restriction. To have the third and fourth combinations a market would need to have at least seven stations to meet the 50% restriction.

The second tier included markets with 15 or more stations. In this tier an owner could acquire up to four radio stations. Again, the two of the same service per combination restriction was applied to this tier. Also, any combination which included two stations of the same service could not have

7. The next part of this chapter will provide the background to the rule changes.

more than 25% of the audience listening to the combined stations. The audience measurement used was the latest one available at the time of filing for the other station(s') license(s). The measurement could come from Arbitron or a similar service. Provided these two restrictions were met this tier could have the same possible duopoly combinations as the first tier plus this additional one:

AM-AM-FM-FM.

Licenses not included in the revised duopoly rules were those licenses assigned to non-commercial stations, translators or stations not operational.[8] Non-operational stations are those new stations still being constructed or existing stations that are off-the-air.

The FCC also provided a new definition of the term "market" when market was applied to a duopoly combination. An owner determines what market tier the proposed duopoly combination would be in "by counting all a broadcaster's local 'post-transaction,' commonly owned radio stations and adding to that number all commercial radio stations the principal community contours of which overlap the principal community contours of any of the broadcaster's commonly owned stations" (NAB Legal Department, 1993). The contour was an engineering designation which showed how far out from the transmitter site a station's signal could be heard at a certain power. The five-millivolt contour was used for AM duopoly designations. The 3.16-millivolt contour was used for FM duopoly designations. An engineer for an owner who wanted to form a duopoly would plot the contours of the proposed combination and then plot all similar contours that would intersect any of the proposed

8. 7 FCC Rcd 6395 (1992).

combination's contours. The number of intersecting contours plus the proposed combination's contours would determine if the owner would be in a small or large market (an example of an engineering statement prepared for the Decatur duopoly can be seen in Appendix E).

PART TWO

HISTORICAL AND LEGAL BACKGROUND

This part introduces the reader to the legal and historical aspects of the duopoly rule. Separation of these two aspects into different segments would be difficult as the history of duopoly is intertwined with legal actions by regulatory agencies, the courts, and the U.S. Congress.

Through the 1970s

The FCC's interest in duopoly regulation stemmed from the Commission's investigation into chain (network) broadcasting in the late 1930s. In March 1938 the FCC had established a committee to investigate the radio networks and their affiliates. One of the issues in the investigation sought "information concerning the extent and effects of concentration of control of stations locally, regionally, or nationally in the same or affiliated interests, by means of chain or network contracts or agreements, management contracts or agreements, common ownership or other means or devices."[9] The Report on Chain Broadcasting was released in May 1941. The report reflected the FCC's

9. 54 FCC 2d 331.

interest in wider diversification of ownership and control of the mass media (Singleton, 1979). During the chain broadcasting investigation in 1940 the FCC also strengthened the duopoly rule that prohibited ownership by one person of more than one AM, FM, or TV station in a given market. The rule stated parties were prohibited from "owning, controlling, or operating (1) standard broadcast stations if their primary service contours overlapped substantially, (2) FM broadcast stations which served substantially the same area, and (3) television broadcast stations which served substantially the same area."[10] This rule forced the sale of radio stations in more than 40 markets (Singleton, 1979).

The Report on Chain Broadcasting laid the foundation for the FCC's multiple ownership rules. These early rules had a twofold objective: (1) Fostering maximum competition in broadcasting, and (2) promoting diversification of programming sources and viewpoints.[11] The FCC attempted to control local or regional concentration of broadcast stations through a variety of amendments to the duopoly rule which was encased in the multiple ownership rules. The first amendment became effective July 16, 1964. The general terms of "substantially the same area" were changed to more specific standards: "(1) standard broadcast stations—no overlap of predicted or measured 1 mv/m contours, (2) FM broadcast stations—no overlap of the

10. 45B FCC 1728 (1964). There is a slight distinction between the definition of concentration for AM and FM and TV licenses. This distinction is noted in the Federal Register: that an owner could not own or operate "another FM (or TV) station which serves substantially the same area." The restriction for standard (AM) stations was more specific: the rule bars overlap where "a substantial portion of (the applicant's existing station's) primary service would receive primary service from the station in question, except upon a showing that the public interest will be served through such a multiple ownership situation" 27 FR 6846 (1962).
11. 22 FCC 2d 307 (1970).

predicted 1 mv/m contours, and (3) television broadcast stations—no overlap of the predicted Grade B contours."[12] This amendment applied only to new station applications, assignment of licenses, or transfer of control of licenses.

The Commission's second attempt at modifying the duopoly rule occurred on March 25, 1970 when the "one-to-a-market" rule was adopted. This rule was "an extension of the present duopoly rules, since it would proscribe common ownership, operation, or control of more than one unlimited-time broadcast station in the same area, regardless of the type of broadcast service involved."[13] An owner could not own more than one AM, FM, or TV station in a market. The one-to-a-market rule did not apply to existing combinations, to certain AM stations,[14] or to non-commercial educational stations. One year later the FCC modified the one-to-a-market rule so AM-FM and radio-UHF combinations on a case-by-case basis were permitted.[15]

On July 23, 1975 the FCC released a Notice of Proposed Rule Making which sought comments on a proposal to again amend and expand the duopoly rule to a regional concentration rule by limiting a broadcast owner to four stations per state. AM-FM combinations would count as one station. After numerous filings against this proposal the FCC abandoned the concept of limiting station ownership within states and instead adopted a proposal to limit distances between owned stations. On April 22, 1977 the FCC amended the

12. 45B FCC 1728 (1964).
13. 22 FCC 2d 307.
14. Ibid. Class IV AM stations in communities with populations under 10,000 and daytime-only AM stations were also permitted to own FM stations in the same market if the FM station was not co-owned with a TV station.
15. 28 FCC 2d 662 (1971).

regional concentration rule to "prohibit generally the acquisition of a station or modification of facilities if such would result in the common ownership of three broadcast stations where any two are within 100 miles of the third if there is, or will be, primary service contour overlap of any of these related stations."[16]

As of the late 1970s the duopoly/regional concentration rule looked like this for a broadcast owner:

- The only new combination allowed would be AM-FM or radio-UHF;
- Co-owned stations could not be within 100 miles of each other if the primary service contours overlapped;
- Radio stations could not be co-owned if their 1 mv/m contour overlapped.

The 1980s

While the FCC's 36-year (1941-1977) struggle to define the duopoly rule was occurring there were many instances of broadcast owners applying for waivers of the duopoly rule. The author documented 24 such cases. Fourteen waiver requests were granted while ten waiver requests were denied. Reasons varied why the FCC was not consistent with the requests.

The FCC cited several criteria when duopoly waiver requests were denied. In particular, the FCC wanted to know (1) if controlling interests were identical, (2) whether there were differences in managerial or programming policies, (3) whether the stations were or could be engaged in actual competition, (4) if the duopoly would prevent future entry into the market by

16. 63 FCC 2d 828.

other applicants with "new, different, improved, and competitive services," (5) what was the benefit to the community beyond helping the "private interests" of the owner or providing media diversity in a community, (6) if the existing station or other stations in the area, in the case of an application for a construction permit, would adequately cover the proposed coverage area of the new station, and (7) if there was justification beyond providing the first local daytime or nighttime service to an area.[17]

The FCC was just as varied in their reasons for granting waivers of the duopoly rule as they were for denying waivers. Specifically, the FCC allowed duopolies to continue or to be formed when (1) an owner that would be in violation of the duopoly rule promises to divest interest in one of the stations by a specified time, (2) the FCC determined that the percentage of overlap was not critical, (3) the efficient use of existing signals was sufficient even though the existing stations were not operating at maximum power and the creation of a new station would prevent increases in power to the existing stations because of the duopoly rule, (4) a station owner promised not to make decisions concerning a station bought by an organization for which the owner was a director, (5) the choice was between the first FM service or no service at all for an area, (6) the overlap was actually for only a short time each day due to directional patterns between stations in two separate cities, (7) a station's assets were placed into an irrevocable trust for the benefit of the owner who purchased an overlapping station, (8) the high conductivity characteristics of salt water caused the overlap of AM signals, (9) the public would gain from a

17. 5 FCC 183 (1938); 28 FCC 261 (1960); 35 FCC 740 (1963); 1 FCC 2d 653 (1965); 42 FCC 2d 190 (1972); 53 FCC 2d 216, 755 (1975); 56 FCC 2d 42 (1975); 68 FCC 2d 992 (1978); 82 FCC 2d 279 (1980).

new local service, and (10) a principal's interest in an overlapping station was less than five percent and the stations were controlled, operated, and staffed separately in separate markets and were financially independent.[18]

These reasons for requesting a duopoly waiver exemplified a broadcaster's concern for the most efficient operation of multiple-owned stations in the same area. The Comptroller General of the United States reported to Congress in 1979 that over half of the nation's 7,000 radio stations by 1976 were involved in AM-FM co-owned, same-market combinations.[19]

The Commission's staff began to turn against the ownership rules at the start of the 1980s (Emord, 1989). The Commission's Network Inquiry Special Staff released a report[20] critical of the duopoly, one-to-a-market, and regional concentration of control rules. The Special Staff found that the [almost] forty years of FCC ownership regulation had produced almost no public interest benefits (Emord, 1989). On May 1, 1984 the Commission repealed the regional concentration of control rule.[21] The FCC found that the growth of media outlets and the competitiveness of these outlets would preclude anti-competitive behavior in regional media markets (Emord, 1989). Under the banner of deregulation the march towards elimination of the duopoly and one-to-a-market rules continued. A Notice of Proposed Rule Making was released

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18. 30 FCC 133 (1961); 31 FCC 982 (1961); 35 FCC 465, 740 (1963); 2 FCC 2d 364 (1966); 4 FCC 2d 809, 838 (1966); 17 FCC 2d 840 (1969); 37 FCC 2d 953 (1972); 47 FCC 2d 463 (1974); 62 FCC 2d 691 (1976); 67 FCC 2d 583 (1978); 69 FCC 2d 1256 (1978); 72 FCC 2d 198 (1979).
19. U.S. General Accounting Office: SD Cat. No. GA 1.13:CED-79-62.
20. Footnote 21 (Emord, 1989) cited the report by the Network Inquiry Special Staff, Federal Communications Commission Final Report, New Television Networks: Entry, Jurisdiction, Ownership and Regulation II-2 to II-13, II-32 to II-38 (1980).
21. 101 FCC 2d 402.

on February 20, 1987 supporting relaxation of the rule prohibiting overlap of the broadcast contours of co-owned commercial AM and FM stations in the same broadcast service and of the rule prohibiting common ownership of commercial radio and television stations in the same market.[22] The FCC cited examples of administrative and programming cost savings that could enhance program diversity as reasons to modify the local concentration rules (duopoly and one-to-a-market).[23] Two years and two days later the FCC modified the local concentration rules so that common ownership of two radio stations was permissible if the two stations' *primary* service contours overlapped. The common ownership would only be impermissible if the two stations' *principal city* contours overlapped.[24] Common radio-television ownership would be granted "favorable" review status for a requested waiver of the one-to-a-market rule if the request came from licenses in the top 25 markets or the licensees of other markets could demonstrate the existence of "failed" broadcast stations in those markets.[25]

Broadcast owners faced a new set of ownership/concentration rules as of the late 1980s:

- AM-FM combinations were now permitted in any location;
- The area covered by the duopoly overlap restriction for commonly owned stations had been reduced from the primary area to the principal city area;
- Some same-market combinations would be permitted.

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22. 2 FCC Rcd 1138.
23. 2 FCC Rcd 1140-1141.
24. The principal city contour is defined as the 5 mv/m contour for AM stations and the 3.16 mv/m contour for FM stations (4 FCC Rcd 1723).
25. 4 FCC Rcd 1741.

LMAs, TBAs, and the 1990s

Besides trying to own stations with overlapping contours other broadcasters attempted to join operations through the sales or programming areas. The Commission allowed a station in Alabama to program a specific number of hours on a competing station in order to provide adequate coverage of the area's high school football teams. The FCC limited this particular "time brokerage arrangement" to the specified time period indicated by the applicant.[26] The Commission did express concern that extensive time brokering might constitute an improper delegation of program control by the licensee to the broker(s), and hence conflict with the public interest.[27] Continued interest in joint operations prompted the FCC to issue a Notice of Inquiry on July 23, 1973 seeking comments on the use of combination advertising rates between competing radio stations.[28] The issue of brokering a radio station's time did not surface again until 1980 when the Commission re-visited time brokerage. The Commission premised their re-examination "on the view that it could foster healthy program competition and enhance diversity of programming by encouraging independently produced programming."[29] The Commission's focus of this policy statement was to encourage broadcasters to invest in the varied independently produced programs available so that all specialized audiences could be served. The

26. 31 FCC 2d 584 (1971).
27. 33 FCC 2d 653 (1972).
28. 41 FCC 2d 951.
29. 82 FCC 2d 108.

owner would derive benefits from serving a specialized audience while at the same time not incur the expense of operating an entire station for that audience.

Broadcasters began to feel the effects of the U.S. recession in 1989. Both the FCC and broadcast owners began to look for ways to keep radio stations economically viable. In a Notice of Proposed Rule Making on April 12, 1990, the FCC proposed a relaxation of its duopoly rules to allow common ownership of two AM stations in the same market if the owner agreed that any interference to other stations, caused by either station, would be reduced.[30] The FCC expanded the NPRM to a Report and Order on May 9, 1991 to examine possible changes to the radio ownership rules. The FCC sought answers for many questions including the following:

- Should the contour overlap (duopoly) rules be modified to permit ownership of multiple AM and multiple FM stations in the same market, if the cumulative local market shares of those stations are at or below a given percentage?
- Should the Commission adopt a specific policy encouraging joint ventures and cooperative arrangements among stations?
- Should the Commission adopt a comprehensive policy governing time brokerage agreements?[31]

Jessell (1991) reported on broadcasters' responses to the FCC's call for comments on the "attic-to-basement" review of the multiple ownership rules: "If there was a consensus among broadcasters, it was that the national multiple

30. 5 FCC Rcd 4387.
31. 6 FCC Rcd 3275.

ownership and the local duopoly rules must go or at least be relaxed." The National Association of Broadcasters (NAB) urged the Commission to continue policies which encouraged joint operations among stations, saying "collaborative efforts have often made it possible for marginal stations to remain on the air," especially during economic downturns (NAB Legal Department, 1993).

The FCC adopted rules, on March 12, 1992, which would have allowed common ownership of up to 30 AM and 30 FM stations nationwide and for a single owner to control the licenses of up to three AM and three FM stations in the largest markets. Specifically, the proposed changes in the duopoly rules would have allowed a single entity to own up to three AM and three FM stations in markets with forty or more stations if the stations did not exceed 25% of the combined audience share. In markets with 30-39 stations, three AM and two FM stations could be owned by a single entity if the stations did not exceed 25% of the combined audience share. In markets with 15-29 stations, two AM and two FM stations could be owned by a single entity if the stations did not exceed 25% of the combined audience share. In markets with less than fifteen stations, a single licensee could own up to three stations, with only two stations being in the same service, so long as this number was less than half of all local stations. The number of stations in a market and their market shares were to have been determined by Arbitron or similar data wherever possible.[32] This proposal immediately brought forth the ire of several U.S. Congress senators and representatives. Comments from broadcasters, the NAB, and the Congress over the next several months convinced the FCC to reduce the limits set in the

32. 7 FCC Rcd 2755 (1992).

NPRM, but still relax the ownership and duopoly restrictions. On August 5, 1992, the FCC adopted revised regulations for permissible duopoly acquisitions:

> §73.3555 (a)(1)(i) In radio markets with 14 or fewer commercial radio stations, a party may own up to three commercial radio stations, no more than two of which are in the same service (AM or FM), provided that the owned stations, if other than a single AM and FM station combination, represent less than 50 percent of the stations in the market. (ii) In radio markets with 15 or more commercial radio stations, a party may own up to two AM and FM commercial stations, provided, however, that evidence that grant of any application will result in a combined audience share exceeding 25 percent will be considered *prima facie* inconsistent with the public interest.[33]

The FCC also abandoned the use of Arbitron market designations. A market would be determined by the definition stated earlier in Part One (Definition of Terms) with respect to principal community contours. The national multiple ownership limits were reduced from the proposed 30 AM and 30 FM stations to 18 AM and 18 FM stations. The rule changes became effective when they were published in the Federal Register, September 16, 1992.[34] Two years from this date, on September 16, 1994, the national multiple ownership limit will be increased to 20 AM and 20 FM stations.

The NAB filed a petition for rule making on behalf of the small market broadcaster within one year of the new duopoly regulations' implementation. The NAB was concerned about the limitation of broadcasters in markets with

33. 7 FCC Rcd 6406; 47 CFR Ch. 1 (10-1-92 Edition) p. 320.
34. 57 FR 180, 42701.

four or fewer radio stations. According to the market definition these broadcasters would not be able to form a duopoly or an LMA. The NAB was also concerned about markets that traditionally have been small markets but have been deemed large markets based on the "contour approach" for determining market size, thereby triggering the audience share restriction (NAB Legal Department, 1993). In the petition the NAB recommended the Commission adopt new measures giving smaller market broadcasters additional local radio ownership opportunities by:

- Changing the small market rule to allow ownership of 50% of stations in the market;
- Allowing any single station or AM-FM combo owner to add one more station to common ownership (or allow a time brokerage-type LMA with one more station), regardless of whether the acquisition/LMA exceeds the small market 50% rule, the small market three-station limit, or the large market 25% market share rule;
- Allowing any station's acquisition of a "failed station," e.g., a station dark for more than six months in a local market;
- "Formalizing" a small market waiver system whereby smaller market stations would be given a clear set of criteria for seeking an exception to the local ownership limits in the rules, and
- Ensuring that stations proposing new common ownership, or a time brokerage-type LMA, will not be evaluated under a "mix" of the small market and large market rules (NAB Legal Department, 1993).[35]

35. The FCC was expected to put the NAB small market duopoly petition on public notice in January 1994, thereby soliciting comment on the petition (NAB Legal Department, 1993). This was confirmed in the Bedell interview: "We're waiting to see what comments

Broadcasters were not waiting for the FCC's proposals to take effect. Two broadcasters in Florida and Missouri had written the FCC for comments on actions the broadcasters were taking in 1990 to join operations of stations with overlapping principal community contours. Three broadcasters in Texas, Virginia, and Colorado and a broadcaster with operations in Maryland and Florida wrote similar letters in early 1991.[36] The LMA Letters clarified the broadcasters' requests on whether their proposed joint operations were legal under the current duopoly rules. The FCC informed the broadcasters that these time brokerage agreements were in compliance with recent FCC rulings.[37] However, the FCC also cautioned the broadcasters that the brokered station could not abdicate the ultimate control of the station in the areas of finances, personnel matters, and programming. The brokered station was required to air its own station identifications and to maintain its own main studio within its principal community contour while remaining responsive to the needs of its community of license, or risk losing its license through the denial of a renewal expectancy.[38] Even though the legal requirements were clear for LMAs, some broadcasters were not convinced the LMA operators would serve the community as the FCC requested. Blountville, Tennessee Station Manager

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come in and then we'll have to make some decisions. We wouldn't necessarily adopt, if we were to adopt anything, just what the NAB had requested" (Bedell, 1994).

36. The FCC's first and third through sixth responses to these letters came from Roy Stewart, Chief of the FCC's Mass Media Bureau (5 FCC Rcd 7586; 6 FCC Rcd 1867; 6 FCC Rcd 1869; 6 FCC Rcd 5397). The FCC's second response to these letters came from Edythe Wise, Chief of the Complaints and Investigations Branch of the Enforcement Division in the FCC's Mass Media Bureau (5 FCC Rcd 7585). These six letters became known as and hereinafter referred to as the "LMA Letters."

37. 82 FCC 2d 107 (1980); 4 FCC Rcd 2208 (1989).

38. 6 FCC Rcd 1869 (LMA Letter #4).

John Fry said, in a letter to the FCC, that a recently enacted LMA in the Johnson City/Kingsport market had forced him out of several community events: "The big are getting bigger and the independents are being squeezed out of the market; brokerage agreements bypass rules and regulations of ownership, serving only the need of the bigger stations to gain a bigger share of the market" (Fry, 1991).

Broadcasters quickly attached themselves to LMAs after the emergence of the LMA Letters and the first documented LMA in a trade periodical (*Mississippi AM to Provide Programming to Ailing FM*, 1990). Media Mergers and Acquisitions president Tim Menowsky said that "not looking at LMAs in the 1990s is like ignoring the value of FM in the '60s" (Bunzel, 1992). Another example of a broadcaster who quickly took advantage of an LMA was Richard Novik, President of WKIP-AM/WRNQ-FM. His AM station entered into an LMA in early 1991 with a nearby FM. The FM station simulcasted the AM signal (Broadcasting, 1992). Still, others like Washington, D.C. attorney and author Erwin Krasnow (Bunzel, 1992), Washington, D.C. attorneys Alan C. Campbell and Timothy J. O'Rourke (Broadcasting, 1992), and FCC Mass Media Bureau Chief Roy C. Stewart (Viles, 1993) cautioned broadcasters to review agreement guidelines before entering an LMA. Other broadcasters and citizens became alarmed that communities were losing some of their radio programming diversity because of these agreements. Some criticized the LMAs as a way for a market's strong stations to become stronger or for the potential control one entity could achieve in a given market (Wolf, 1991). Some stations formed LMAs just to survive. Ken Maness, President and CEO of Tri-Cities Radio Group,

said LMAs and duopolies were "the result of a marketplace response to an oversupply of inventory chasing too few dollars in the radio industry."[39]

Broadcasters had been using LMAs less than one year when the FCC began reviewing their radio multiple ownership rules in 1991. Broadcasters involved in LMAs in the early 1990s were wondering how the FCC would regulate LMAs under new multiple ownership rules. Through early 1992 there were approximately 194 broadcast owners representing approximately 249 radio stations involved in LMAs. Nine of these agreements were sales only agreements (Anderton and Sanders, 1992).[40] There was not quite as much support for LMAs from Congress. A bill introduced in November 1991 by Congressman Dingell[41], that received sponsorship from both parties, would have severely limited LMAs. The bill would have allowed a station to broker out only 25% of its total time, exceeding that only in cases of "financial distress." Licensees would also lose some renewal expectancy if a competing application were filed (Anderton and Sanders, 1992). Congressman Dingell, upon introducing the bill, said, "left unchecked, unrestricted time-brokerage agreements could increase concentration substantially, and reduce the diversity that is currently available to the American public" (Anderton and Sanders, 1992). The public verbal battle over LMAs continued with FCC Chairman Alfred Sikes and NAB President Eddie Fritts adding their written and verbal support to the LMA usage by broadcasters. Sikes said he opposed House legislation that would restrict time brokerage agreements, but also shared

39. RAB/MSC 1993 workshop "LMA's & Duoplys (sic): Does 1 +1 =3?"

40. Anderton and Sanders report there were no official lists of LMAs kept which was why these figures were estimates.

41. HR 3715: The Television and Radio Broadcast Bulk Time Sales Act of 1991.

Congress' concern that a broadcaster may effectively turn over control of a station through an LMA: "We are going to look closely at what constitutes a de facto transfer of a license, and we will preclude that from happening" (Jessell, 1991). Sikes also had the backing of Commissioner Sherrie Marshall who said in a memo to Sikes that she supported relaxation of the national multiple ownership rules as well as the local duopoly rules (Jessell, 1992).

Discussion continued at the FCC through 1992 about how the multiple ownership rules for radio should be revised after their March 1992 introduction. When the rules were revised and took effect on September 16, 1992, the FCC had considered LMAs part of a station's new duopoly restrictions:

> §73.3555 (a)(1)No license for an AM or FM broadcasting station shall be granted to any party (including all parties under common control) if the grant of such license will result in overlap of the principal community contour of that station and the principal community contour of any other broadcasting station directly or indirectly owned, operated, or controlled by the same party, except that such license may be granted in connection with a transfer or assignment from an existing party with such interests, or in the following circumstances: (2)(i) Where the principal community contours of two radio stations overlap and a party (including all parties under common control) with an attributable ownership interest in one such station brokers more than 15 percent of the broadcast time per week of the other such station, that party shall be treated as if it has an

interest in the brokered station...regardless of the source of the brokered programming supplied by the party to the brokered station.[42]

So, broadcasters could form LMAs, however, when the new duopoly rules took effect in September 1992, the LMA counted towards the ownership restrictions for the station providing the programming to the brokered station. Pre-existing LMAs and any pre-existing waiver-based duopolies of same service stations were given until September 16, 1993, to come into compliance with the same service simulcasting limits (NAB Legal Department, 1993). A strong market penetration in listeners to the station restricted some stations from forming an LMA. The brokered station could not be purchased to form a duopoly if the audience reach of the two LMA stations exceeded 25%. According to Larry Wilson, President and CEO of Citadel Communications, the test of whether an LMA could become a duopoly "occurs at the point of purchase, not when you began an LMA."[43] As the new duopoly rules took hold many broadcasters used the LMA as a prelude to actually taking control of the purchased station while waiting FCC approval of the transaction. Knoxville duopoly General Manager Craig Jacobus verified this use:

> I think the only way they work anymore and the only time you really see them today are as preludes to a full buyout because the legal system isn't fast enough and the FCC approval system isn't fast enough.

Stations that could form LMAs continued to use this tool as a means to increase their own advertising revenues or audience share. However, the use of LMAs,

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42. 7 FCC Rcd 6406; 47 CFR Ch. 1 (10-1-92 Edition) pp. 319-320.
43. RAB/MSC 1993 workshop "LMA's & Duoplys (sic): Does 1 +1 =3?"

without an expected purchase of the brokered station, decreased 8.6% from November 1993 to April 1994 (Radio Business Report, 1994).

The prevailing positive attitude towards LMAs at the 1992 Radio Advertising Bureau's Managing Sales Conference changed dramatically at the 1993 RAB/MSC. Knoxville radio station general manager Bill Hays said managers in 1993 (after the changes in the multiple ownership rules) were shying away from LMAs. According to a California radio station president, the FCC's guiding principles of diversity of ownership and local ownership would no longer exist if LMAs were allowed to survive (Broadcasting, 1992). Robert S. Kieve predicted that "within less than ten years the principles of diversity and local ownership will be totally destroyed, and throughout the United states a few very powerful, wealthy groups will run a limited number of radio stations in each market" (Broadcasting, 1992).

Media brokers began guessing what the new radio landscape would look like as the effective date of the new multiple ownership rules drew closer. Station trading increased 48% in the first six and-a-half months of 1992 from the first six and-a-half months of 1991 (Viles, 1992). Due to the limited financing alternatives available some brokers were predicting large groups would look for merger opportunities rather than acquisitions (Viles, 1992). Some stations were creating deals to take effect when the rules changed; other stations were changing LMAs into duopolies; some stations and groups were out shopping for other stations (Viles, 1992). The concern of some brokers, however, was that the new duopoly rules may have come too late for some stations, predicting that "the first flurry of activity will consist of groups snatching up individual stations or combinations to create duopolies" (Viles,

1992). Infinity Broadcasting and Jefferson-Pilot Communications were the first two groups to take advantage of the new duopoly rules. Infinity bought an FM station in Chicago and Boston to accompany already-owned FMs in those two markets. J-P bought an AM-FM combination in Denver to complement an already-owned AM-FM combo in Denver (Gallagher, 1992). Broadcast analysts predicted these station sales and future ones like it would make radio a more viable advertising competitor against print and television.

As 1993 opened, most duopoly deals that had taken place since mid-September 1992 were below the top 25 markets (Gallagher, 1993). These markets were frequently "over-radioed areas where there was a lot of room for consolidation and where the advantages to duopoly—being able to offer advertisers more product while lowering overhead through economies of scale—were most apparent" (Gallagher, 1993). Duopoly deals were expected to account for 10% to 15% increase in station trading volume by the end of 1993 (Gallagher, 1993). Gallagher (1993) reported that 175 duopoly applications had been filed by the end of January 1993. One month later, Gallagher (1993) reported that 70 duopoly deals had been acted upon by the commission. The market breakdown included: (1) three deals in the top 10 markets, (2) eight in markets 11-25, (3) 17 in markets 26-100, and (4) 42 in markets 100-plus (Gallagher, 1993). As of April 1, 1993, there had been 189 duopolies and 138 LMAs either announced or filed (Radio Business Report, 1993).[44] There were 866 stations involved in either a duopoly or an LMA as of April 1, 1993 (Radio Business Report, 1993). Only three deals were for AM-AM combinations (Gallagher, 1993). In addition, most LMAs that were being filed at the FCC were

44. *Supra* footnote #6: The new rules required filing of LMAs at the FCC.

part of the so-called LMA-to-purchase deals, where an owner who has filed to buy a station enters into an LMA with the station pending final FCC approval of the sale (Radio Business Report, 1993). As of September 17, 1993, the one-year anniversary of the changes in the duopoly rules, there were 293 approved duopolies. Two hundred and twenty-one (75%) were in ranked markets and 72 (25%) were in non-ranked markets. Out of the 221 duopolies in ranked markets the top fifty markets had 71 (32%) duopolies; the next fifty markets had 50 (23%) of the duopolies, and markets ranked below the top 100 (101-263) included 100 (45%) duopolies.

As the first anniversary of the new duopoly rule approached some broadcasters were not convinced that the change had affected the radio industry. Shamrock Broadcasting Chairman Bill Clark said "there's a lot of smoke [and] a lot of people [are] talking about deals, but there isn't a lot of fire. For now, everybody seems to be sitting tight" (Viles, 1993). Medium markets had seen more duopoly action than larger markets. L. Lowry Mays, President of Clear Channel Communications which owned four duopolies at this time, said "the markets experiencing consolidation are quickly becoming better places to do business because advertising rates tend to be firmer when the market leaders own more stations" (Viles, 1993). Radio analyst James H. Duncan, Jr. confirmed the mixed reaction in the industry shortly after the first anniversary of the rules. In *Duncan's Radio Comments* (Duncan, 1993) the analyst re-visited six important ways he thought the radio duopoly rules would help the industry:[45]

45. These six "goals" were originally filed with the FCC in a reply to MM Docket No. 91-140 (Duncan, 1992).

a) The changes will help move marginal or struggling inventory and thus stabilize station prices. Duncan's analysis: "This has certainly happened."

b) To make the radio industry more attractive to lenders and investors. Duncan's analysis: "The investors have come back to the industry quickly."

c) To reduce competition to a manageable level. Duncan's analysis: "There is still a long way to go and in many markets competition has increased in the last year despite duopoly."

d) No harm will come to rural, small market, and larger market, independent stations. Duncan's analysis: "It is too early to tell whether or not this is happening. Independent stations in medium-sized markets could lose control over their pricing."

e) Increase radio unit rates because of increased market power. Duncan's analysis: "For duopoly to reach its full potential and to help the entire industry it is absolutely mandatory that the strongest combinations must, at the very least, keep prices at the level they were before duopoly" (Duncan's emphasis).

f) To encourage innovative programming and programming experimentation. Duncan's analysis: "This goal will not be reached. In some instances just the opposite has happened."

Duncan concluded a study of 147 standard Arbitron markets in early 1994 (Duncan, 1994).[46] Among the key findings of the study:

46. The study included duopolies which were closed or announced by January 10, 1994. The report was a pro forma analysis of those duopolies, treating them as if they were in place for all of 1993. Duncan's study did not include any marketing agreements.

- The average radio market had 21.8% of the 12+ shares (Monday - Sunday, 6 AM - Midnight) controlled by duopolies;
- The average radio market had 30.7% of the market's revenue controlled by duopolies, and
- There were considerable differences between market sizes.

Summary

The FCC never wavered from its initial implication in the Chain Broadcasting Rules of offering the American public a diversity of programming and viewpoints on the nation's airwaves. The means to acquire that diversity significantly changed from 1941 to 1994. The Commission's early thinking was to limit broadcast owners to a minimum number of licenses in a single community. At one point this was a limitation of one broadcast license. This philosophy gradually changed from only one broadcast license to two broadcast licenses per owner in a single market with restrictions on the combination of the two licenses. These combination regulations were eventually relaxed to the point where broadcast owners could own up to four radio licenses in one market and in some instances these radio licenses could be combined with a television license and even newspaper ownership in the same market.[47]

Duncan's Radio Market Guide and audience estimates for Fall 1993 from Arbitron were used in the analysis (Duncan, 1994).

47. An example of this is Cox Broadcasting's ownership of WSB-AM/FM/TV, Atlanta, Georgia, pending ownership of WYAI-FM LaGrange, Georgia, and ownership of the Atlanta Journal & Constitution.

Broadcast owners applauded the era of relaxed ownership regulations. Many broadcasters saw a revitalized radio industry ready to recover from the FCC "mistakes" of the 1980s deregulation efforts and the 1989-1992 U.S. economic recession. Still, other broadcast owners warned that allowing too much consolidation could hurt some broadcast operators.

PART THREE

SIGNIFICANCE OF STUDY AND RESEARCH QUESTIONS

Broadcasting's use of the LMA and the FCC's relaxation of the duopoly restrictions prompted the author to consider this phenomenon as worthwhile for this study. Many broadcasters were questioning the appropriate strategies for putting together a duopoly. Trade periodicals reported multiple methods for bringing together similar duopoly combinations in different markets. Stations were expected to merge some aspect(s) of their operations when they formed a duopoly. However, some owners felt the economies of a duopoly could be felt through increased revenues as well as decreased expenditures. This diversity of views led to owners structuring their duopolies differently. Broadcast owners and managers swarmed to conference and convention workshops to hear how other broadcasters were working duopolies. Johnson City duopoly Sales Manager Bobbie Kabool was one of those:

> I know one of the first Radio Advertising Bureau conferences we went to right after this started happening, it was one of the largest sessions that I have seen. In fact they couldn't get all of the people in and they still, well we were all still somewhat confused about duopolies and they

had several people on the panel that were still trying to understand, we all were at that time.

This study attempted to answer the broadcaster's need to know what was going on. Several years ago another researcher called for media scholars to pay more research attention to the kinds of issues covered in the trade publications. Tunstall (1990) said more media research should adopt an industry perspective to show organizational differences in structure and heiarchy on both a national and local level. This study fulfills Tunstall's call in part by focusing on a popular topic in the radio industry and looking at the topic from the local perspective.

So, this author determined there was a need for a study to investigate selected duopolies to determine what organizational structures and management strategies were being used by owners and managers. This study did not report on the effectiveness of these structures and strategies for the specific duopolies investigated.[48] However, the author did offer some implications and recommendations for what the structures and strategies may mean for those broadcast owners considering a duopoly.

An initial interview guide and research questions were developed in September 1993 (Appendix B). The author contacted the President and General Manager of the first Knoxville, Tennessee duopoly for permission to interview them for a pilot study. The pilot study was expected to reveal enough information about duopolies so a revised interview guide could be constructed. The pilot study was completed in October 1993 and the revised interview guide

48. Some participants offered comments on their duopoly success. These comments are reported in Chapter 4.

completed in November 1993 (Appendix B). After the pilot study analysis the author developed this major research question for this study:

- How does a radio station owner direct the various forces evident in a duopoly to the desired outcome?

This question was supported by the following four research questions:

a) Why is a radio station duopoly created?

b) What do the various viewpoints, considered in the design of a duopoly, bring to bear upon the implementation of a duopoly?

c) What management strategies are identified with radio station duopolies?

d) How will these strategies affect the direction(s) of a duopoly?[49]

PART FOUR

PARAMETERS

There were several aspects of the multiple ownership rules and related rules that were not explored in this dissertation unless they affected the duopoly rule. Some of these related rules were cross-media ownership (between newspapers and broadcast stations, between cable systems and other media), the Top-50 Policy, and the minority and investor interest rules.

The author limited this study to the duopolies approved during the 15-month period following the effective date of the multiple ownership rule changes (September 16, 1992 - December 15, 1993). Through December 15, 1993, there were 339 duopolies that received FCC approval (Broadcasting,

49. The pilot study analysis and the development of these research questions are explained in Chapter 3.

Broadcasting&Cable, and Radio Business Reports, 8/3/92 - 12/15/93). The FCC dismissed four applications and returned one application during this time period. Duopolies had been formed in all but one state. Resources limited the author in the selection of duopolies.[50]

PART FIVE

ORGANIZATION OF THIS STUDY

Chapter One introduced the reader to the background of the duopoly rules. Chapter Two summarizes the scholarly research and industry comments about the duopoly rules and the use of these rules since September 16, 1992. Chapter Three explains the research methodology and processes used in the study to analyze the data. Chapter Four reports and summarizes the data. Chapter Five offers the author's analysis of the results, implications and recommendations for the radio industry, future research possibilities, contributions to the field of broadcast research, and conclusions.

50. The selection process is explained in Chapter 3.

CHAPTER TWO

LITERATURE REVIEW

This chapter is organized into three parts. Part one outlines the research and articles in the management and organizational areas broadly related to the area explored by the author in this study. Part two highlights research and articles related to the study through broadcast or other media fields. Part three reviews other research and articles related specifically to the subject covered in this study.

PART ONE

MANAGEMENT AND ORGANIZATIONAL RESEARCH

Organizations of humans have existed for centuries. People have gathered together for a variety of reasons. One of those reasons was to coordinate activities or forces of two or more persons (Barnard, 1938). Miles (1980) added to the definition of an organization saying the coalition of interest groups were paying homage to a common mission and depending upon a larger context for its legitimacy and development. This definition was further expanded to include outcomes for organizational members, the organization, and society through engaging in activities usually related to a set of goals (Hall, 1991).

Several factors helped organizations achieve their stated objectives. One of those factors was the way procedures were controlled in an organization. In a study of leaders, managers, and entrepreneurs, Czarniawska-Joerges and Wolff (1991) said culture was the most powerful Standard Operating Procedure that ran organizations. Other procedures noted by the researchers were impersonal control processes, individual creativity, and self-control.

Another factor noticed in organizations was how an organization was structured so learning could take place. Ventriss (1990) discussed three emerging organizational theories that dealt with this topic: social systems delimitation, organizational learning, and organization theory as metaphors. The latter two have application to this study. Organizational learning raised questions such as: How can we learn to cope with change? What have we learned from past experiences? Is our learning capacity adequate to the challenges that confront us? (Ventriss, 1990). Two prevalent metaphors of organizational theory as metaphors were "machine" and "organism" (Ventriss, 1990). There were many other possible metaphors. This study sought to find appropriate metaphors associated with duopolies.

Berkowitz (1993) illuminated a third factor of organizations. This factor was the "organizational life" found in an organization, specifically a broadcast news department in his study (Berkowitz, 1993). The researcher said organizational life included elements such as internal politics, productivity expectations, quality expectations, the need to make a profit, and the availability of work resources, such as staff size and equipment (Berkowitz, 1993). All of these elements existed in a situation where an organization

adopted or had forced upon it the culture of a different organization, such as in the creation of a radio duopoly.

Wallfesh (1991) identified a fourth factor that could affect how an organization achieved its objectives. Wallfesh (1991) quoted Robert N. Beck, Bank of America's Executive Vice-President for Human Resources, who said in a reorganization or downsizing, sensitivity to human issues can spell the difference between success and failure: "It is our job to see that both employees who leave and those who stay come through with their self-respect and dignity intact." Organizational objectives can be achieved through the expression of sensitivity to employees' needs.

PART TWO

MEDIA RELATED RESEARCH

Organizations can be classified with many different variables. Hall (1991) said the *size* variable was important to consider in relation to all the other factors. As will be seen in this study, size of an organization was a key factor in the creation of radio duopolies. As noted in Chapter One by the attempts of earlier radio station owners, the capability of a radio station owner to create a duopoly was not a recent development. Also, other media organizations have attempted throughout the years to operate at a maximum efficiency. Kobak (1988) reported on a magazine publishing company that deliberately moved its four profit centers into separate buildings in different parts of the New York area. The reason for this move was that the task of management had become more important than editorial, advertising, and

circulation (Kobak, 1988). Kobak (1988) warned that bringing larger numbers of people working together under one roof and calling it "economies of scale" sometimes created an inward-oriented approach that forgot the outside world. Organization size also affected the flow of communication. In a 1971 study of American journalists from several types of media, Johnstone (1976) said he noted a tendency in the news media for communication to become predominantly downward instead of two-way as work organizations increased in size. Organization size also affected the type of growth within an organization. Bantz, et al. (1980) reported two types of growth in local television news organizations. The researchers said the organizations experienced *simple* growth, with more personnel, and *structural* growth, with more supervisory personnel and more specialized tasks for other personnel (Bantz, et al., 1980).

As organizations grew simply and structurally other variables needed to be considered. One of those variables was the interaction of the employees within an organizational culture. Allen, et al. (1988) examined employee perceptions of differentiation and conflict between departments of a single television station. The researchers found quite different meanings and perceptions were attached to working life depending on departmental membership (Allen, et al., 1988). The researchers concluded these differences provided a fertile ground for the creation of multiple cultures, making the broadcast industry an excellent field for such investigation (Allen, et al., 1988).

Two researchers have examined cultural variables within an organization. Petersen (1991) developed an organizational culture model and

used the model to analyze the effect of newspaper joint operating agreements on newsroom culture. The model considered five elements: a) socialization to the organization, b) complexity of individual roles in the organization, c) boundary spanning abilities of individuals and the organization, d) strength and economic efficiency of the organizational culture, and e) professional cultures within the organization (Petersen, 1991). Ray (1986, 1988) examined the usefulness of organizational culture analysis in assessing the symbolic leadership traits of radio managers and their cultures. Culture analysis effectively demonstrated the existence of three distinct symbolic leadership styles of radio station managers (Ray, 1986, 1988).

Another variable considered in organizational research was the process in which work was carried out. When the work situation becomes disrupted the routine of that work process changes. Berkowitz (1992) said television journalists went through three work process stages for coverage of an extraordinary story. The three stages were a) a period of chaos, b) the newswork became more manageable, and c) the work process was much more like the everyday routine.

The work process includes work responsibility and work environments. Barnes (1970, cited in Appelman, 1983) reported that over half of the small market radio station managers investigated had additional responsibilities and program directors also undertook other assignments. Appelman (1983) in his own research suggested that staff size may have more importance than market size for determining how a manager distributed the workload in a radio station. Doubling of responsibilities was not uncommon in radio before duopolies, at least in smaller markets. Technology has enabled workers to

assume additional responsibilities and work in the same amount of time. Computers and other resources have enabled the work environment to become more "user friendly." L'Amie (1991) confirmed this with a case study of a television station newsroom. He said structural demands indicated computers were highly suited to meet the needs of television journalists (L'Amie, 1991). The responsibilities of a worker and the environment in which the worker performed the work contributed to the satisfaction the employee received from the job. Drushel (1991) surveyed nearly 600 employees from ten radio and ten television stations. The results showed that broadcasters as a group were significantly less satisfied with their jobs than other workers had been found to be (Drushel, 1991). Television station employees were less satisfied than radio station employees (Drushel, 1991).

Besides size, culture, and the work process, another variable that should be considered in the study of any organizational change would be the variable Hall (1991) classified as market power or environmental dominance. The power or dominance held by any one particular organization would be strongly affected by the general economic conditions surrounding that organization. Economic stress was one criterion of AM radio station failures between 1962 and 1976 (Leffingwell, 1983). As noted in Chapter One, the economy that enveloped the radio industry around the time of duopolies was not very good. The factor that reduced the market power of a radio station was the perceived value of the station to the advertiser. Bates (1985) in a study of economic theory as it applied to broadcasting said the proper, final, product to be considered was the access to audience provided to advertisers by broadcasters. Radio stations did not necessarily lose listeners during the

recent economic downturn. Rather, advertisers lost customers coming into their businesses which in turn affected the amount of dollars that could be spent on radio stations. The radio station, then, had less value in the mind of the advertiser since there were less dollars to spend *anywhere* on advertising.

Economists would apply the term monopolistic competition to the radio industry (Gomery, 1993). Very few radio stations have oligopolistic power like the television networks or the motion picture industry. However, radio stations have absolute market dominance over a particular frequency assigned by the FCC (Gomery, 1993). Radio stations then compete with each other for additional dominance through the number of listeners tuning into a frequency for entertainment or information. After relaxation of ownership regulations and the consolidation of the radio industry through duopolies and LMAs, some economists or other researchers might want to observe whether major radio station group owners might be moving toward the oligopoly economic structure by controlling more than one dominant radio station within several markets.

PART THREE

DUOPOLY RELATED RESEARCH AND ARTICLES

Media industries have consolidated in the past for economic benefits, market dominance, and bargaining power. Waterman (1991) assessed the national concentration of four media industries from 1977-1989. He found that national levels of concentration had increased in daily newspaper chains, movie theater operations, and multiple cable system operators, but not in

broadcast television station groups (Waterman, 1991). Mergers of media industries and acquisitions within media industries have been driven by the advantage of economies of scale both at the national level and at the local level. This drive to merge was especially evident at the national level in late 1993 and early 1994 as cable systems sought out and were sought after for possible mergers with telephone companies, movie studios, cable networks, and broadcast networks (Howard and Ogles, 1994).

Economic considerations at the local level were also a primary motive for creating a radio duopoly. Pitts (1992), in research on the future of AM radio, stated that duopoly ownership might be more feasible for some small market owners already running successful (AM) stations. Pitts (1992) reported that 16.5% of the responses to the question "What nontechnical AM policies would you like to see adopted?" by AM station owners and managers surveyed were for elimination or relaxation of the duopoly rules. This response topped the list of answers. One AM station general manager did not see brokered agreements (LMAs) as a viable alternative for the survival of AM radio: "Time Brokerage allows bigger operators to control the market. Time Brokerage also allows one operator to cross-program to make the numbers on his main stations go even higher" (Pitts, 1992). An AM station owner said owning all the AMs in a market was not an answer. However, "radio both AM and FM will see a severe crisis — if the FCC refuses to allow ownership of more than one AM or FM in a market" (Pitts, 1992).

One of the restrictions on the economics of broadcasting was government regulation. Anderson and Woodbury (1989) wondered what would happen if the FCC relaxed its restriction on multiple ownership of the same

kind of media outlet in the same market. The researchers suggested some results of this scenario by comparing the prices paid for the AM-FM combinations permitted by the FCC with the prices paid for independent AM or FM stations. Anderson and Woodbury (1989) examined whether there were any efficiencies evident in the common ownership of AM and FM radio stations in the same market. The researchers concluded that operating as an AM-FM combination resulted in lower operating costs and/or larger revenues for those stations that were combinations and that the coefficients on the individual station characteristics (such as power, format, etc.) were significant determinants of a station's market share (Anderson and Woodbury, 1989).

Rogers and Woodbury (1988) called for replacing the FCC's engineering oriented approach to spectrum efficiency with the economic approach in the case of deciding whether FM translators should be programmed separately from their feeder stations. The researchers suggested that increasing the number of radio stations within a market generated consumer benefits by both increasing the probability that new formats would be offered and by offering consumers more listening choices within a format (Rogers and Woodbury, 1988). The popular consensus, since Rogers and Woodbury's research was conducted, was that more radio stations, especially FM, did not increase spectrum or economic efficiencies within a market or given format.

Mims and Smith (1993) examined potential strategies for marketing LMA-contracted stations to advertisers and audiences. The study evaluated these strategies within the context of the regulatory concerns governing the arrangement (before September 16, 1992). The study specifically focused on

stations seeking to overcome obstacles in attracting audiences due either to poor programming capabilities or lack of sufficient signal penetration. Mims and Smith (1993) found that from one perspective the LMA imposed a greater burden on station personnel to establish a rapport with advertisers than the burden borne by single-station operators. The researchers said the deregulated marketplace forced station owners to gather information relating not only to the expanding operational alternatives available to them but to also regard the impact of changed conditions upon their competitors (Mims and Smith, 1993). The researchers discovered that regardless of the operation method selected, broadcasters who elected to increase their coverage areas invited additional challenges and opportunities (Mims and Smith, 1993). The researchers wondered in their conclusion if the LMA represented a marketplace response of limited usefulness and duration. Other researchers have said that joint ventures or "strategic alignments" have been perceived to be a means of achieving improved results without formally merging firms (Owers, et al., 1993). Some broadcasters believed LMAs would keep stations "on solid ground" until the transaction was completed and approved by the FCC (Kukolla, 1993).

A concern of radio broadcasters about the duopoly rule success was whether the financial industry would make the money available for broadcasters to form duopolies. One investment banker saw duopolies as a remedy for radio's ills one year before the rules took effect. Allied Capital Senior Vice-President Cabel Williams favored allowing the same owner having two FM stations in the same market, but was less enthusiastic about the trend of time brokerage and leasing (Broadcasting, 1991). Jim Blackburn of Blackburn

& Company said, "The real problem in the broadcasting industry is not availability of funds or ability to pay back debt; it is overcompetition, especially for FM stations" (Gallagher, 1992). Blackburn and Company filed comments at the FCC backing a revision of the rules on ownership, duopoly, and LMAs (Gallagher, 1992).

Radio brokers again made some predictions after the rules took effect. Several brokers said the rules would have the biggest impact in medium markets where there was not enough advertising revenue to support many stations (Gallagher, 1992). Brokers also predicted that station swapping would become more prevalent as bankers were still reluctant to get involved in broadcast deals (Gallagher, 1992). Another broker said stations struggling with financial debt from highly leveraged transactions in the 1980s could become stabilized by "putting together intelligent station combinations—through LMAs or a second FM in a market (to) fit an owner's long-term corporate strategy" (Gallagher, 1992). Radio station owners who wanted to create duopolies sometimes found out the cost of a station was higher than expected. Inside Radio editor Tom Taylor said duopoly stations tended to have a ten-percent premium on the sale price "because they're worth more to the owners. They can operate them with less overhead and in some cases control the market" (Tate, 1993).

One programming strategy initiated by NewCity Communications was to protect a dominant station's format through programming a duopoly with identical niche formats (Viles, 1993). A dominant country franchise was operated by Entercom which owned three of the four country stations in Pittsburgh (Viles, 1993). Radio station program suppliers (syndicators and

networks) were ready in 1992 to step in and help stations involved in an LMA or duopoly. Satellite Music Network President David Kantor advised stations to use niche programming to pursue one of two strategies: program the LMA partner to strengthen the first station's hold on a particular demographic group or to strengthen the first station's hold on a broad-based musical format (Viles, 1992). A market that did not seem to take this advice was Denver, Colorado. In early 1993 there were four potentially "awkward radio marriages" of divergent formats in Denver: a) a sports talk radio AM-FM combo with a top-40 FM station, b) a country music FM station with a soft rock AM-FM combo, c) an adult rock AM-FM combo with a pop music and talk AM-FM combo, and d) a hard rock FM station with a pop music FM station (Steers, 1993). Steers (1993) said some pairs have settled in for cohabitation while others have decided to maintain an amicable separation. Colfax Communications formed an FM-FM duopoly in Minneapolis, Minnesota. Colfax President Steve Goldstein said they were looking for a format for their purchased station that would "complement" but not "cannibalize" their first FM's format (Maler, 1992). Boston College Communication professor Marilyn Matelski said stations would "go for formats that were pretty much mainstream formats" and not for formats with "a cutting-edge sound of music" (Mello, 1993).

The audience was also a concern for some duopoly operators. Spokane duopoly General Manager Steve Cody said their duopoly acquisition benefited listeners through upgraded broadcasting equipment, improved on-air sound, and beefed up promotions (Ripley, 1993). Comco Broadcasting President and General Manager Gary Donovan, owner of an Anchorage/Fairbanks, Alaska duopoly, said community involvement was another way to practice good

business and fulfill the public trustee obligation: "We have to give back to the people who support us" (Alaska Journal of Commerce, 1993).

Another group affected by duopolies were the advertisers. According to research from the Interep Radio Store, a national radio advertising representative firm, advertising buyers were concerned that duopolies would result in radio salespeople forcing buyers to buy stations in combination and that buyers would lose their bargaining power (Mello, 1993). One duopoly general manager said advertisers should look at a duopoly's combined sales effort as an efficient way to reach target audiences and not so much as a "hammerlock" (Kukolla, 1993). Cody said duopolies offered advertisers sweeping demographic coverage and one-stop shopping (Ripley, 1993). Baltimore duopoly owner Cathy Hughes said her duopoly gave her company a synergy advantage of selling a combined share to advertisers (Edwards, 1993). After further consolidation through 1994, radio broker Don Bussell of Questcom Radio Brokerage, expected owners with duopoly operations to market them together: "You build them up, you've got a powerhouse cash-flow machine. Why not sell both as a package?" (Gallagher, 1993). One media buyer, Reich Communications Vice-President Pam Venturi, said many radio sales staffs were doing double duty: "It does cut into the time they can take to work with me. You can't just wipe out a 15-person sales staff and expect things to be the same" (Steers, 1993).

How should a radio station duopoly operate? Infinity's CEO Mel Karmazin said, "The best way to improve your bottom line is to generate more revenues, not try to reduce your expenses" (Viles & Foisie, 1992). Karmazin believed duopolies should be operated like AM-FM combos: keep the stations

separate with different management and sales staffs (Viles & Foisie, 1992). Evergreen Media Corporation used the opposite strategy with an FM-FM combo in Jacksonville, Florida. Evergreen President Scott Ginsburg merged the management and sales staffs and cut costs (Viles & Foisie, 1992). The Evergreen duopoly in Jacksonville was the first duopoly to be sold as a duopoly when Ginsburg sold the combination to OmniAmerica Communications in February 1994. Paxson Broadcasting used yet a different approach. Paxson President Jim Bocock said the company operated four stations in two different markets using one general manager and two sales staffs per market—one staff for AM-AM combos and a second for FM-FM combos (Viles & Foisie, 1992). Reduced costs came from several areas: general and administrative expenses such as accounting and computer costs, salaries of highly paid employees, and the loss of employees through attrition. Some of these savings were offset by first-year costs from: layoffs, breaking of leases, severance costs, penalties, and other one-time charges. Rochester duopoly General Manager Suzanne MacDonald said she held off merging facilities until she had a feel for the purchased stations and was able to introduce the staffs to each other through small group meetings: "It was an evolution instead of a revolution" (Radio Only, 1993).

Viles (1993) reported that two patterns have emerged in duopoly deals. Earlier transactions were financially driven and involved a weaker station. The second pattern involved transactions driven more by operating strategy. These later duopolies included the Cox/CBS and Viacom/Group W station swaps. St. Louis duopoly General Manager and Vice-President Karen Carroll said, before her parent company EZ Communications created a duopoly in St. Louis,

"you'll see deals in all different shapes and sizes. All previous rules are out the window. It's a whole new ballgame" (Grone, 1992). Viles (1993) said that two general rules have emerged from radio duopolies: a) combining the management and ownership of two stations will not lead to a significant increase in revenue, and b) the cost of operating two stations in tandem can be significantly lower than the cost of operating them separately. One example of an efficient operation would be a news department in a duopoly. Many duopolies considered the news department as one department which could serve all the stations and in some cases provided news to a station which previously did not offer it (Grant, 1993).

Duopoly operators reported in the first quarter of 1993 they were cutting costs by up to 20% and posting modest improvements in revenues (Viles, 1993). However, parts of the industry said cost-cutting strategies were not necessarily profitable (Viles, 1993). Viles (1993) reported that duopoly operators appeared to be pursuing several different strategies based on market conditions rather than a single corporate-wide strategy. Infinity's separate staffing strategy (with shared information) and Paxson's consolidation of mini "radio malls" (Viles, 1993) seemed to ring the operational strategies. Most stations have sought to cut costs and combine some operations while maintaining the attractiveness of individual stations for advertisers and listeners. Noble Broadcast Group Chairman and CEO John T. Lynch said duopoly has enabled Noble to "shed itself of under-performing stations and to consolidate ownership in those locales with the most market potential" (Lynch, 1992). Lynch (1992) said Noble maintained the same revenue stream and profitability with 75 fewer employees and two fewer stations in four fewer

markets. Other stations have found out after several years in an LMA situation some rehiring of staff was necessary (Radio Only, 1993).

The duopoly rule changes seemed to be accomplishing what the FCC set out to do: "consolidate the middle and small markets, where station move-ins in the late 1980s contributed to an overvalued market and led to a glut of underperforming stations" (Gallagher, 1993). An example of an over-radioed market was Charlotte, North Carolina. There are now six duopolies and at least two LMAs in Charlotte. NAB President and CEO Eddie Fritts said "for the first time in five years, stability is returning to the marketplace" (Fritts, 1993).

Consolidation of radio markets did not come without critics. Concord, New Hampshire station owner Clark Smidt said duopoly would only help the big guy: "It does not help the little guys, medium and small operators grow unless there's a ton of money behind them" (Mello, 1993). Spokane radio station owner John Rook said duopolies would mean "the death of the little guy" (Ripley, 1993). FCC official Stuart Bedell (1994) disagreed with these views in the interview with this study's author:

> I think it's pretty much a mixed bag. I think in certain markets you've seen some very large players buying some smaller stations, but some of those larger players are buying stations that are even stronger than theirs to strengthen their overall position in the market. At the same time, I think I saw some report where someone had looked at the applications we had granted and something like over 50% of the applications involved relatively small markets with small players. We're not just seeing a lot of the big multiple owners grabbing up

> stations all over, we're seeing some smaller players in smaller markets, people with small stations that are relatively successful purchasing other relatively small stations and just strengthening their overall position in that market.

Benchmark Communications general partner Bruce Spector said duopoly has forced the radio industry to do things differently: "Recently there has been fresh thinking. Duopoly has been very positive" (McConnell, 1993).

SUMMARY OF LITERATURE

Change is a part of any organization. Change forces organizations to evaluate how to achieve organizational objectives when faced with change. The literature revealed four factors that needed to be considered when organizations managed change. These factors were a) the organizational culture, b) the learning process, c) organizational life, and d) organizational sensitivity to employees. Along with these four factors the literature revealed four organizational variables the author determined affected the recent organizational change in the radio industry.

Radio stations have been through an unusual amount of change in recent years. Both broadcasters and researchers made early calls for relaxation of ownership rules. Challenges were waiting for broadcasters after the FCC answered the call to relax the ownership rules. The literature revealed a broad-based support, which included brokers and programmers, for owners forming duopolies. Broadcasters felt their way into various programming strategies as the owners and managers considered their audiences and clients.

The literature showed there was no uniformity in operational strategies of duopolies. The literature also revealed consolidation has begun in the radio industry but not without critics.

This study reinforced the use of the four factors and four variables in organizational studies through their appearance in this research on radio duopolies. This study also showed that duopolies have survived initial uncertainties. Mims and Smith (1993) asserted that challenges still wait for consolidated radio stations. This study confirmed that assertion and also revealed that radio duopolies have become solid businesses.

CHAPTER THREE

METHOD OF RESEARCH

Attempting to gather information on a change in the way an industry operates required a great amount of persistence and organizational skills. Fortunately, the author had developed both qualities much earlier than the beginnings of this study. Part one of this chapter will explain the process the author took to arrive at the point of data collection and analysis. The analysis of the pilot study is included in this chapter in part two. The chapter will conclude with part three that will explain the process of the long interview and qualitative analysis the author used to analyze the data.

PART ONE

THE PROCESS

Five steps designed to reveal the different organizational structures and management strategies used by radio station owners to form duopolies comprised this study. The first step was to develop a database of FCC approved and pending duopolies. This step consisted of two parts: a) scour Broadcasting, Broadcasting&Cable, and Radio Business Reports issues from August 1992 through December 1993 to find the station transactions that created duopolies for the time period studied (September 16, 1992 - December 15, 1993) and b)

confirmation of this list through an examination of the 1993 Broadcasting&Cable Yearbook, the M Street Radio Directory, 1994 Edition; through calls to individual stations to clear discrepancies, and a visit to FCC headquarters for an examination of station files for any remaining discrepancies.

The second step of the research was to select several duopolies for an investigation of their organizational structures and management strategies. Through December 15, 1993 the author compiled a database of 480 approved and pending duopolies. As stated earlier the author's time frame for analysis of duopolies was the first 15 months of the change in the multiple ownership and duopoly rules (9/16/92 - 12/15/93). Also, the FCC rules for duopolies do not apply to non-commercial stations or stations off-the-air. After allowing for these three criteria (operating, commercial, approved in the first fifteen months) there remained a set of 339 duopolies.

The author checked the duopolies in this set that were within a day's driving distance (up to 8-10 hours) of Knoxville, Tennessee. This left a set of 117 duopolies. The author compared this set of 117 with the set of 339 based on the following criteria: organization style, owner, location, format, power, Arbitron rating, market rank, and type of duopoly combination (see Table 3.1 and Table 3.2 for a numerical comparison of the last four criteria among all duopolies).

A few comments about the criteria are necessary at this point. The organization style used refers to whether the duopoly operated with a combined, separated, or a mix of combined and separated staffs. This was the major criterion used in selecting the final set of duopolies. However,

Table 3.1

Duopoly Selection Criteria

(Market Rank Count, Power, Arbitron Comparisons)

September 16, 1992 - December 15, 1993

Market Rank	Duopoly Count	Power (AM)			Power (FM)			Arbitron (AM)			Arbitron (FM)		
		B>P	B=P	B<P	B>P	B=P	B<P	B>P	B=P	B<P	B>P	B=P	B<P
1-10	24	7	4	2	7	2	5	2	0	4	8	0	5
11-25	21	4	4	1	3	6	5	0	0	3	9	0	4
26-50	41	3	6	7	12	10	6	7	0	1	18	1	6
51-100	53	8	5	8	23	5	16	8	0	6	30	0	6
101-150	37	4	2	5	19	6	6	5	0	0	19	0	4
151-200	42	5	3	3	19	7	7	3	0	0	15	0	6
201-263	32	3	3	1	10	4	10	3	0	0	9	1	4
NR	89	6	11	11	37	11	20	1	0	3	5	0	1
Totals	339	40	38	38	130	51	75	29	0	17	113	2	36

B = Buyer's Station

P = Purchased Station

Table 3.2

Duopoly Selection Criteria

(Combination Types)

September 16, 1992 - December 15, 1993

Purchased	Buyer	Duopoly Combo	Duopoly Count
FM	AM/FM	AM/FM/FM	120
FM	FM	FM/FM	64
AM/FM	AM/FM	AM/AM/FM/FM	44
AM	AM/FM	AM/AM/FM	35
AM/FM	FM	AM/FM/FM	34
AM	AM	AM/AM	31
FM/FM		FM/FM	4
AM/FM	AM	AM/AM/FM	4
FM/FM	AM	AM/FM/FM	1
AM/FM/FM		AM/FM/FM	1
AM/AM/FM		AM/AM/FM	1

prevalence of the different types of this criterion could not be determined until the author began calling the stations based on the other criteria.

Ownership types were difficult to categorize without additional timely and costly clarification. Broadcasting resources may list a station as being owned by an entity with a company name. That company, however, may be controlled by one individual, a number of people, or may be a subsidiary of a larger company or media conglomerate. Characteristics of ownership types could include number of owners, involvement in other broadcast or media properties, and number of duopolies owned.

As can be seen by Figure 3.1 the location of duopolies in the U.S. was fairly evenly distributed throughout the country. The author's selection of duopolies based on the other criteria had a higher priority than the location criterion.

The station format is a nebulous creature. The author was reluctant to use this as a selection criterion because of the constant change of radio station formats, especially after the acquisition of a station by a new owner. However, the formats within a duopoly situation were necessary to study as part of the organizational structure investigation. The author was cautious in putting much emphasis on the format as a selection criterion, but incorporated the format choices in the duopoly as a matter of inquiry during the interviews.

The station's power in kilowatts was compared between the purchased and buyer stations. The station's Arbitron rankings were compared between the purchased and buyer stations. These two comparisons were made to notice the relationship between stronger stations and weaker stations according to these two criteria. This relationship was compared to the final selected set of

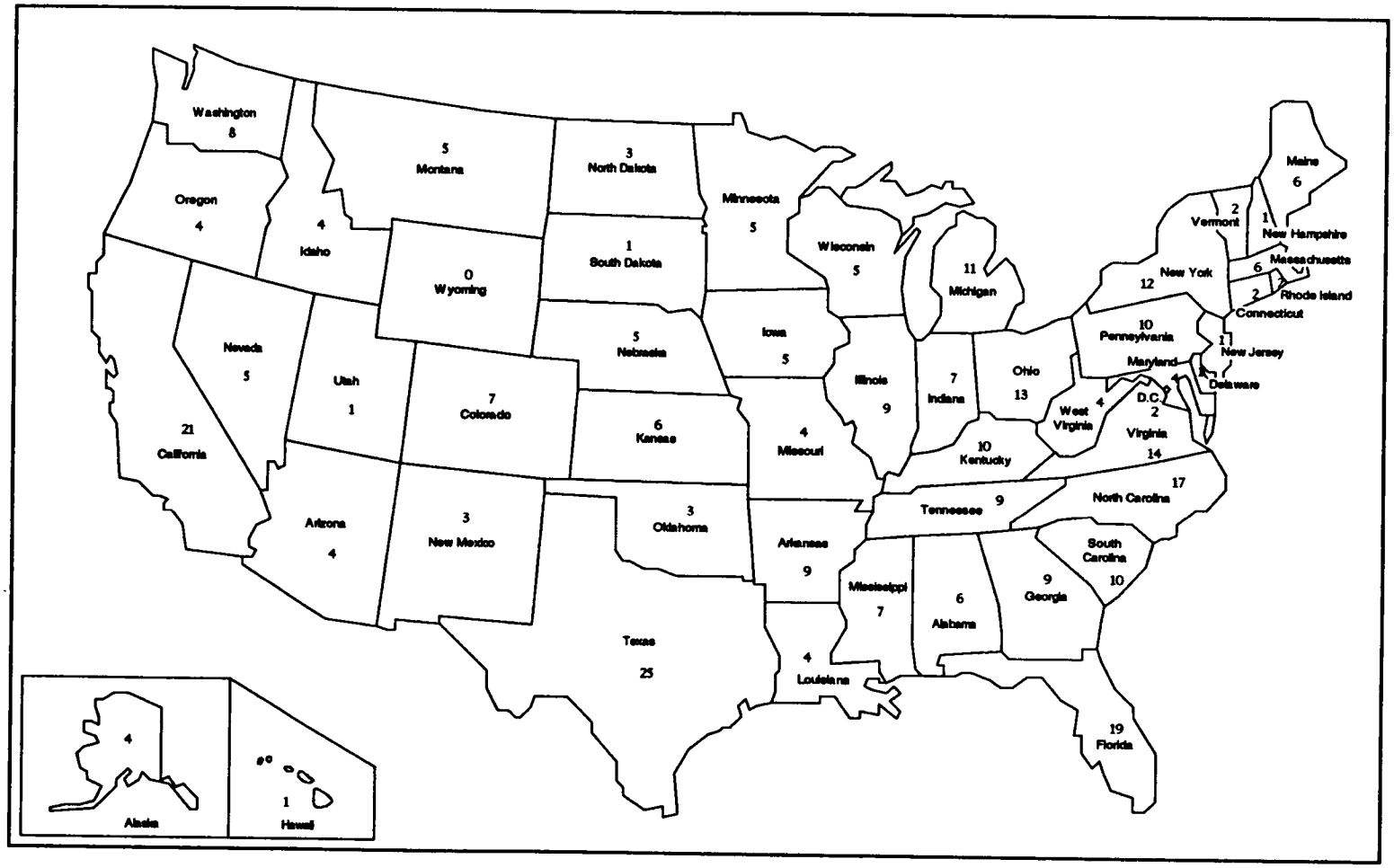


Figure 3.1

Duopoly Totals by State

September 16, 1992 - December 15, 1993

duopolies. The author selected duopolies from both ranked and non-ranked markets with small, medium, and large markets represented.

The author selected duopoly combination types that were more prevalent in the industry. At the same time the author understood that the unique duopoly combinations, or those with fewer duopolies, might be worthy of further research.

The 117 were validated to be representative of the population of 339. A brief duopoly research information form and cover letter (Appendix B) were sent to the owner or general manager of the 117 duopolies in November/December 1993. The author's goal was to develop a contact with the highest ranking executive for the radio licenses who served at the location of the broadcast operation (Ray, 1986). A follow-up letter was sent two weeks later to those not responding (Appendix B). There were 45 forms returned for a 38% response rate. Thirty-three, or 73%, of the returned forms indicated an affirmative response to the question: Do you and your station staff wish to participate further in this research project? Of course, not all of the responses came in at the same time. The author chose those responses that had replied affirmatively by mid-December 1993 and sent a third letter indicating a phone call would be coming to arrange a date in January 1994 to come to the station and interview selected management employees (Appendix B).[1] After

1. Only one contact person expressed hesitancy about participating in the study. This person said he would need to check with the other managers and would call back. Since the hesitancy was expressed during the phone call, the author did not pursue this contact, and the person did not call again. One contact phoned the author requesting interest in the study. This person did not return the duopoly research form until after the initial calls were made so was not included in the study. Several phone calls were made to another contact person who would return the calls when the author was not available. This person was finally contacted again via mail and an appointment was arranged through her

an appointment was made over the phone a confirmation letter with the list of those people to be interviewed was sent to the contact person (usually the general manager or owner) to arrive at the station one to two weeks before the scheduled appointment date (Appendix B). No other contact with the station was made by the author until arriving at the duopoly.[2]

The third step of this study was the author's on-site visit to the 45 stations involved in the selected duopolies. Sixty-six interviews at sixteen duopolies were conducted within a five-week period from January 4, 1994 to February 11, 1994. The two pilot study interviews from October 1993 were also included in the data. An interview with a radio group president was also conducted although none of that group's duopolies were part of this study. This interview was included in the data analysis as well. An additional background interview was conducted with an FCC official on February 1, 1994. This interview was not included in the data analysis. The author interviewed 70 people for this study. The number of people interviewed at each duopoly ranged from one to nine for an average of 4.25 people per duopoly. The author chose to interview only those positions in the duopoly that had managerial responsibilities over two or more of the stations in the duopoly. Management positions with responsibilities over only one of the stations in the duopoly

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secretary. Another person did not return three phone messages so was not contacted again. Three people said they would participate by phone. These three were not included since a phone interview was not part of the author's method of research.

2. Two general managers did contact the author to ask additional questions about the study. These two duopolies did continue with the planned visit. An owner contacted the author to postpone the scheduled visit due to inclement weather. This latter duopoly was subsequently dropped from the study because of two additional postponements (another time due to inclement weather and the third time due to time restrictions of the author).

were considered to be similar to existing stand-alone stations.[3] Twenty-three different titles were represented among the 69 duopoly interviews. For purposes of analysis these 23 titles were collapsed into six different groups based on the position's responsibilities as described by the participant (Table 3.3). Another part of this step included the observation of the duopoly organization in action by the author. These observations were tape-recorded immediately after leaving the stations and were later transcribed for inclusion in the data analysis process.

The fourth step of this study was an analysis of documents relevant to the duopoly organization. The author examined the ownership reports of each duopoly, the Time Brokerage Agreements used by some of the duopolies, the listener's comments about the duopoly, and other miscellaneous documents such as policy manuals, organizational charts, letters to and from the FCC, and staff memos.[4]

In conjunction with the previous step, the fifth step was the analysis of the transcribed text of the interviews along with the author's comments from observation of the station and its organization. This analysis provided answers to the research questions. The fifth step consisted of three sections: (1) word-for-word transcription of the interviews, (2) coding of the transcriptions, and (3) analysis of the coded data (including interviews, comments, and document

3. These positions, however, are worthy of a future study. One reason was the competitiveness that was maintained by some owners between prior competing stations now under the same ownership.

4. Some of these documents were offered voluntarily to the author. Others were photocopied from the station's public file or from the public file of the station located at the FCC building in Washington, D.C.

Table 3.3

Responsibility Areas and Titles/Positions
(# of People Interviewed)

Responsibility Areas	Titles/Positions
Ownership (9)	Owner (7)
	President (2)
General Management (10)	General Manager (9)
	Station Manager (1)
Sales Management (10)	General Sales Manager (3)
	National Sales Manager (1)
	Regional Sales Manager (1)
	Local Sales Manager (1)
	Sales Manager (4)
Operations Management (10)	Operations Manager (7)
	Program Director (1)
	News Director (1)
	News/Sports Director (1)
Image Management (9)	Marketing Director (1)
	Creative/Production Director (1)
	Production Director (5)
	Promotions Director (2)
Process Management (21)	Chief Engineer (2)
	Vice-President of Administration (1)
	Chief Financial Officer (1)
	Business Manager (10)
	Office Manager (2)
	Traffic Director (5)

analyses). These three sections will be described in detail in Part Three of this chapter.

PART TWO

THE PILOT STUDY

WEZK-FM purchased WIMZ-AM/WIMZ-FM on February 23, 1993 (FCC action date). The author chose this duopoly for the pre-test of the methodology. The pilot study interviews were conducted with Steve Edwards, President of South Central Communications (Radio Division) which owns WEZK-FM/AM and WIMZ-FM, Knoxville, Tennesse and General Manager Craig Jacobus. The first section explains the analysis and coding process used with the interview transcriptions. The second section describes the model that was used to define the headings of the questions in the revised interview guide. The third section shows how the research questions were developed.

Analysis and Coding Process

During the coding process the author's first step was to listen to the recordings while reading the transcriptions to correct any mistakes and to fill in words the transcriptionist either could not hear or understand. As this was being done the author underlined words or phrases that might have some possible meaning attached to them. Several days later the author took the transcriptions again and read through them to begin the *open coding* process. The author assigned words or phrases to the various descriptions given by the

participants. The author developed 34 *codes* for the data in the two interviews. Next, the author matched the coded phrases with each other so all similarly coded phrases could be seen at once.

The next step used was *axial coding* (Strauss & Corbin, 1990). Axial coding is a set of procedures whereby data are put back together in new ways after open coding, by making connections between categories (Strauss & Corbin, 1990). Strauss & Corbin's paradigm model was used to help the author find these connections. The paradigm model consists of six interlocking steps as illustrated below:

(A) CAUSAL CONDITIONS -> (B) PHENOMENON -> (C) CONTEXT ->
(D) INTERVENING CONDITIONS -> (E) ACTION/INTERACTION STRATEGIES ->
(F) CONSEQUENCES.

Using the A - F designations, in the pilot study, the author assigned a letter to the appropriate phrases and to the separate coding terms. The author then determined what aspects of a duopoly fit under each label. A new heading was given for each label. The author used the Strauss & Corbin model as a guide to revise the interview guide and research questions. Below is the list of headings with the appropriate codes under them that were assigned to sections of the transcriptions:

(A) CONDITIONS FOR A DUOPOLY

Requirements

Experience

(B) FORMATION OF A DUOPOLY

Design

Creation

(C) PRACTICALITIES OF A DUOPOLY

- Family
  - Relationships
  - Inside the Family
- Advertisers
  - Differences
- Audience
  - Differences
  - Similarities
- Spreading The News

(D) PERCEPTIONS OF A DUOPOLY

- Control by
  - Advertisers
  - Owner/Manager
- Partner (other station)
  - Portions
- Competition
  - Internal
- Viewpoints
- Structural Reporting
- Location
- Labeling
  - Internal
  - External

(E) DYNAMICS OF A DUOPOLY

Combatant

Conquerors

Hot Points

Playing The Game

(F) DIRECTIONS OF A DUOPOLY

Creating More With Less

Results of

Design

Creation

Response

Future Outlook

Sharing of Resources

Economies of Scale

The Paradigm Model

To help the reader understand how the codes were derived from the transcriptions and put into the various parts of the model the author has included here an analysis of the pilot study interviews.

(A) CONDITIONS FOR A DUOPOLY

The causal conditions were the events, incidents, or happenings that led to the occurrence or development of a phenomenon (Strauss & Corbin, 1990). Two national happenings that brought about the ability to create duopolies were the era of deregulation and the recent economic recession. These happenings brought about the change in the FCC's multiple ownership rules

which allowed duopolies in the local radio markets. This national angle was covered in the previous two chapters. Through the data collection process the author intended to discover what some of the local conditions were for the creation of a particular duopoly. Edwards said there were several:

> How high is your antenna and what's your power; technical ability and sales compatibility.

Jacobus added two other conditions:

> Figure out exactly what the dynamic involved was (and) there are no rule books.

There are other local conditions that might lead to the formation of a duopoly such as economics, advertiser needs, or audience research.

(B) FORMATION OF A DUOPOLY

The phenomenon the author examined was the actual creation of the duopoly. Strauss and Corbin (1990) said the phenomenon is the central idea, event, happening, incident about which a set of actions or interactions are directed at managing, handling, or to which the set of actions is related. The creation of a duopoly is not the only phenomenon that might occur from the above conditions. A station could be left off-the-air. A station could be bought by another station which would not create a duopoly. The proposed transaction may not be approved. The author chose to look at only the phenomenon of the creation of a duopoly. The design of the duopoly began with the person in charge of acquiring the other station. In the pilot study Edwards was in charge:

> So, my role was to see if one and one could possibly equal more than two; I wanted to be able to have my arms around it; knew how it ticked.

Jacobus said the design of the Knoxville duopoly was:

> . . . an arrangement where you've got two very viable properties.

This arrangement called for:

> different strategies of taking two powerhouses. . .

especially in the decision to combine or keep separate the sales staffs of the two FM radio stations:

> (There's) not one risk at all in keeping them separate, there's every risk in the world in combining them because you have two very heavy billing, high profile radio stations.

Jacobus said that they were like other duopoly owners when it came to knowing how to design a duopoly:

> Guys out there with their canes ahead of them trying to find the way down the road.

Every owner will have their own concerns:

> . . . completely different dynamic, completely different organizational chart depending on their needs.

These excerpts from the pilot study transcripts illustrated the differences that could be expected to be found in the design of duopolies around the country.

(C) PRACTICALITIES OF A DUOPOLY

Strauss & Corbin (1990) defined context as the specific set of properties that pertain to a phenomenon; the locations of events or incidents pertaining to a phenomenon along a dimensional range. Context represented the particular set of conditions within which the action/interactional strategies were taken. The author identified three sets of properties that belong to this phenomenon: family, advertisers, and audience. The family property refers

to the inner workings of the duopoly. Edwards described the relationship between himself and the owner of the company:

> We manage collaboratively in this company. We make decisions collaboratively.

The family metaphor was evident in comments from Jacobus as he described the joining of the two stations:

> It's your sister, and you don't hit your sister; slamming your sister.

These family references were also evident in other categories. The duopoly also created new relationships as employees had to:

> Adapt to a completely new corporate culture. We both have to succeed for us to get where we want to go.

The advertisers and the audience had their own viewpoints about a duopoly:

> . . .but the buyer doesn't see it any differently. The complexion of the buyer's objections are completely different now.
>
> Some people (audience) are like snowflakes, they look similar but every single one of them is different.
>
> To the listener, they're two different radio stations, they're two different targets, they listen for two different reasons, and you have to be true to your school.

(D) PERCEPTIONS OF A DUOPOLY

The intervening conditions were the structural conditions bearing on action/interactional strategies that pertain to a phenomenon. They facilitated or constrained the strategies taken within a specific context (Strauss & Corbin, 1990). This category was best illustrated by how those involved in the duopoly characterized themselves. Edwards referred to himself as a "hired gun" to:

See if we could run two stations together for less than the cost of running them separately.

Jacobus' perception of himself as general manager of a duopoly was as an overseer of a group of people needing direction through this new venture:

A lot of them are not equipped today to be able to handle a complex sale as it is; monitor accounts much closer; understand that that's reality.

Other structural conditions that were evident were the marketing of the duopoly concept and what others (such as competitors) thought of the duopoly.

(E) DYNAMICS OF A DUOPOLY

The action/interaction portion of the paradigm model were the strategies devised to manage, handle, carry out, respond to a phenomenon under a specific set of perceived conditions (Strauss & Corbin, 1990). The strategy that was most evident in both of these interviews was the subcategory Acceleration of Consolidation. Edwards had several phrases describing this consideration in a duopoly:

. . .merge everything instantaneously; luxury of not having to rush; but when we move in, we'll reassess; we're walking, we're not running.

Jacobus also referred to the expected growth rate of the duopoly in the area of forming new sales techniques:

There'll be more combo accounts as we move forward, but we're not in any hurry.

Another metaphor that both participants alluded to was the subcategory Playing The Game. Edwards used game analogies while describing a duopoly's strategy:

. . . game plan because a lot of this is strategic;

and an owner's consideration in a duopoly partner:

> . . . the same horsepower, you can't have a water pistol and an uzi.

Jacobus used the game analogy to describe a market situation involving several duopolies:

> . . . chess pieces on the board, when two pair up and two pair up and another two pair up, which is what's happening there (in Nashville), it makes it a competitive situation where different formats are blocked out.

War terms also emerged from this data: combatant, conquerors, hot points. These analogies could be developed into a category that would help radio station owners understand what a duopoly owner or manager might be thinking as strategies are put in place to respond to this new phenomenon.

(F) DIRECTIONS OF A DUOPOLY

The results or outcomes of the action and interaction strategies were the consequences (Strauss & Corbin, 1990). The results mentioned by the participants fell into several subcategories. The best example, from the data, of what an outcome might be was Jacobus' description of an area that could be shared by the stations in the duopoly after re-location to a single facility:

> Production, I think, is one area that you're going to see an incredible, an ability, I envision a production pod where there's a main studio all digitized, and then there's going to be off-shoot studios. And the production time at either station will be in that production facility would be fabulous. You will be able to get full utilization of the facility, full utilization of talents back and forth.

Jacobus also illustrated the potential economies of scale as a result of the duopoly consolidation:

> Cleaning of the buildings, the utilities you pay on the buildings, the lights in the building, all of those things that are duplicated cost an inordinate amount of money. Two different phone systems, two different phone numbers, you know. Again, I see that as the largest amount of savings.

A concept that Edwards seemed to expand on was the subcategory Creating More With Less:

> So, there should be some savings because there won't be duplicate general managers, there won't be duplicate general sales managers, there won't be duplicate business managers, etc., etc., etc. So, my role was to see if one and one could possibly equal more than two.

The Research Questions

This brief analysis of the two pilot study interviews helped the author to see how the interview guide could be revised to more eloquently obtain data to answer the research questions. The Strauss & Corbin model applied to this pilot study might look like this:

(A) CONDITIONS FOR A DUOPOLY -> (B) FORMATION OF A DUOPOLY ->
(C) PRACTICALITIES OF A DUOPOLY -> (D) PERCEPTIONS OF A DUOPOLY ->
(E) DYNAMICS OF A DUOPOLY -> (F) DIRECTIONS OF A DUOPOLY.

After the pilot study analysis the author developed this major research question for this study:

- How does a radio station owner direct the various forces evident in a duopoly to the desired outcome?

This question was supported by the following research questions:

a) Why is a radio station duopoly created?

b) What do the various viewpoints, considered in the design of a duopoly, bring to bear upon the implementation of a duopoly?

c) What management strategies are identified with radio station duopolies?

d) How will these strategies affect the direction(s) of a duopoly?

These research questions formed the foundation for the revised interview guide (Appendix B).

PART THREE

THE METHODOLOGY

This part describes the transcription coding and analysis. These sections describe the processes used to get from the recorded interview to the final form in which the data was analyzed. To review, the bulk of the data was collected through the long interview. The long interview was an analytic tool that allowed the author to explore the individual world of the radio station employee involved in the duopoly phenomena (McCracken, 1988).

The interview process used by the author consisted of three stages. The first stage was the initial letter and phone call to the contact person at each duopoly. That person informed the other staff members of the pending interview session with the author. The second stage developed when the author arrived at the duopoly. There were introductions to the various staff

members and usually a brief tour of the location and facilities. During these introductions and tours the author mentally noted, and later included in the observer's comments, anything that looked or sounded beneficial to the research. The third stage was the interview itself. Each interview opened with a general question asking the participant to describe their radio experiences and their involvement with the duopoly. The researcher then proceeded to conduct the long interview using the revised interview guide (Appendix B). The interviews ranged in length from approximately 25 minutes to one hour and 20 minutes. Several interviews were shortened due to time constraints by the participant's job requirements. All of the interviews were conducted either in the participant's office or studio. One interview began in a restaurant during lunch, but concluded in an office. Every interview except one included just the author and the participant. The exception was an interview where the owner had invited the chief engineer to be part of the owner's interview. The chief engineer was not one of the original people scheduled at that duopoly.

The structured interview guide was not a hindrance to the author. For example, a participant may have answered a question the author had planned to ask later in the interview. The author either made a mental or written note and either did not ask that question later or moved to that section of the interview guide in order to ask related questions and then returned to the original section. Most of the interviews also included portions where a follow-up question was asked in order to allow the participant to expand on an answer. These "floating prompts" were particularly useful in having terms explained that were not familiar to the author or to have the participant

expand on some of their answers (McCracken, 1988). A full text transcription of an interview can be read in Appendix C.

Several of the scheduled participants were not available due to various factors such as days off, maternity leave, and late nights working. These interviews were not rescheduled since the author had scheduled only one day for each duopoly visit. However, there were several instances where the author had a chance to interview participants who had not been part of the original schedule. These "extra" interviews included, among others, an FM/FM duopoly operations manager in his young-20s and the founder of the original AM station in an AM/AM/FM duopoly. Both of these interviews were included in the data analysis. Only two of the 69 duopoly interviews were affected by mechanical difficulties. The author takes full credit for these two difficulties although these minor inconveniences did not affect the overall outcome. The first instance was when the author went to turn the tape to side two and realized the record button had not been pressed for side one. Approximately three-fourths of that interview was lost. Fortunately, nine other participants held the same position as this participant. The second instance occurred when the author's rechargeable batteries ran out when about one-fourth of an interview was left with a participant. The author had forgotten to bring the spare batteries in from the car which was parked several blocks away. The author concluded the interview while taking notes and later, with fresh batteries, recorded the notes of the participant's answers as part of the author's observer comments.

Interview Transcriptions

A professional transcription service was used to transcribe sixty-seven interviews. The three remaining interviews were transcribed by a university departmental secretary with transcription experience. The author consulted with the transcriptionists in order to assure that the transcriptions were formatted and returned in readable form. The author proofed each transcription by listening to the recorded interview and making corrections on the transcriptions. The transcriptions were returned to the transcriptionists for these corrections. The transcripts were then printed in their corrected form and returned to the author. Seventeen corrected transcripts were mailed to one person at each duopoly asking for verification of the recording and transcribing. These transcripts were sent to the highest titled person interviewed at the duopoly, usually the owner or general manager. The seventeenth transcription was sent to the president of the radio group who was individually interviewed. The author requested a reply only if corrections outside of typographical or grammatical errors needed to be made, or if any additions to what had been said needed to be added. Only four transcripts were returned with memos indicating a thorough recording and transcription with a few typographical or grammatical errors corrected.

The transcripts were brought through four stages of data analysis in order to reach the open coding process. These stages were part of a process where the author moved the data analysis from the particular to the general. The first stage was the proofing the author did before accepting the final version from the transcriptionists. This stage treated each utterance of the

interview in its own terms, ignoring any relationship to other aspects of the text (McCracken, 1988). The author then read through each corrected transcript and marked the passages from each question that were appropriate for analysis. These passages were copied from the computerized form of the transcript and pasted into the computerized database used by the author for data analysis[5] (Appendix D). This second stage began the process of treating the data as observations by each participant. The passages were organized by position into the six groups of responsibility (Table 3.3) within each of the nine question groups (Table 3.4).[6] The author again read these selected observations and marked appropriate key words or phrases that could later be identified with the particular question and question group. This third stage expanded the observations closer to categorical definitions. The marked observations from the third stage were then entered into an answer coding field within the database layout (Appendix D). These observations were then grouped by responsibility area within each question group. Stage four consisted of assigning categorical headings to the observations, grouping the appropriate categories under each question and question group by responsibility area into the layout that appears in Appendix D. The fourth stage began the coding process with the assignment of the categorical headings, or open codes, to the observations (Strauss and Corbin, 1990). The

5. The author used *Microsoft Word 5.1a* and *FileMaker Pro 2.0* for these respective purposes.

6. The reader will note that the wording of the questions in Table 3.4 does not match the wording of the revised interview guide in Appendix B. While interviewing participants the author observed that several questions were answered slightly different from how the author specifically asked the question. The question form in Table 3.4 reflected these subtle changes.

Table 3.4

Question Groups and Questions

Question Groups	Questions	
Audience/Listeners	(a)	What does this duopoly offer for listeners?
	(b)	What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) listeners?
	(c)	How do you see this duopoly reacting (what strategies) to the (changing) dynamics (needs) of the target audience(s)?
Advertisers	(a)	What does this duopoly offer for advertisers?
	(b)	What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) advertisers?
	(c)	How do you see this duopoly reacting (what strategies) to the (changing) dynamics (needs) of the advertiser?
Employees	(a)	What can the duopoly offer for the employee?
	(b)	What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) employees?
	(c)	What kind of control is exerted over the duopoly by the location?
	(d)	What kind of control is exerted over the duopoly by the organizational culture?
	(e)	How do you see this duopoly reacting (what strategies) to the (changing) dynamics (needs) of the station interaction within the duopoly?
Ownership	(a)	What can the duopoly offer for the owner?
	(b)	What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) owner?

Table 3.4 (continued)
Question Groups and Questions

Question Groups		Questions
Individual Analysis	(a)	What does each manager (your position) offer to the duopoly?
	(b)	How has the range in which a particular manager functions, changed since the duopoly was formed?
	(c)	What perceptions did you bring to the duopoly?
Competition	(a)	What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) partner station?
	(b)	What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) competition?
	(c)	What kind of control is exerted over the duopoly by the market?
	(d)	How do you see this duopoly reacting (what strategies) to the (changing) dynamics (needs) of the competition?
Pre-Duopoly	(a)	What conditions or requirements are necessary to put together a duopoly?
	(b)	What experiences are necessary to put together a duopoly?
	(c)	Why was this duopoly put together?
	(d)	Who was involved in the creation of this duopoly?
	(e)	Describe the design of this duopoly.
Post-Duopoly	(a)	What skills are necessary for the efficient operation of this duopoly?
	(b)	Describe the rate of growth of the duopoly organization.
	(c)	What are some possible negative outcomes to these strategies?
	(d)	What are some possible positive outcomes (if not already mentioned) to these strategies?
Future	(a)	What direction does this duopoly go from here?
	(b)	Would there be anything you would do differently with this duopoly?

observations under each open code represented either an exact observation from a participant or a summary of similar comments by several participants.

This four stage process provided an organized method for preparing the data for analysis. The process also added to the reliability of the author's processes of reflection and analysis of the data (McCracken, 1988). The open coded observations and how to interpret Appendix D will be described in Chapter Four.

Transcription Coding and Analysis

Coding of the data began with the fourth stage of organizing the transcription data into observable categories. After the open coding process was completed the author proceeded to the axial coding process (Strauss and Corbin, 1990). This process enabled the author to connect and group similar categories with themes. The themes and sub-themes developed for the four supporting research questions were drawn from the possible themes found in the open coded categories. The author took these possible themes and subjected them to analytical scrutiny. The themes were analyzed to find general properties or thoughts associated with duopolies (McCracken, 1988). This analysis process brought the author to the formation of the four themes and twelve sub-themes that answered the four supporting research questions. These themes and sub-themes were then brought under the selective coding process which developed an overall theme or core category around which all the other themes and categories were integrated (Strauss and Corbin, 1990).

In summary, the research methodology used for this study triangulated

between the long qualitative interview, observation, and document analysis. The method of analysis was a combination of Strauss and Corbin's (1990) coding processes and McCracken's (1988) thematic analysis process. Although the term case study could be applied to each of the duopolies investigated, the author did not investigate enough of the duopoly organization to warrant a label of case study for each duopoly. However, with the unit of analysis as "radio duopoly management and organizational structure," then the research might be considered a single case study with embedded multiple case designs (Yin, 1989).

CHAPTER FOUR

RESULTS

This chapter is divided into three parts. Part one describes the limitations the author faced with this study. Part two describes the results of the duopoly and participant selection process. Part three introduces the reader to the data collected from the long interviews. This latter part also contains an analysis matrix the author used to organize the data for analysis. The matrix can also be used by the reader for a quick reference to the number of participants answering a particular question or to assist in locating a particular group of data in Appendix D. Part three explains how to use the matrix.

PART ONE

LIMITATIONS

As with any research there are limitations. This study was no exception. The author identified several limitations. The selection of the duopolies and participants interviewed relied heavily on the affirmative responses of the participants themselves. The author was fortunate to have received enough affirmative responses so as not to have to coerce other participants to get involved. Still, 69 interviews at 16 duopolies in 15 markets should not be

understood to be representative of the population of radio duopolies. These selected duopolies happened to at least touch all the criteria the author had established, but certainly did not cover them to the point where the results could be generalized to every duopoly.

Each of the six responsibility areas was adequately and equally represented for an analysis of the results. However, within each area there were some positions that were underrepresented. The author would have liked to have interviewed additional lower level management positions in certain areas. These positions might have included more news directors, chief engineers or engineering assistants, additional promotions directors, and even a music director. Additional upper level management positions, including more owners, might have been interviewed. However, not all owners were available at the duopoly. Another potential limitation of this particular group of interviews was that each duopoly did not have a representative manager interviewed for each of the responsibility areas. This, however, was not a fault of the author or the duopoly. This limitation was due more to the size of the market where the duopoly was found. Larger markets tended to have additional managers and in separate, rather than combined positions. Smaller markets tended to have less managers and in more combined positions. Therefore, it would have been difficult for the author to attempt in the beginning to get an equal number of managers at each position for each duopoly. That attempt would have defeated the initial design of this study based on the criteria outlined in Chapter Three.

The time spent with each participant was necessarily limited due to the nature of the radio business and the participant's job requirements. More time

for each interview might have allowed the author to pursue some of the answers for further explanations. Despite these limitations the author felt enough data had been gathered to end the interviewing process and begin the data analysis process.

PART TWO

DUOPOLY AND PARTICIPANT SELECTION

The reader is referred to Chapter Three for a review of the methodology used to select the sixteen duopolies. Appendix A contains a detailed description of each duopoly including station characteristics and particular positions interviewed. The demographics of each participant was not a primary concern of the author while gathering the data. The author had simply asked each contact person that enough time be allotted to interview each managerial position that had responsibilities with at least two of the stations in a duopoly. However, there were circumstances, mentioned in Chapter Three, that prevented the author from interviewing every person in a duopoly that met this requirement.

The range of demographics was as varied as can be expected among those participants interviewed. Backgrounds of those interviewed included diverse areas such as education, accounting, other sales positions, government employment, and even temporary service agencies, in addition to the usual radio employment experiences. Tenure at the radio station(s) involved in the duopolies ranged from as little time as three weeks (a promotions director) to the founder of the anchor station in a duopoly, a 45-year radio veteran. There

were 44 males and 25 females interviewed. Table 4.1 shows how the genders were distributed among three levels of management at each duopoly; upper, middle, and lower management positions. Upper management was defined as positions of ultimate control over the total operation of the duopoly or having direct contact with that person. Middle management was defined as having responsibility over other employees but not necessarily in direct contact with the overall highest ranking person. Lower management was defined as having a management position under the supervision of a middle management person but not necessarily responsible for line employees. These definitions are for descriptive purposes only and should not be strictly applied to each duopoly. The author did not ask for specific ages of the participants. From personal observation the author noted age groups from the lower 20s to the upper 60s were represented. The majority of the participants were probably in the age range of middle 30s to upper 40s. Education was another area not directly ascertained by the author. Comments made by the participants during the opening background question revealed the educational level of participants included both high school and college graduates.[1] Only two participants, according to the author's personal observations, could be classified as ethnic minorities; a male African-American and a female Hispanic. Both of these participants held lower level management positions.

1. The answer to this question was not included in the data analysis unless the participant began to answer other questions as they were talking about their background. Those particular portions were included in that particular question group's responses.

Table 4.1

Interview Distribution by Gender Among Management Levels

	Upper Management	Middle Management	Lower Management	Row Totals
Males	18	16	10	44
Females	3	15	7	25
Column Totals	21	31	17	69

PART THREE

INTERVIEW DATA

This part begins with a description of the table (Table 4.2) the reader was asked to refer to while reading this part. After this description part three was divided into nine sections. Each section corresponds to the nine question groups. The six responsibility areas and their coded/summarized responses for each question are illustrated within each section. Appendix D contains this data in detailed form.

Table 4.2 describes the analysis matrix the author used to categorize the data during the open coding stage. The six responsibility areas were listed across the top of the table. The number in parentheses following each column heading refers to the total number of participants interviewed in each of the responsibility areas. The nine question groups were listed along the left side of the table. Within each cell were two codes. The first code was a two-digit, one-letter code. The first digit refers to the responsibility area at the top of each column. The second digit after the decimal point referred to the question group at the beginning of each row. The small letter referred to either the first, second, third, fourth, or fifth question in that question group. The second code in the cell was the number in parentheses. This number referred to the number of participants that provided a response chosen for analysis. A participant may have answered a particular question, however, the author may have decided later that the answer did not refer to the question asked. In this instance, the answer may not have been considered or may have been moved to the appropriate question the participant was answering. Some

Table 4.2

Analysis Matrix

Responsibility Areas (1-6)
(Number of Participants)

Question Groups (1-9)	Ownership (9)	General Management (10)	Sales Management (10)	Operations Management (10)	Image Management (9)	Process Management (21)
Audience/ Listeners	1.1a (5) 1.1b (5) 1.1c (6)	2.1a (9) 2.1b (6) 2.1c (7)	3.1a (5) 3.1b (6) 3.1c (3)	4.1a (8) 4.1b (5) 4.1c (8)	5.1a (6) 5.1b (6) 5.1c (5)	6.1a (13) 6.1b (6) 6.1c (6)
Advertisers	1.2a (7) 1.2b (8) 1.2c (7)	2.2a (10) 2.2b (10) 2.2c (10)	3.2a (9) 3.2b (10) 3.2c (10)	4.2a (6) 4.2b (3) 4.2c (4)	5.2a (6) 5.2b (4) 5.2c (3)	6.2a (12) 6.2b (8) 6.2c (3)
Employees	1.3a (6) 1.3b (7) 1.3c (5) 1.3d (3) 1.3e (5)	2.3a (10) 2.3b (9) 2.3c (7) 2.3d (8) 2.3e (9)	3.3a (10) 3.3b (10) 3.3c (8) 3.3d (8) 3.3e (6)	4.3a (8) 4.3b (8) 4.3c (7) 4.3d (3) 4.3e (4)	5.3a (8) 5.3b (6) 5.3c (5) 5.3d (8) 5.3e (5)	6.3a (19) 6.3b (19) 6.3c (15) 6.3d (12) 6.3e (15)
Ownership	1.4a (5) 1.4b (4)	2.4a (2) 2.4b (6)	3.4a (1) 3.4b (4)	4.4a (0) 4.4b (1)	5.4a (0) 5.4b (2)	6.4a (5) 6.4b (6)
Individual Analysis	1.5a (8) 1.5b (3) 1.5c (4)	2.5a (10) 2.5b (9) 2.5c (5)	3.5a (10) 3.5b (10) 3.5c (9)	4.5a (8) 4.5b (10) 4.5c (6)	5.5a (8) 5.5b (8) 5.5c (7)	6.5a (19) 6.5b (19) 6.5c (15)
Competition	1.6a (6) 1.6b (7) 1.6c (5) 1.6d (7)	2.6a (4) 2.6b (9) 2.6c (6) 2.6d (6)	3.6a (2) 3.6b (10) 3.6c (5) 3.6d (2)	4.6a (2) 4.6b (7) 4.6c (6) 4.6d (5)	5.6a (0) 5.6b (6) 5.6c (5) 5.6d (3)	6.6a (4) 6.6b (10) 6.6c (6) 6.6d (4)
Pre-Duopoly	1.7a (9) 1.7b (6) 1.7c (9) 1.7d (2) 1.7e (7)	2.7a (10) 2.7b (8) 2.7c (8) 2.7d (7) 2.7e (10)	3.7a (9) 3.7b (10) 3.7c (5) 3.7d (2) 3.7e (10)	4.7a (8) 4.7b (8) 4.7c (7) 4.7d (2) 4.7e (9)	5.7a (7) 5.7b (7) 5.7c (5) 5.7d (0) 5.7e (7)	6.7a (12) 6.7b (12) 6.7c (12) 6.7d (3) 6.7e (19)
Post-Duopoly	1.8a (2) 1.8b (8) 1.8c (4) 1.8d (7)	2.8a (6) 2.8b (10) 2.8c (10) 2.8d (6)	3.8a (7) 3.8b (10) 3.8c (8) 3.8d (5)	4.8a (6) 4.8b (9) 4.8c (8) 4.8d (4)	5.8a (2) 5.8b (5) 5.8c (5) 5.8d (7)	6.8a (16) 6.8b (19) 6.8c (10) 6.8d (12)
Future	1.9a (3) 1.9b (9)	2.9a (9) 2.9b (8)	3.9a (8) 3.9b (9)	4.9a (7) 4.9b (10)	5.9a (5) 5.9b (7)	6.9a (16) 6.9b (16)

questions were not asked of all participants. If a participant indicated they had no insights into another area of the radio station then the author left out those questions related to that other area for that participant. Therefore, some cells have a zero listed for the number of participants responding to a particular question. The reader is again asked to refer to Appendix D for a complete picture of all the data for each question. The following sections summarized and illustrated the data.

Audience/Listeners

Three questions from the interview guide were related to the audience or listeners of the radio stations. The three questions asked what the audience/listeners receive from the duopoly, how they perceive or control the duopoly, and what strategies the management will use to attract more listeners.

QUESTION x.1a: What does this duopoly offer for listeners?

QUESTION x.1b: What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) listeners?

QUESTION x.1c: How do you see this duopoly reacting (what strategies) to the (changing) dynamics (needs) of the target audience(s)?

The coded/summarized answers to each of these questions are described next by responsibility areas for each question.

QUESTION x.1a: What does this duopoly offer for listeners?

OWNERSHIP (1.1a)

The owners said listeners benefited from the duopoly through *increases* in the radio product, and *expertise* in *consistent audience analysis* and programming. The duopoly also caused *confusion* among the listeners. Some listeners were *still learning* about the duopoly, others *did not care* that it was a duopoly.

GENERAL MANAGEMENT (2.1a)

Programming, the radio stations, and community involvement were three areas the general management employees felt listeners benefited. The word *stronger* was used by this group to describe the product of the station and the people involved with the product at the station. Dale Weber, of the Champaign duopoly, said the audience was the first link in the benefits chain:

> If we try to short-change the listening audience, we are not going to be out there and be able to deliver the product to the advertiser's need and therefore employees aren't going to reap the rewards that we need, that, any reward they have comes out of profit.[2]

Some general management showed a softer side for their product as *love* and *care* were used to describe the programming. Different types of promotions were also mentioned as a benefit. The general management also felt the listeners received additional benefits from *increased charity involvement* by the duopoly staff.

SALES MANAGEMENT (3.1a)

Choice and *quality* were two aspects the sales management felt the duopoly offered the listeners. This group felt there were *greater opportunities*

2. The Champaign duopoly's mission statement confirmed Weber's comment (Appendix E).

for listeners to choose a wider *variety* of formats. Decatur Regional Sales Manager (RSM) Sandy McKenzie said:

> You hear people complain constantly in this market because there's only one newspaper. They run it down. They hate it. It doesn't matter if it's good or bad. It's the only one and it's not their choice, so they hate it. They don't want not having a choice. When you have another radio station in the market, you have given them something else to choose from and they like that. They, it makes them think that their pond is becoming bigger.

This choice was backed by the quality of the buyer station which could now be *emulated* in the purchased station. This quality was represented through *resources* and *programming.*

OPERATIONS MANAGEMENT (4.1a)

The operations management group also felt choice and a strong station were benefits received by listeners. The choice category was focused on *commercial clusters* and *local coverage* as well as the generic music programming. Some members of this group saw the *competition getting better* and *cleaner* as a result of the duopoly. This would be an indirect benefit to the listener as Atlanta Operations Manager (OM) Neil McGinley explained:

> You can throw away the gorilla stuff which I don't even know works but it became very, very faddish in radio to show up at your competitors promotions and, you know, gorilla marketing tactics, you throw all of that out. You actually get a cleaner sounding radio station because we don't have to prostitute ourselves to get a concert or get a buy.

Other members said the listeners *did not know* about the duopoly or the changes are *invisible* to the listener.

IMAGE MANAGEMENT (5.1a)

A stronger station and an exciting product were two benefits listeners received according to the image management group. This group was split on whether the listeners were aware of the duopoly. Some said the listeners do not really know the stations as *sister stations*, or that there was *nothing unique* about the duopoly. Others in this group said the listeners were beginning to know the stations more as *partners* which was *good for the listener*. The image managers said the listeners benefited from a diversity in sound on the stations in both commercials and programming. The word *complementary* was used to describe the programming offered to listeners by the stations in the duopoly.

PROCESS MANAGEMENT (6.1a)

Additional benefits for the listener noted by this group included the ability to share information with *sisters*, the ability to promote each other, and the *loyalty* of the listener to the purchased station. The process management group also reported benefits such as *consistent quality*, *product improvement*, and a *broader choice* of formats and public service information. Several in this group mentioned the community was *getting a station back* as a result of the duopoly.

QUESTION x.1b: What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) listeners?

OWNERSHIP (1.1b)

The owners responses to this question were coded into three areas: positive, negative, and neutral. The perceptions the owners received from the listeners ranged from complaints that the listeners had *no local station* to praises that the owners had done *the right thing* and gave *direction to local radio.* Charlotte owner Carl Ford received the "no local station" complaints:

> I got a little rough with some of them and I said, "No, you people gave up your local station years ago when you started listening to the stations coming out of Charlotte." Everybody did that basically in the 1970's. They quit listening to local stations and started punching up the FM stations in Charlotte.

Some of the ownership group also reported that they received no input from the listeners.

GENERAL MANAGEMENT (2.1b)

Positive and negative feedback was also received by the general management group from the listeners. This feedback ranged from *getting money's worth* to letters written *against a format switch.* Instead of a neutral category this group's answers centering on no responses or feedback from the listeners were coded *inside* perceptions. These perceptions ranged from the listener *does not care what goes on* to the *very diverse formats* keeps the listener *unaware* of the duopoly.

SALES MANAGEMENT (3.1b)

The sales management group was split as to whether the listener response mattered to the duopoly. According to this group the listener *already knows their likes, does not pay attention* to whether the station is part of a

duopoly, and is *unaware* of the duopoly unless the listener *visits the station location.* Greensboro General Sales Manager (GSM) Jamey Kerr said:

> If you go over to the mall and find somebody, you know, just walk up to somebody and say, "Are you aware that Rock 92 and 107.5 the Eagle are owned by the same company? Are you aware of or do you care that Rock 92 and 107.5 the Eagle are owned by the same person?" They will probably say no.

Kerr purposely keeps the listener uninformed about the duopoly by using *separate letterhead* for the stations while others strive to *get a response* and *work to inform* the listener. One sales manager said the listeners usually get *less credit* from sales managers for being informed.

OPERATIONS MANAGEMENT (4.1b)

Operations managers commented on audience feedback primarily from the programming standpoint. This group said the audience *wanted a basic product* and were *surveyed* to determine a format change for the purchased station. Listeners still wanted to *program via letters.* The perception of a duopoly changed from *negative with old owners* to *positive with new owners* for one duopoly. The operations group believed they needed to correctly *counter-program for the buyer* station if the purchased station's format was changed. Other perceptions of the listeners included *praising the purchase* and the duopoly now *filled a void.* Some operations managers said listeners *do not know* about the duopoly and the managers *do not want them to know.*

IMAGE MANAGEMENT (5.1b)

Responses received from the listeners by the image management group ranged from *no perception of duopoly* to *becoming more aware* and *positive to*

format change. Some image managers said they *shared some listeners* between stations and others had *distinct listening groups.* Johnson City Creative/Production Director Don Gibson found this out about their listeners:

> I run into all kinds of them and there again, with the four stations you run into different types. I run into people who say "you work for Tri Cities Radio" and I'll say "yeah." "Well, I really like that oldies station." Then I hear another one say "I wouldn't listen to the Rush Limbaugh show," you know, because he's on the other one, then you have the other people that like the [W]QUT type format, so you run into all different sorts of people out there. We expect the audiences to be different, so I run into all. I run into a good share of all of them that like certain things about each station.

Some listeners are forced to perceive the duopoly as *dual stations* or *separate entities.* Champaign Marketing Director Gina Elliott said:

> If we're doing sticker stops and a car drives up and that car wants me to put a WIXY sticker on their car and as I always do with the listener, "Where would you like it?" And if they slap it over that WLRW sticker, well, I will put a smile on my face and slap it over that WLRW sticker, otherwise they will go crazy.

PROCESS MANAGEMENT (6.1b)

Feedback from listeners come more in the form of calls than letters according to the process management group. This group said the listener expects to *relate to a local station* but is *unaware of satellite programming* or whether the *formats are separate.* Listeners are aware, however, of a new format or a *new station.*

QUESTION x.1c: How do you see this duopoly reacting (what strategies) to the (changing) dynamics (needs) of the target audience(s)?

OWNERSHIP (1.1c)

Owners of duopolies expected to personally *adapt* to audience shifts by *continually evaluating, setting the pace,* and *being a leader.* Some owners will know their audience changes by conducting *studies,* others will *stay in touch.* Other ownership strategies for reacting to audience changes included *adapting the format, adding personnel,* keeping *marketing messages separate* but using the *same media,* and *increasing live programming.*

GENERAL MANAGEMENT (2.1c)

General management said adjustments would need to be made with personalities by getting more *energy on the morning show* and *involved with the audience* through *personalities* and *remotes. Research* and *maintenance* were two other categories noted by this group. Strategies included both *in-house* and *outside* research efforts, and the *nursing* and *feeding* of the duopoly to *maturity, reliability,* and *recognition.*

SALES MANAGEMENT (3.1c)

Sales managers thought promotions and programming were the two strategic areas the duopoly should use to respond to listeners. Some strategies mentioned included *separate trip giveaways, a downtown triplecast, both bumper stickers on cars,* and programming that would *reflect market changes.*

OPERATIONS MANAGEMENT (4.1c)

Operations managers keyed in on intra-duopoly competition as well as programming and promotional strategies for listener dynamics. The

managers said competition against each other was good but that stations within a duopoly should not *shoot* at each other. Against other stations or duopolies the duopoly should *grab it all* with *no holds barred.* Strategies that would be necessary for continued success with the listeners included *more local talent,* a *steady durable format, full live service,* the *biggest market sound, constant modification,* and staying on *top of things.* Gainesville OM Joel William said constant music research was vital:

> Is it going to come into play that you don't play sixties music anymore, you're really going to look to seventies, eighties, and nineties now? Is a seventies format going to be something that's going to be a flash in the pan?

Other operations managers also pointed out the importance of having continual *research* and having the *resources* to *find a game plan.*

IMAGE MANAGEMENT (5.1c)

The only strategy area that emerged from this group's answers was promotions. Image managers separated promotions into present and future promotions. The strategy from this group would appear to be to keep the listener guessing as to what may come next. This strategy was being accomplished through *hot, exciting* promotions, more *bells, whistles,* and *contests,* and *cross-over voices where appropriate.* The future of this strategy would depend on *surprises, unpredictability, more cross-promotions,* and a *bombard the community, in your face* attitude by the image managers.

PROCESS MANAGEMENT (6.1c)

This group of managers thought research and programming were two areas that needed strategies to react to audience dynamics. The process

managers said *flexibility* and *competition* in programming was important within the duopoly. Research efforts should *stay on top of needs* and *follow through to on-air* results.

SUMMARY

Radio duopoly managers have not forgotten the listeners. Most listeners were not aware that duopoly meant changes. The managers said listeners have more choice in the form of music variety and a better sounding station. The managers said strength of the stations was a key benefit for the audience. Within at least three of the management groups (SM, OM, and IM) there was not a consensus on whether the listener should even be informed of the duopoly or that the stations were connected. Managers received feedback from listeners through letters and phone calls, but also through relational methods such as the level of loyalty to a particular station. Almost every manager said some form of research was necessary to stay in touch with the audience. The managers saw audience involvement as a key strategy for growing the audience.

Advertisers

Three questions from the interview guide were related to the advertisers of the radio stations. The three questions asked what the advertisers receive from the duopoly, how they perceive or control the duopoly, and what strategies the management will use to attract more advertisers.

QUESTION x.2a: What does this duopoly offer for advertisers?

QUESTION x.2b: What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) advertisers?

QUESTION x.2c: How do you see this duopoly reacting (what strategies) to the (changing) dynamics (needs) of the advertiser?

The coded/summarized answers to each of these questions are described next by responsibility areas for each question.

QUESTION x.2a: What does this duopoly offer for advertisers?

Advertiser offerings from a duopoly were grouped into five categories: value, time, service, opportunities, and the audience. Some responsibility areas had no responses in some categories.

OWNERSHIP (1.2a)

Owners said the value for an advertiser came from *more coverage for the same effort, attractively priced and strong stations,* and *consistent quality* in sales and staff. Some duopolies offer the advertiser time by having to *deal with one account executive* (AE). Other duopolies keep *sales staffs separate* for each station so that time savings is not passed on to the advertiser. The advertiser has the *convenience* of *coordinated production* and the opportunity to get a *unique audience* or buy *two for one* packages.

GENERAL MANAGEMENT (2.2a)

The general management group added the audience as a fifth category of benefits for the advertiser. This group described advertiser benefits as *intermingling demographics, diversity of target* audiences, and reaching *18-64 year olds* with one buy. Washington, D.C. General Manager Catherine Meloy emphasized the importance of the audience to the duopoly:

> Whatever the case [the format] may be, to the advertiser it may not mean anything, but if you can't deliver more of the market, if you can't truly answer their needs, then the duopoly, in a sense, doesn't work.

The general managers said the advertisers could *do more without more cost,* have the *same number of AEs and more stations, strength in multiples,* and *another marketing partner.* Dale Weber, Champaign General Manager, summarized why strength is important to the advertiser:

> If we weren't an economically viable entity, we couldn't afford the digital audio production room facilities. We couldn't provide the copywriting services and the creative services and the brainstorming and the marketing. And we would be just a commodity to the advertisers. And we bring more to bear as a result.

Louisville-Prism[3] General Manager James Cooley echoed Weber's previous comment when he said:

> You need to become a marketing partner not just a vendor of a commodity.[4]

The general managers did not see any negatives for advertisers except from those duopolies that did not offer *combo sells or discounts* on rates.

SALES MANAGEMENT (3.2a)

Sales managers saw benefits for advertisers from both *split sales staffs* and combined sales staffs. One manager said the advertiser could *build a close relationship with one AE.* Another manager said split sales staffs allow AEs to

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3. Two duopolies were investigated in the Louisville market. The author will distinguish between the two by adding on the name of the company after the name of the market.
4. See Appendix E for a list of Louisville-Prism's 1994 goals that illustrate this statement.

maintain strong personal relationships with buyers. Sales managers also saw the advertiser receiving value in the form of more *market clout* and *an additional buy within one demographic.* Additional service was provided by *dealing with the same production department* and *moving products better.*

OPERATIONS MANAGEMENT (4.2a)

Operations managers said advertisers received a *double-barreled shot at the audience, coverage of a metro area* with *more good stations,* and *commercials packaged for all the duopoly stations.* The advertiser's value in a duopoly, this group said, included a *multiple rate structure, saturated market demographics,* and *more exposure.* One manager said their trombo buy was *not really an advantage yet.*

IMAGE MANAGEMENT (5.2a)

Image managers said the advertiser's message *gets more impact* with *expanded coverage* and a *more creative and larger staff without an extra talent fee.* Advertiser time is saved when the advertiser can *work with the same people* or *receive joint presentations from AEs.* One manager called the duopoly a *less confusing media mix.*

PROCESS MANAGEMENT (6.2a)

Birth to death listeners is how one process manager described the duopoly audience for an advertiser. Other services for advertisers included *targeting part of a product at a particular market, a much better selling tool,* and *one stop shopping.* This group also reported that the advertiser receives the benefit of *joint ownership* and that a particular *owner went and bought another station.*

QUESTION x.2b: What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) advertisers?

This question elicited responses that were coded: initial concerns, present attitudes, strategies, and results.

OWNERSHIP (1.2b)

The owners perceived the advertiser's feedback as being *skeptical, fearful,* and *suspicious.* Advertisers thought duopoly owners were *money grabbers* and would *force buys or aggressive rates* on them. EZ Communications President Alan Box found the fear advertisers expressed especially revealing:

> Fear that you were going to raise rates or force them to buy two stations or do some sort of thing like that which on the one hand I can understand, on the other, the advertisers control this business so tightly it's interesting to see them fearful of anything, but one of the things that we did in our very first duopoly was to invite advertisers in in a focus group forum and let them just tell us what they thought, or tell somebody, they didn't think they were telling us, but they laid it all out what their fears were and we were very sensitive to those.

This fearful attitude shifted to one of *no concern* as advertisers began to *freely use* the duopoly after the owner *proved there was no over-concentration* of control in the marketplace. The owners alleviated the advertiser's initial concerns with *focus groups* and *explanations.* Duopoly owners saw *success* while the advertisers saw *professionalism, better programs,* and more *research tools* at their disposal.

GENERAL MANAGEMENT (2.2b)

Initial concerns of the advertisers noticed by the general management included advertisers that were *unhappy* and *felt gouged.* Advertisers wanted, even demanded, the *extra product for no or little increase, the additional station sold as a "toss-in" buy,* and *no combo buys.* Agencies, unlike local retailers, *assumed stations would sell combo buys* at a deeply discounted rate. Those attitudes changed to a *good reception* after noticing duopolies became *movers and shakers* in the market. Advertisers are now *accustomed* to the duopoly concept. Some advertisers never did see anything *negative* or saw *no change.* Explanation was the main strategy used to change advertiser attitudes. General managers and their staff gave such reasons as the duopoly *serves an unserved market, is more cost efficient,* and can *offer a niche and a general market format.* The general management group saw an *increased level of credibility* among advertisers for their duopolies.

SALES MANAGEMENT (3.2b)

The sales management group said advertisers were *afraid to lose control* when duopolies were formed. Some advertisers were *petrified,* some *nervous,* some *confused,* and others thought duopolies were *OK.* Johnson City AM Sales Manager Bobbie Kabool had a typical comment:

> I think it was a little confusing, I don't think they really understood. I think possibly there was the concern of do I get both stations for one rate or is my rate going to change or what is my situation going to be?

Sales managers said national buyers *said it was a monopoly* and *felt bad about giving one AE the majority of a client's budget.* Advertisers are now *relieved* and *pleased* that rates were not *raised* or *forced in combo buys.* One sales

manager did force combo buys but also *lowered the combo rate.* Advertisers are now *buying, are glad to see someone caring for them,* and *are more accustomed to duopolies.* The transition from reluctant to willing buyers was illustrated by Atlanta General Sales Manager Diane Dalton:

> We have national buyers that would say, "I'm not buying you, it's a monopoly, I hate it, You can't force me to do anything." Two months later they are buying it. The clients were very very nervous that Norman [Schrutt, Atlanta GM] was going to come in with a big old bat and force the combo to a really high rate. When he didn't do that, it was a sigh of relief throughout town.

Making the advertiser aware and *getting the information* about duopolies to advertisers was the main strategy used to change the advertiser's attitude. Sales managers saw *a lot of annual contracts* with advertisers *paying the rates.*

OPERATIONS MANAGEMENT (4.2b)

Advertisers had a *lot of questions* and *did not understand what was going on.* Some advertisers saw duopolies as a *power move* and wondered whether they would *have a choice.* Advertisers now are *knowledgeable* and *realize the strength* of a duopoly. Operations managers said buyers *need to be educated* about the *better economics of radio.*

IMAGE MANAGEMENT (5.2b)

The image managers saw advertisers that were *scared of new things* and afraid of getting the *wool pulled over their eyes.* One manager said an advertiser wondered why the duopoly would not give the advertiser *free spots, when the competitor gave free spots on their AM station.* Some advertisers are *getting used to the duopoly* while others are *not totally comfortable or sure.*

One way to get advertisers used to the duopoly is not to be *in their hair everyday.* Advertisers *finally woke up* at one duopoly when the purchased FM station *blew everybody out of the water.*

PROCESS MANAGEMENT (6.2b)

According to the process management group the advertisers were *kind of leery and cautious* to *having high hopes the owner could pull it off.* Advertisers are now *more encouraged, comfortable,* and *excited about a format that caters to them.* The process managers realized they needed to think *more of what they could do for the advertiser* and to *know which station they are calling for* when the phone rings. Advertisers are starting to *spend more money.*

QUESTION x.2c: How do you see this duopoly reacting (what strategies) to the (changing) dynamics (needs) of the advertiser?

Strategies for appealing to the dynamics of the advertisers were coded into four categories: enhance revenue, rate structure, marketing the duopoly, and product enhancement.

OWNERSHIP (1.2c)

Several owners have realized that *using databases* could enhance the duopoly's revenue. Steve Edwards, President of the Knoxville duopoly, planned to use a *double attack* with both combined and separate sales staffs:

> Probably ideally what you'll see is a certain number of sales people that sell the major agencies in the combination, and then three or four people selling only [W]IMZ to the Harley-Davidson shops and three or four people selling only [W]EZK to the fine china shops. That's the way

> I see that we can cover it because the stations are different. Even though the audience demographics are the same, the socio-economic levels of the audiences are different. So it requires a double attack.

Owners wanted to structure their rates so *local people kept happy.* The ownership group wanted to make sure the *correct audience* was available for the advertiser's *product or service.* The owners planned to *invest in equipment and people* to *improve professionalism* and *work with the advertiser's needs.*

GENERAL MANAGEMENT (2.2c)

General managers wanted to make sure advertisers were *educated on combo buys* and the duopoly stations were *pitched in a complementary fashion.* Decatur General Manager Joel Fletcher believed in combo sales staffs after his duopoly had a disastrous start with separate sales staffs. However, he said both stations must be equally presented:

> We have to present both stations separately and we try to sell one and begin it and finish it and close it before even entertain pitching the other one. We want to wrap up last year's money plus some on one station and go after the other.

Other revenue enhancement strategies included *buying a Sign-Pro franchise, developing an advertising planner, a field marketing department for new co-op dollars,* and *using all the stations to spread the investment cost* of the additional station. Some general managers structured their rates in such a way so as to offer *half-price discounts, more added value,* and to get away from the advertiser's first reaction *"you're stealing from me."* General managers wanted to *aggressively market the duopoly* by *being marketers instead of spot*

peddlers, using qualitative research, and *more external promotions and advertising campaigns.* General managers expected to enhance the product by bringing the *customer to the client's front door* through *event marketing* and a combined *promotional bang.* Knoxville GM Craig Jacobus provided an example:

> Let's say a department store is having a grand opening, when Dillard's opens, let's take that to be a good example. I mean, there's, we could do a Super Bowl promotion with Phil Williams [WIMZ personality] in the men's department, and tie some point of purchase in there and create an entire excitement level based at and targeted to the men's department. And at the same time you could go on the other side and put together a fashion show, tie in Liz Claiborne that WEZK would be promoting and have T.K. and Laurie [WEZK personalities] emcee that at a different time, do point of purchase throughout that department. There's just all sorts of things that can grow that business using the power and strength of each radio station's target.

SALES MANAGEMENT (3.2c)

Strategies used by sales managers to enhance revenue included *needs analyses* of the advertisers, *direct mail, a financial expo,* getting *fringe market advertisers,* and *more long-term business.* Sales managers have structured their rates to *develop consistent sell-out patterns,* with *inventory supply and demand strategies,* and separate *sales attack plans* for various types of advertisers. This group said the duopoly should be marketed by *staying on the street,* let advertisers know they can *come here first for creative ideas,* and *combined external and internal promotions.*

OPERATIONS MANAGEMENT (4.2c)

Operations managers said ways should be found to *keep both little and big advertisers.* The duopoly should be marketed to *maximize audience* through more *community involvement* and enough AEs to *cover the metro and regional areas.* The operations managers see their job as product enhancers to *provide the numbers for AEs, run a clean duopoly, do not over-commercialize,* and *have the promotions director work with the client from the ground up.* Savannah OM Jeff Roper said how the commercials and programming sounded was the most important goal to him:

> I'll do whatever it takes to make an advertiser happy just as long as it sounds good on my radio station. Now, I have no control what gets sold and what doesn't get sold but I just know that the first impression is what everyone gets when they cut on the radio and it's my job to make sure that both of those impressions are the best they can get and that they sparkle and are like nothing else in town.

IMAGE MANAGEMENT (5.2c)

Image managers wanted to *turn things around quicker* and create a *win/win situation* for both the client and station in order to enhance revenue. This group thought the promotions department should be used to help advertisers *work to their full advantage.* Fort Walton Beach Promotions Director Steve O'Day illustrated these concepts with this example of a dual promotion:

> We did one break for Gary Smith Ford and we had an idea that I came up with when I saw the Mustangs and the [19]94 Mustang coming out they had a premier date and on that date we did a premier party in the Ford

dealership and the agency bought both radio stations. We were set up with van, van table with cake and both units set up. It worked well. There were a lot of folks there and we did a break where the general manager of Gary Smith Ford presented each radio station with a certificate plaque thanking us for making the Ford Mustang a successful debut. That was the simultaneous break that went on the air. You know, he said, "I would like to have KOOL 105 and 99 Rock." That was going over both radio stations at the same time. I thought it sounded great. It just seemed kind of neat, you know, something that had never been done. Some people weren't very comfortable with it but they got over it.

The image managers wanted to enhance the product so that it would be a *benefit to the client* and *fun.*

PROCESS MANAGEMENT (6.2c)

The process managers thought keeping the books straight with *correct bills, properly posted payments,* and *getting ads right* would enhance revenue. The managers said the duopoly should be marketed upon the *quality of the organization* and should *always cater to advertisers.* This group considered the product enhanced by having *two significant community stations.* One process manager said the owner was *not married to the format* and had the *ability to change* formats to attract the audience for advertisers.

SUMMARY

The managers thought the advertiser on a duopoly received three major benefits. These benefits were the strength of the stations, the coordinated services the stations could offer the advertiser, and more audience coverage.

Managers, however, differed on whether the advertiser saved time because of the duopoly. According to the managers most advertisers were fearful of the duopoly concept. These fears were at least reduced through education and explanations. Many advertisers have turned their initial negative thoughts about duopolies to positive actions with duopolies. Duopoly managers plan to attack the advertisers with the right audience and the most resources.

Employees

Five questions from the interview guide were related to the employees of the radio stations. The five questions asked what the employees receive from the duopoly, how they perceive or control the duopoly, how does the physical location affect the duopoly, what is the organizational culture like in the duopoly, and what strategies the management will use to change or maintain employee interaction in the duopoly.

QUESTION x.3a: What can the duopoly offer for the employee?

QUESTION x.3b: What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) employees?

QUESTION x.3c: What kind of control is exerted over the duopoly by the location?

QUESTION x.3d: What kind of control is exerted over the duopoly by the organizational culture?

QUESTION x.3e: How do you see this duopoly reacting (what strategies) to the (changing) dynamics (needs) of the station interaction within the duopoly?

The coded/summarized answers to each of these questions are described next by responsibility areas for each question.

QUESTION x.3a: What can the duopoly offer for the employee?

Answers to this question were summarized under three codes: additions, subtractions, and directions.

OWNERSHIP (1.3a)

Owners felt the duopoly put more in the employee's *paycheck* but sometimes *not right away.* Additional *security, training,* and *satisfaction* were also evident. The ownership group felt the *more profitable* duopoly operation created more of a *team effort* and a *closer unit.* A *loss of jobs* and *some salaries* were seen as the major subtractions. Duopoly employees have the opportunity to improve their *professional ability.* The owners said this will make the employees *look good on their resumé* and provide them a *path of advancement.* Jonesboro owner Larry Duke concurred:

> In fact, that was one of the key reasons for going into the duopoly. We've had an extremely successful history of hiring high-quality young people and training them well. Either I provide a place for them to go up or else they go some place else.

Owners also said employees have the opportunity to *make another great station. Larger sales departments* were also reported by owners.

GENERAL MANAGEMENT (2.3a)

Training, stability, generous raises, and *jobs* were all reasons for employees to be part of a duopoly according to the general managers. This group also included some negative additions such as *additional work* and *overtime, unique bookkeeping* and *traffic problems,* and a *morale crisis.* Only one general manager reported a subtraction, *some short-term displacements.* The GMs thought duopoly employees were *on the cutting edge,* working for a *company that was growing instead of shrinking,* and could expect to get a *head start on their career.*

SALES MANAGEMENT (3.3a)

Sales managers reported a lot more additions than subtractions for duopoly employees. Additions noted were *twice the opportunity* for *income potential, revenue to do more things,* and *doubled selling units.* Other additions included *increased work* and *responsibilities, copywriting and production up 50%,* and *more stability in the community.* Gainesville Sales Manager Jean Pethel said there were additions in several areas:

> One is in income, one is in knowledge, one is in taking care of that client, and doing what's best for the customer, plus the fact that it's going to employ more people, just by virtue of having another station on board, so it creates more jobs and it creates for the community that stability that they needed in radio here.

The opportunity to have less duplication of positions, equipment, and overhead costs was termed *economies of scale* by the sales managers. One sales manager said working with a *minimal staff* was *more manageable.*

OPERATIONS MANAGEMENT (4.3a)

Operations managers saw increases in *exposure, experience, income, pride,* and *work* for duopoly employees. Other additions noted were an increase in *stature and clout, cross-pollination* between stations of the duopoly, *promotions,* and *responsibility.* Fort Walton Beach OM Rick Zurick knew one way employees could expand their capabilities:

> Radio can offer a world of freedom and can also be an incredible straight jacket. If you are with one company that has one format and does one thing in the market, if you like that company odds are you are going to do the same thing for that company a number of years from now that you are doing now. Whereas us having three radio stations that have three completely separate and different personalities and are completely separate beasts, means that if somebody works for me on KOOL but they have interests in talk, we can define a role that lets them dabble in that. Whereas if we didn't own the talk station then they could never do that. That goes for anybody working in any other format. So that is a way that you really can expand and broaden your horizons.

Operations managers also saw some *shrinking* and *contraction* of employees including less *part-timers.* This subtraction was also described as taking part in *economies of scale.* Operations managers expected the duopoly to *double up part-timers* on both stations, *automate some dayparts,* and be on the *cutting edge of new broadcasting trends.*

IMAGE MANAGEMENT (5.3a)

Image managers did not report any subtractions. Additions seen by this group included *consolidation of material, ideas, and talents, multiple station*

experience, prestige, and the *increased workload* along with more *income potential.* Johnson City Production Director David Barnett said pride was an important part of being a duopoly employee:

> I've always been extremely proud of the radio stations that I work at, and I go out and I wear our call letters, you know, and it's kind of fun, because if you're on the radio enough, like Don and I are, my supervisor, we're on 24 hours a day. People will recognize you, you know, you'll go to McDonalds and they'll say "I know who you are, I listen to you on the radio," so I'm very proud of the radio stations.

Image managers expected the duopoly to direct employees to *more confidence, more revenue,* and *better stability.*

PROCESS MANAGEMENT (6.3a)

Challenges, advancement, and *experience* were all part of the additions seen by the process managers. They also noticed *more work, more compensation,* and even *jobs created for them.* Jonesboro Traffic Director Jana York was pleased to be part of the duopoly:

> My position wouldn't have even been created if they just had KFIN in Jonesboro. Had the duopoly not been in the same town, my position would not have been created.

Job elimination was the only subtraction noted by this group. The process managers saw *family-like operations* and *camaraderie* among the duopoly *team.*

QUESTION x.3b: What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) employees?

Two categories emerged from the answers to this question: attitudes and tools of change. Attitudes were divided into three areas: purchased staff attitudes, buyer staff attitudes, and changes in staff attitudes after being combined under one ownership.

OWNERSHIP (1.3b)

One owner saw the competing staffs *squaring off like dogs in a circle.* Other owners said the purchased staff was *leery, insecure,* and had a dislike of new *rules and guidelines.* The purchased staff still considered the buyer *an enemy.* Some of the purchased staff were willing to *come over in any position.* Others were concerned about *losing their job.* The buyer staffs' attitudes were *positive.* They saw the purchase as a *logical step.* The ownership gave duopoly employees a *direction, a focus, and a chance.* One owner said the duopoly *created a new fire in their belly.* Another owner said the LMA should be used as a tool to prevent *lingering employees* and to let *people know where they are* with the new owner. Some owners reported *more belief is still needed from sales people,* but overall the attitude has changed to an *appreciative* attitude according to Greensboro owner Allen Dick:

> Once they got to know us and our company, they said, "This is great." Because we get into the research and we get into treating people right and we're broadcasters and we're hands-on operators. They, I think, were appreciative of having someone who cared about them who wanted them to win. I mean, when this station, even when we purchased it, when we poured in a lot of research, and we started advertising them on TV, this is something they had never had.

GENERAL MANAGEMENT (2.3b)

General managers described the purchased staff attitude as *disheartened, extremely unsure,* and *afraid.* Some purchased staff *walked out the door, had egos damaged,* and *did not want to come over.* According to one general manager the buyer staff felt like *conquering heroes* and found it *difficult to hold back the horses.* Some general managers noticed the buyer staff *become suspicious* and *put off by new staff coming in* to the station. Another general manager picked up the buyer staff attitude of *the owner and manager get rich while we have to share our toys.* One of the tools used by this group to develop a positive attitude about the duopoly was to *involve all the department heads in the process.* Other tools included *expanding buildings, explaining benefits,* and *putting people in the right places.* Lexington GM Dan Dorsett told how he got his staff through this *crisis* situation:

> I had a staff who were coming in every day saying well, you know, Dan everybody knows you're buying the station. Why don't you just go ahead and say it? I said, you know, there's nothing to announce. When the time's right, I'll tell you. Well, finally in October of '92 I was able to announce it and the first question was, what are you going to program it with and I said that the decision has not been made and that was true. The final decision didn't come until about the second week of December and then once I decided, I told the staff, I'm not going to tell you what I've decided, because then when people ask, you can say I haven't been told and you won't be lying, okay. Well, I had some people that really by early February, were having a crisis over this. They felt like it was my duty to tell them what was going to happen and they became very

> suspicious and they knew I was interviewing some staff for the station and it got down to basic issues and we were beginning to expand the building, but it was clear it wasn't going to be, we had a hold up on that too, because of a zoning problem, that wasn't going to be finished in time and it was going to become a little crowded for a while. Well, my existing staff was a little put off by that. It was kind of like, well, why should we have to share with these guys? So, it became my job to explain to them what the advantage was.

One GM said the staff now has a *pretty good understanding of why this was done: "It's radio in the 1990s."* Other duopoly employees are *happy about the relationship* and *proud to be part of the team* even though there were *growing pains.*

SALES MANAGEMENT (3.3b)

The purchased staff had reason to be concerned according to the sales managers. One owner *fired all AEs* when the LMA took effect. Another sales manager said separate sales staffs in the same location were *fighting, attacking,* and *arguing* with each other. Some purchased staff *left,* others were *pleased to come in* to the buyer's staff. The buyer staff was *scared initially.* Some *understood,* others *did not know much about* the duopoly. Sales managers differed on initial cooperation between staffs. Some sales managers saw *more team atmosphere than expected* and *not much guarding of information,* while others saw *tension* and *competition.* Sales managers *weeded out no-changers, adjusted sales strategies,* and *planned for moves into single locations.* These tools enabled SMs to see *enormous progress* in staff attitudes. Atlanta GSM Diane Dalton said duopolies were *like childbirth:*

I think you forget. When people remind me of some of the struggles we went through in our first couple of months, I am like "we did?" I just don't think you, you know, you get through it and if you are excited about what you are trying to do and you see the light at the end of the tunnel, you kind of eventually forget the bad stuff.

OPERATIONS MANAGEMENT (4.3b)

Operations managers saw *trepidation, bad feelings,* and *petrified* attitudes among the purchased staff. OMs said the buyer staff had *mixed feelings.* Some felt like *we ate them, we got them now.* Others were *excited to expand talents and share in increased company income,* but were not sure they could *take on more work without more help.* Some of the tools that OMs recognized as helping change staff attitudes included: *owner assurances, open-minded to all suggestions, periodic meetings,* and *reduction of duplicate administrative positions.* OMs at duopolies with two locations still felt *awkward* since they could not *miss a day at either location* as explained by Atlanta OM Neil McGinley:

It took us months to get to the point where a lot of them could trust us and it is not going to get much better or right until we move into one building because I still get that, if I miss a day and don't go over there, "Gee, don't you love us anymore" and I still get the same thing over here, "Gee, we never see you anymore." That is awkward. It is probably more awkward over there because they don't know us that well.

IMAGE MANAGEMENT (5.3b)

Image managers only realized that the purchased staff was *not too happy about* the duopoly. The buyer staff was *really enthusiastic.* One duopoly

owner used *employee empowerment* to get all employees working together. The image managers in a duopoly saw both staffs *competing amongst themselves* and beginning to *voice their opinions* but *stay out of the middle unless you need to* settle a dispute.

PROCESS MANAGEMENT (6.3b)

Process managers saw some purchased staff who *felt like a stepchild* and were *hurt. Announcers were worried* and some staff left because they *could not deal with* being purchased. Buyer staff attitudes noticed by the process managers were not much better. One department had a *complete turnover.* The process manager said the employees *felt like we were sinking, did not know what to expect,* and were *apprehensive.* Some buyer employees *felt secure,* but *did not want additional responsibilities.* Lexington Business Manager Diannia Gevedon described the mixed feelings felt by employees:

> We basically took the other station dead and brought nobody over, so all the employees here basically at that point were happy and sad because these are people they work with in the market everyday and they see them losing their jobs and they see how quickly that can happen. That's always a nerving thing. At the same time, they were happy for themselves because they had a little more job security.

Process managers felt *hiring good people with ideas,* having *good communication of ideas,* and *encouraging employees to participate* created better staff attitudes. This group of managers saw employees that had *weathered the storm real well* and were willing to *keep on growing,* and *conform to the way things were.*

QUESTION x.3c: What kind of control is exerted over the duopoly by the location?

Participants' answers to this question were divided into the categories of separate, combined, and growth process. All three categories were represented whether the duopoly was in one or multiple locations.

OWNERSHIP (1.3c)

Some duopolies are required to *maintain offices in other towns* since a purchased or new station may have their city of license in a different town other than the buyer station. Owners felt it was difficult to *maintain a large market presence* when in separate locations. Combined locations were thought to be better for *employee chemistry, work flow,* and *production control.* However, some owners did not feel combined locations *was a requirement or mandatory.*

GENERAL MANAGEMENT (2.3c)

The general management group felt an *unfamiliarity* with separate locations. Going to the purchased station's location was *like moving into a new house.* The GM had *no office, desk, or phone* at the other location. One GM said it was *painful figuring out the best way to manage three properties in two locations.* GMs that were in combined locations or were planning to be said being in one location was the *proper place to be* and *makes a difference* when dealing with *little problems.* One location allowed general management to *share office equipment, in-house printing, marketing,* and to *get better rates* on supplies. Not everything will be combined for the Atlanta duopoly, said GM Norman Schrutt, when they move into a single facility at the end of 1994:

> Our studios are separate. They are separated by our production studio. KIX [WKHX] is on one side [W]YAY is on the other side. The two jock lounges are separate, the two sales departments are separate, there are areas that do come together but in most cases they are separate. The general manager's office is down on one side. I look forward to it only because we will be together.

This group also noted growth among the staff when under one roof as they *became one entity, assimilated,* and *came together as a team.* One GM said *workload issues could be evaluated better* when locations were combined.

SALES MANAGEMENT (3.3c)

Sales managers reported a loss of *hands-on control* when in separate locations. Techniques like *using the fax machine* or *establishing a courier service* were used to enable communications between the two locations. This group said *tempers were flying* and the separation was *like a cat watching kittens.* The sales managers said a combined location makes *life a lot easier, logistics are cleaned up,* and there is more *information sharing.* Atlanta GSM Diane Dalton said:

> From the sales perspective, I think it is just going to be a total asset. I want these people to communicate, I want them to talk, I want them to scoop, I want them to catch a vibe and call me stupid and accuse me of giving out two different things to two different stations. But mostly being about to walk down the hall instead of drive. I had a salesman tell me yesterday, "I have to see you." and I said look on my calendar, I have no time unless someone wants to eat with me at 5:30 in the morning, I can't start earlier than 7:00.

However, a combined location can still *get hectic* especially when the *building is not designed for four stations.* SMs said the two staffs *suffered growing pains* but have a *closer understanding for each other.*

OPERATIONS MANAGEMENT (4.3c)

Some operations managers said that being separate was an *inconvenience, but not a big deal.* Other OMs said the duopoly *must be under one roof.* A combined location *makes lives easier* and *eliminates driving time.* OMs said in a combined location employees can *touch the other station and react immediately.* This group said combining two or more operations was a *challenge for the engineering staff.*

IMAGE MANAGEMENT (5.3c)

Image managers recognized that each station in a separate location *lost a tool* when an employee had to be on the road two to three hours a day. One manager said separate locations was *a nightmare for the two-hatters.* This group realized a lot of benefits with combined locations as Fort Walton Beach Promotions Director Steve O'Day explained:

> So you won't have time loss with sales people or myself running back and forth after tapes or copy or billing or pieces of paper work, we will be all in one building. Now Jane won't have to call me on the phone and ask me to go pick up something there, it will all be in one building and it will be a plus. You won't have so much duplication. Duplication of phone lines, duplication of, you know, FAX machines, it will be a whole lot better and a lot less confusion.

The image managers said *things do not get lost, utility bills were cheaper, there was less confusion with paperwork and dubs,* and *questions are*

answered logistically. The image managers noticed the programming department and announcers *working together.* Combined locations *forced people to interact.*

PROCESS MANAGEMENT (6.3c)

The process managers thought it was *a pain to track down people* in separate locations. The managers found that communication between the stations might *take one-half to two days to complete.* One manager was on the phone *20-25 times a day* to the purchased station. Another manager said separate locations gave the purchased station *a chance to develop and establish itself before moving in with the buyer.* Combined locations *cut down on travel time and gas costs* according to the process managers. Combined locations also allowed managers to *back each other up* and have their *paperwork all in one area.* However, this group also said combined locations created *storage and space problems.* Lexington Business Manager Diannia Gevedon said:

> When you have all this confidential paper work, all, everything got larger, everything got bigger and we just did not have the room for it. That was a very difficult time because we had so many people stuffed in so many different places. That's why we got on expanding as quickly as we could. We're already maxed out in this building.

The managers noticed *growing pains* and said it will be *startling when we move* since they were *used to being cramped, sitting on each other, and yelling.*

QUESTION x.3d: What kind of control is exerted over the duopoly by the organizational culture?

This question produced five categories but not all five were represented in the answers of each responsibility area. The five codes seen in these answers were conflict, compatibility, reasons, remedies, and results.

OWNERSHIP (1.3d)

Owners mentioned there was *no resentment, a team effort,* and *terrific compatibility* among duopoly employees. The only conflict noticed was the tendency for competing announcers to *isolate themselves.* Jonesboro owner Larry Duke said their two FM stations were very competitive with each other:

> The managers hate each other. The managers are nose to nose. They are trying to knock each other in the dirt. They're competing in the finest fashions of American capitalism. They are out to cut each other's throat and take each other's money away. And they're both skyrocketing and the competition is good.

Some owners said *bigness was positive,* others said with *more people there was more going on,* and others said there were *less people to worry about.*

GENERAL MANAGEMENT (2.3d)

Conflict was evident from the general manager's viewpoint. Employees were complaining about the *new babies getting more attention.* There was *real friction, tension, and personality clashes.* GMs said the *growing pains* and *sibling rivalry* lasted *for weeks.* Fort Walton Beach General Manager Georgia Edmiston especially enjoyed watching:

> It was like neither of the FM's minded helping the AM, but they despised helping each other. It was a hoot to watch--it was a hoot to just kind of stand back and go "it's just like children, it's just like raising kids, Mommy, Mommy, I want one of those computers".

The culture of the staff eventually changed as GMs noticed the *working relationships dramatically improve, a less combative nature on the street,* and *professionals that meshed real well.* GMs expected staffs to *still compete, but compete as sisters.* Reasons for this shift in the working culture varied. Some GMs said *no new hires caused faster success.* Others said there was a *new culture for the purchased staff.* Other GMs equated creating a duopoly with creating a family: *The situation is like a new marriage, the first born has less attention, an only child took on two sisters, just like raising kids.* Some of the remedies GMs used included: *being sensitive, providing the same amount of toys and attention to the sister, and letting time heal.*

SALES MANAGEMENT (3.3d)

Sales managers felt a *demand for their time* from AEs. The sales staff wanted *answers more quickly, did not want to be the stepchild,* and considered *the other one* (sales staff) *more important* in the eyes of the sales manager. One SM said there was *jealousy, mixed feelings, animosity, and yelling matches* amongst the sales staff. Sales managers wanted to see their staffs *share information* and be *real team players.* SMs with separate staffs felt those concepts *did not stay if there were separate staffs.* Some managers said the space restrictions of the duopoly made *carrying on a private conversation or a private phone call* difficult. *Growing pains* were cited as a reason for the conflict. SMs were also fearful of *new people coming into the company culture* and the *competition sitting next to you.* Johnson City Sales Manager Mike Patterson said:

> A [W]JCW rep brings a good lead into a [W]QUT rep, gives it to him and it works and that [W]QUT rep will pay them back in kind and that kind of

thing. We encourage all that kind of positive stuff, which still there's times when your talking on the phone to a client and you really need to make a statement about your station that may or may not shed a good light on one of the other stations that are located here, and when it really gets down to it, while we encourage that cooperation and that team work, when it really gets down to it, sales people will be sales people and we know that and if it really gets down to they're either going to buy [W]KOS or they're going to buy [W]QUT, I expect my sales people to do anything and everything possible to make sure [W]KOS gets the money.

Some of the remedies used by this group included: *simplifying the process, combining the sales staff, initiating a sister station bonus program, having staggered sales meetings,* and *encouraging positive team work.* Sales managers have seen *problems gone, more camaraderie, enthusiasm, and motivation.*

OPERATIONS MANAGEMENT (4.3d)

Operations managers found existing with another staff kind of *bumpy and rough at first.* The OMs said *format and staff age differences* between the stations were two reasons. Greensboro Operations Manager Tom Jackson said:

> The psyche of the people that worked in them are radically different. And it was kind of bumpy first three to six months because they didn't have a lot in common other than radio. But I think it's like, people are people, and just as you get to know the neighbor next door that was, you didn't like them a whole lot at first, but the longer you lived there, you learned to like them. The longer we've been thrown together, the more

we realize, "You know, that guy's okay or she's okay" kind of thing. We get used to each other. And now it's great. Now there's no problems.

One OM instituted *weekly staff meetings and individual critique sessions* to help the staff get acquainted and help each other. The OMs said it was *fun knowing new people* and were learning to *like them as they were together longer.*

IMAGE MANAGEMENT (5.3d)

Image managers said there was some *initial competition* between staffs and the *buyer staff felt slighted* due to the extra attention on the purchased station. There was a *huge conflict* at one duopoly when the *sales staff was broken up.* The image managers thought competition was *enhanced* through the *intermixing, idea exchanges,* and *friendly, family-like atmosphere.* IMs said conflict resulted from *formatically different stations* and two stations realizing they can *take money from each other.* Image managers said *reassurances, more sharing,* and *staying off each other's toes* would help staffs be more compatible. Fort Walton Beach Promotions Director Steve O'Day had an example:

> If I was leaving the 99 rock remote and went to the KOOL 105 remote. I would change jackets because they would razz me. I mean, they were doing it in fun but they are very spirited and very proud of who they work for and what they are. KOOL 105 is very proud to be KOOL 105, 99 rock is very proud to be 99 rock and talk radio is the same way. I have got a sweatshirt that has all three logos and has the radio people on the back so now I can go.

The group noticed *things starting to even out* or people have *learned to live with conflict.*

PROCESS MANAGEMENT (6.3d)

Competition, tension, and *jealousy* were some conflicts noticed by these managers. The process managers that saw compatibility reported the staffs *do not knock each other around, interact pretty well,* and act *like a family. Separate locations* caused some conflict. The process managers said an employee's *loyalty should be with their work, not a particular station.* When locations are combined the managers expected the *mystique* of a different staff to be gone.

QUESTION x.3e: How do you see this duopoly reacting (what strategies) to the (changing) dynamics (needs) of the station interaction within the duopoly?

Five strategies were coded from the answers to this question. The categories included: events, compensation, motivation, positions, and responsibilities. Again, not all of the responsibility areas had answers in each category.

OWNERSHIP (1.3e)

The ownership group wanted to *compensate fairly* and *reward lower level employees.* Other motivational strategies included: *a year-end bonus, smaller account lists,* and *a competitive atmosphere.* Alignment of positions was also considered among owners as a strategy to *reassess employee needs.* Some of the strategies included: *separate program directors, a new employee advisory board, separate sales staffs, help for the business manager,* and hiring a *production/sales assistant.*

GENERAL MANAGEMENT (2.3e)

General managers said the competitive mood had *toned down,* staffs were *hitting goals,* and were getting *improved sales training. Salaries and bonuses* were part of the compensation plan of GMs and one had *incentives* for producers of demo tapes. The general managers said positions were *merged, increased,* and *eliminated* depending on the department. GMs expected *full utilization of all talents.* GMs wanted to be *entirely flexible, brainstormed with other managers for direction,* and *made sure the staff understood* their responsibilities. Lexington General Manager Dan Dorsett said:

> I can say that my experience of a duopoly is make sure your staff understands. I should have anticipated the morale problem, before I figured it out. I was so busy getting the deal done, that I got a little out of touch on that and I'm a very in touch general manager. I usually know what's going on, you know, in the hallways and what they're talking about at the water cooler, and that sort of thing. I got a little out of touch there.

Another GM said he wanted to help his sales managers *strategically think with one mind* so sales staff conflicts would not develop.

SALES MANAGEMENT (3.3e)

Training concepts were part of the sales management strategies for employee interaction. These concepts included: *role playing, practicing to relieve intimidation, sharing ideas among management, weekly training sessions,* and *helping each station meet financial goals.* Lexington General Sales Manager Karen Wesley said:

> We train every Thursday and I think it's very important and I try to involve all the sales staff in our sales training. We've been through all the Brian Tracy tapes and each sales person was responsible for one of those. We've been through co-op and vendor training, which I put them through, which is from a co-op consultant, so we do on-going sales training here.

SMs said staffs could expect *salary increases,* but one SM said *not doubled!* SMs wanted *competitiveness, evaluation after a trial period,* and *more help.* Sales staffs *handled two products pretty good, knew the product better,* should be *in tune with all stations,* and *assisted each other* as part of their responsibilities.

OPERATIONS MANAGEMENT (4.3e)

Operations managers expected the duopoly to *cut down wasted man-hours.* One OM did not want the separate staffs to get *real "palsy walsy"* but to maintain *their competitiveness and respect for each other.* While one OM expected the duopoly to *ultimately have separate staffs,* another OM had *no firm plans* for strategies in this area.

IMAGE MANAGEMENT (5.3e)

Equipment and *space* to work were two key motivating factors mentioned by the IM group. The image managers also wanted enough in their budget to *appease conflicting program directors* and *upgrade studios to digital equipment.* IMs said duopolies needed *more announcers and producers* so that the work could be *spread around and delegated.* The IMs expected the *workload would only get bigger* and *there was a tendency to get close to the work and not think of all the stations.*

PROCESS MANAGEMENT (6.3e)

Process managers noticed a *great amount of attention paid to employees* in the form of *extra people* and *more computer software.* Several process managers said *a good attitude, communication,* and *feeling part of a group* were important motivating factors. PMs felt the duopoly should have *more traffic assistants and backup people in the support staff.* This group has *looked for ways to improve procedures by combining operation methods* and *trimlining* other *processes.*

SUMMARY

Duopoly managers said duopoly employees received a chance to have security and earn more money. The duopoly experience gave employees the opportunity to get ahead. Being part of a duopoly also required employees to take on a larger workload. Overall, the managers felt the staff of the purchased station(s) was frightened of the takeover. The staff of the buyer station(s) generally felt elated about the takeover. Some lower to middle level managers were also aware of unsure feelings amongst the buyer staff. Two factors that also affected the duopoly were the location of the facilities and the working environment of the employees. The managers generally felt that a combined location was better than separate locations. A combined location produced growing pains and also family-like working conditions. Family analogies were evident among the manager's comments as they described the culture of the two merged staffs. The managers said there were struggles but most people were able to work out the difficulties. Managers planned to keep their staffs informed through training programs and to properly reward their employees.

Ownership

Two questions from the interview guide were related to the owners of duopolies. The two questions asked what the owners receive from the duopoly, and how the owners perceive or control the duopoly.

QUESTION x.4a: What can the duopoly offer for the owner?

QUESTION x.4b: What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) owner?

The coded/summarized answers to each of these questions are described next by responsibility areas for each question.

QUESTION x.4a: What can the duopoly offer for the owner?

Answers to this question were coded four different ways. The categories included: personal, community, economies of scale, and return on investment.

OWNERSHIP (1.4a)

The owners themselves felt a personal *satisfaction of success* that they had *accomplished more* and had created a *stronger foundation* for their business. The ownership group felt the duopoly *served the community's needs.* Owners expected *very real savings in operating expenses, non-duplication of some positions,* and a *lot of synergies.* This group expected to *enhance their investment* as *bottom lines and cash flow margins increased.*

GENERAL MANAGEMENT (2.4a)

General managers said the duopoly offered the owner *tremendous day to day cost savings.* The GMs said *two revenues returned more to the bottom line for a better profit margin.* One GM said he did not *expect a dime in year one.*

SALES MANAGEMENT (3.4a)

One sales manager said the owner *only paid for one person in national sales* and received an *increasing profit line.*

PROCESS MANAGEMENT (6.4a)

Two members of this group said the owner *thrived on the challenge* and *gave a small-town business the opportunity to expand and enlarge.* The process managers said the owner benefited because the duopoly became a *bigger purchaser* and suppliers were *easier to work with* for additional *cost efficiencies.* The owner was not *paying multiple utilities or paying for multiple positions.* The owner received *more revenue* and more *bottom line money.*

QUESTION x.4b: What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) owner?

Three categories were derived from the answers to this question. They were public service, expectations, and reality.

OWNERSHIP (1.4b)

The ownership group felt duopolies were *the right thing to do* and the fear of *less diversity* and *over-concentration* were *not realistic.* The owners said a duopoly has *allowed more diversity in formats* and *created diversity that did not exist.* When owners formed duopolies they expected to *combine top positions, save expenses, enhance revenue,* and *get a bigger share of the advertising pool.* One owner said bringing a duopoly to that level was like *turning a large ocean liner with a paddle.* Some felt it was a *tough row to hoe* while others said *get in, research, get the product on, and promote.*

GENERAL MANAGEMENT (2.4b)

General managers said the owners expected to *serve advertisers, listeners,* and *employees* while *seeing immediate and significant cash flow increases.* The owner *combined all the staff* and *expected delight from everyone.* The owner wanted to only *increase expenses 20%-30%, but double cash flow.* The GMs said the owners expected the *profits would be there.* Reality for owners, according to this group, was that duopoly was *not for every marketplace, there was not money to promote the stations as separate units,* and *there were just as many headaches for the owner.* Other GMs said the owner *met expectations for the first year, hit first year cash flow goals, but not revenue goals,* and *expenses were well below projections.*

SALES MANAGEMENT (3.4b)

The sales managers described the owner as a *quality broadcaster* and a *good forecaster of business needs.* This group said the owner expected *growth potential, a profit,* and a *win/win* situation from the duopoly. The SMs said the owner *dealt with fewer people, had a staff that communicated with his thinking,* and was *efficient in two stations without creating two staffs.*

OPERATIONS MANAGEMENT (4.4b)

This group described the owner as one who *consulted with other managers before making decisions, fair,* and *open-minded with unilateral control.*

IMAGE MANAGEMENT (5.4b)

The owner was *well respected* by the public according to one image manager. The owner expected *continuity with employees.* The owner in reality for these managers either had a *lot of day to day impact* or was *fairly*

hands off. Champaign Marketing Director Gina Elliott talked about Saga Communications CEO Ed Christian:

> Once a week he knows what the sales are. He speaks directly to the general sales managers, the local sales managers. He talks to them. If numbers are down, he is on the phone a lot more often. If numbers are up, he is on the phone about as much but at least he is not, at least he is in a better mood.

PROCESS MANAGEMENT (6.4b)

Process managers felt the owner wanted *the best profit available* through *efficiency* and *modernized equipment and staff.* In some duopolies the owner may *not have a lot of influence at this level.* In other duopolies process managers felt the owner had a *thumb on everything.*

SUMMARY

Managers agreed that owners received both savings and more revenue from a duopoly. The variety of duopolies investigated produced a variety of owners with differing management styles. Some managers felt their owner was very hands-on in the duopoly operations while others had no contact with the owner. Owners wanted more from a duopoly but did not always know if acquiring more was possible.

Individual Analysis

Three questions from the interview guide were related to each individual participant. The three questions asked what each manager offered

the duopoly, how their position changed since the duopoly was created, and what perceptions they brought to the duopoly.

QUESTION x.5a: What does each manager (your position) offer to the duopoly?

QUESTION x.5b: How has the range in which a particular manager functions, changed since the duopoly was formed?

QUESTION x.5c: What perceptions did you bring to the duopoly?

The coded/summarized answers to each of these questions are described next by responsibility areas for each question.

QUESTION x.5a: What does each manager (your position) offer to the duopoly?

The answers to this question were coded into three different areas: company, staff, and personal.

OWNERSHIP (1.5a)

The ownership group offered *quite a bit* to the company, from *taking out the trash* to *long-range planning for future growth and acquisitions.* The owners felt they offered the staff *guidance, knowledge of different departments,* and a *cheerleader.* The owners brought a personal *vision* to the duopoly along with *accuracy* and *creative ideas.*

GENERAL MANAGEMENT (2.5a)

The general management group offered *experience, community visibility, sales strength,* and *understanding of the company mission* to the company. This group gave the staff *challenging but achievable goals, leadership, training, education,* and *development.* The GMs were also able to

rely on other managers, set directions, and *handle jealousies.* Lexington General Manager Dan Dorsett said:

> There's almost some jealousies, quite frankly, back and forth, you know, about that sort of thing and that's just one example and it's my job to, you know, to make sure that everybody understands the vision and that one child is not getting any more of an advantage over the other one, because that's about what it comes to. It's just like managing children. If you have children, you know what I'm talking about, when one gets candy and the other one doesn't and their younger, the first thing you hear is that's not fair. I think it's my job, as the manager, to keep everybody's thinking headed in the same direction and make sure that everybody in the operation understands the mission of each station.

Personal offerings from the GMs included: a *single, clear vision, organizational skills, more sophistication,* and as one GM said, *a great management style.*

SALES MANAGEMENT (3.5a)

The sales managers said they offered the company *a good sense of direction, interaction with agencies, creating and cultivating new business, and convenience.* The staff received *coaching, help in other departments,* and *motivation* from the sales managers. Sales managers brought a *vision, energy, enthusiasm, and an organized, credible* manager to the duopoly. Greensboro General Sales Manager Jamey Kerr was labeled by one of his staff members for his managerial skills:

> One of the local sales managers has this aquarium and she has this one fish in there that she, well, she had several fish that she named after

various people on the staff. And one that she named after me was a black and white one, black and white stripes. And I said, "Why did I get that particular one?" And she said, "Because you are the referee."

OPERATIONS MANAGEMENT (4.5a)

Operations managers provided the company *experience in various radio formats, consistency,* and *relational expertise with the audience.* The OMs gave the staff an *overall view of day to day* operations, acted as a *consultant,* and *interacted with the whole staff.* OMs described themselves as *self-reliant and versatile.* Atlanta Operations Manager Neil McGinley said managing two stations was like *playing a game.*

> It is like a Chess game that I am playing with myself. I make a move on this station and I know what the move is and then I go here and I can counter that move to a certain extent.

IMAGE MANAGEMENT (5.5a)

Image managers gave the company a person who could *look out for both stations.* Champaign Marketing Director Gina Elliott was one of those people:

> If someone comes to me with a promotion event that they wanted to do, they come to MIX (WLRW) first which is often the case because MIX has been here so long. If MIX cannot do it, I will immediately put my WIXY hat on and say, "What about WIXY? Let's get WIXY out there." So I'll have an opportunity to gather additional events for WIXY without taking away from MIX. It is very important to make sure all the apples MIX has and done a wonderful job of collecting throughout the years don't get taken away, and thus lose their identity.

The image managers also provided an *immense marketing image, knowledge of the area,* and a *chance to get the word out.* Various staff members benefited from the image managers' ability to *work with all department heads* and *relieving AEs of the task of getting promotional details.* The IMs helped to *keep the client satisfied* with *creative ideas* and *designing and implementing marketing campaigns.* Some IMs said they *go all out to make it work.*

PROCESS MANAGEMENT (6.5a)

The process managers offered *experience, efficiency, knowledge of accounts,* and *general financial oversight* to the company. They knew *where to cut costs* and *what forms and procedures* to use. The PMs *trained other employees, mediated problems,* and *understood everybody's job to make the paperwork flow.* Louisville-Prism Business Manager/Traffic Specialist Katy Frank said:

> I have a pretty good overview of everything. Really the person in the business office needs that. They need to understand everybody's job in order to make the paper work flow the way it needs to. I think that probably is the biggest thing.

Process managers said they were *dedicated to turning out correct information, were careful to keep stations separated in their minds,* and *accepted the doubled workload in many areas.*

QUESTION x.5b: How has the range in which a particular manager functions, changed since the duopoly was formed?

This question produced three categorical areas for all the groups and a fourth for the ownership group. The first three were time, mental, and physical.

OWNERSHIP (1.5b)

The ownership group also described some financial changes. One owner said *more revenue was now generated through fewer managers.* Owners felt they were *busier* and had *fewer people to talk to.* Owners learned *new terms, new legal applications,* and *new strategies.* They also learned how to *think in multiple formats.* Several owners had *less travel* and *less people to see.*

GENERAL MANAGEMENT (2.5b)

General managers said there were more demands on their time since the duopoly was formed. Their time needed to be *shared between two sales staffs, two separate departmental meetings,* and *two sets of separate issues.* GMs had to become *more efficient,* spend *less time on day to day things,* and *manage better.* Savannah General Manager Daniel Gorby was an example of this change:

> Before, for example, I would ride with the salespeople almost on a daily level, now I do maybe twice a week kind of thing. Because we have more payables, I have more financials I got to report to, I now have to do two profit and loss statements every month. There is a lot more administrative responsibilities now than there was before. I have to also count on my department heads a little bit more now.

Mental demands on general managers included being *more sensitive to the purchased staff, maintaining objectivity between competitive ranks, shifting gears in management styles* in order to manage multiple properties, and *pushing more decisions down to department heads.* Some GMs realized they could not physically *handle national sales* anymore, had *more administrative*

responsibilities, and even *played construction foreman* while *learning more about engineering.*

SALES MANAGEMENT (3.5b)

Sales managers in a duopoly said more of their time is spent making things *more manageable and organized operationally.* SMs said they now need to *look at the broader picture* while *rethinking everything times two.* SMs made *a lot of adjustments in their daily routine* such as having to *keep track of more things.* One SM said the physical demands were *like having triplets with three sets of materials and three meetings.* Several sales managers said their responsibilities shifted from *being on the street* to *helping AEs with direction and more coordination at home.*

OPERATIONS MANAGEMENT (4.5b)

These managers said they learned to *delegate and prioritize duties.* Some learned to *do more in the same amount of time* by focusing *on the essentials.* Operations managers said they needed to know that *both staffs had the same vision* and were *consistent on each station.* Some OMs felt *stretched,* others said they had not *been stretched very far.* Greensboro Operations Manager Tom Jackson was one of the former:

> The big difference is many more people to deal with, many more needs and desires that I had to deal with and it is just more time consuming. I think generally in duopolies you will find management people being stretched in terms of responsibilities and time. That's what's happening. They are doubling up jobs, as we have, and it just requires you to do more in the same amount of time and learn how to be efficient.

The best mental *advantage* was *knowing what the other station was doing.* OMs were more *reliant on assistants, had more people to deal with,* and *more running back and forth.*

IMAGE MANAGEMENT (5.5b)

Image managers thought their time was *very manageable.* Some had to learn *basic duopoly reality.* This group saw themselves as a *liaison between stations,* a mediator to *placate big brother or little sister, stop a bad feeling, or smooth ruffled feathers,* while *changing gears every second.* Image managers found themselves *competing against their own ideas* and *looking at how things affected all stations.* For the first time image managers found themselves *preparing a budget, battling increased commercial loads,* but also having *double pools of talent for production delegation.*

PROCESS MANAGEMENT (6.5b)

Time was the biggest change noticed by process managers. This group said there was *more time spent teaching and showing employees, more time spent on the billing,* and just *more time working.* Process managers felt *overloaded, behind, overwhelmed,* and *trying to get a handle on* the workload. Louisville-Prism Business Manager/Bookkeeping & Personnel Specialist Kenny Frankum said:

> We had the real sudden increase in the number of employees and all the problems that go along with that. Coordinating their benefits and you know just getting them settled in, getting the simple things like a place to sit down and a pencil to write with and things like that because we went from about 22 employees to we have 50 now.

One PM said the stations *may be at the same location, but your mind was always working for two stations.* Some process managers were able to *hire more employees* to help with the workload. Other PMs were able to *shift duties among office workers* like Champaign Traffic Director Deb Rahn:

> Before, the receptionist for just one station here did a lot of administrative/clerical types of jobs but once we had two different stations here, it takes her most of her time just to answer the phone and get messages to people. So all that clerical responsibility was taken away from her so that she would be able to answer the phones.

QUESTION x.5c: What perceptions did you bring to the duopoly?

Three types of perceptions were coded from this question: concerns, expectations, and reality.

OWNERSHIP (1.5c)

Owners said they were *scared and not sure.* The ownership group wanted to be sure they were *perceived correctly in the community* and were *careful not to upset people.* The owners expected to be *challenged, were excited about the additional responsibility* and *opportunity to make more money,* and expected to *handle the higher volume of business without problems.* Reality showed the owners that *people would turn against the owners, the duopoly was not as big as originally thought, fewer AEs was not the answer,* and *one plus one does not equal three.* Some owners discovered that duopoly *worked better than they thought* and *expense savings were greater* than thought.

GENERAL MANAGEMENT (2.5c)

General management concerns included *lack of understanding and confidence.* Their expectations showed more understanding as some were *delighted with the idea and excited* while others were *scared.* The GMs knew this was the only way *stations could survive,* so now they were *positioned for market dominance* and could *eat up the smaller people.* Washington, D.C. General Manager Catherine Meloy said:

> Before I thought that if in fact you were floundering and you joined with somebody else and became a duopoly that that would make you obviously much stronger. But what happens is that this guy that is floundering is bought up by somebody who is not floundering and so you do become a stronger station, but I think you become a stronger station by selling out versus by individually.

SALES MANAGEMENT (3.5c)

Sales managers were concerned about *account distribution, doubling of everything,* and *increased competition.* This group had *intense, power hungry feelings, were excited, envisioned success,* and had *positive perceptions.* Sales managers found duopolies to be *more challenging, still somewhat confusing,* but *realized it was a good business move.* This group also said the *jury was still out* on whether *combo or split sales staffs were better.* Johnson City Sales Manager Mike Patterson had mixed perceptions as an AE before being promoted to WKOS-FM Sales Manager:

> I almost considered it a burden when they said "and we want you to sell [W]KOS too." This was addressed to all the sales staff, you know when you got this too and they tried to put the focus on it and I didn't care. I've

got these quotas to make on [W]QUT, I was one of [W]QUT's top billers and I was making good money at it, I didn't want anybody in my playhouse, you know, leave my toys alone and that was probably the only negative I could think of was that, I still wanted to focus on what I wanted. I was glad we were doing it, but just don't bother me with the details.

OPERATIONS MANAGEMENT (4.5c)

Operations managers were concerned about *splitting ad dollars* and whether *things were not going to change for the worse.* OMs *recognized a win, were excited about the opportunity,* and knew they could *attract unserved listeners and ad dollars.* Fort Walton Beach Operations Manager Rick Zurick said:

> Having just gone through a sale in New Orleans just before I came here, I would much rather be in a company that is expanding here than having new owners that you have never met before in your life coming in and now owning you, or at least your job, and deciding what your future is with them. I thought it was just exciting.

One OM even said being *bought by the buyer was a real strength.* Operations managers said realistically they did have *some moments of misgiving* but now had *peace of mind.*

IMAGE MANAGEMENT (5.5c)

The image managers were loaded with concerns: *This is going to be a big mess, could I keep up with a doubled and tripled workload, the rich get richer, the poor get poorer.* Image managers expected *different philosophies to come together* so everyone would *act as a family, respect, and look out for each other.* Some others sat back and said they would *believe it when they saw*

it. After *settling down* image managers said the duopoly was *actually not that bad, pretty easy, something I can live with, challenging,* and *rewarding.*

PROCESS MANAGEMENT (6.5c)

Workload and *job security* were two concerns of the process management group. This group had a *lot of questions* and *were leery* of the idea. The process managers knew a duopoly was *going to be a challenge.* They *did not want to fail* but one PM *did not think the workload could be handled.* After the duopoly was created the PMs *did not have time to think about* their concerns. They began the *long process of rebuilding* without realizing *the amount of work it would take.* The process managers said they did not *anticipate all the problems and growing pains.* Even though there was *quite a bit of adjustment,* the PMs *felt good about embracing change.*

SUMMARY

If one word were to describe each responsibility area's offerings to the duopolies here is what those words would be: Owners, leader; GMs, teacher; SMs, driver; OMs, consultant; IMs, energizer; PMs, mediator. All the managers said they felt busier in a duopoly. Upper management said they dealt with fewer people. Middle and lower managers felt they dealt with more people and had more responsibilities. Most managers were leery of additional responsibilities. Managers expected other employees to do more but not always with more resources. Duopoly managers felt they needed to be more efficient with their time and staff.

Competition

Four questions from the interview guide were related to areas of competition for the duopoly. The four questions asked what was the perception of the partner (purchased owner) to the duopoly, what was the reaction from the other competition, how does the market affect the duopoly, and what strategies are planned to react to the competition.

QUESTION x.6a: What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) partner station?

QUESTION x.6b: What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) competition?

QUESTION x.6c: What kind of control is exerted over the duopoly by the market?

QUESTION x.6d: How do you see this duopoly reacting (what strategies) to the (changing) dynamics (needs) of the competition?

The coded/summarized answers to each of these questions are described next by responsibility areas for each question.

QUESTION x.6a: What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) partner station?

This question provided five categories. Each category, however, was not represented by all the responsibility areas. The five categories were financial, programming, personnel, purchased attitude, and buyer attitude.

OWNERSHIP (1.6a)

Owners of duopolies said some of the stations they bought had been *allowed to die* or *had no cash flow.* Other owners did buy strong, competitive stations. These owners said they were glad they were able to *take out the competitor.* Most owners said the purchased station was *vegetating* or *had nothing put into the programming.* The purchased staff's attitude was often a *winner-loser syndrome with a lot of fear.* The buyer said the purchase was often *more emotional than pre-duopoly buyouts* because the purchased station was *the enemy, the people across the street.* Jonesboro owner Larry Duke overcame this hurdle:

> It was kind of a touchy first meeting for two competitors to come together and try to work out something, especially two competitors that have not really gotten along very well for fifteen years. But in the meeting I suggested that we both take off our armor and drop our shield and see if we couldn't work out something that would be beneficial for both parties, and today one of the most pleasant aspects of this is he and I are very closest of friends.

GENERAL MANAGEMENT (2.6a)

General managers reported personnel *turnover.* Employee discontent was *expressed through the grapevine.* GMs said the purchased owner *spread rumors of pay raises, wanted the best dollar amount under the best conditions,* but also *provided valuable input without any demands for control.* General managers said *a game plan* was needed if an *unsuccessful format was bought.* One GM said the purchased AM station was *worthless* and put it *on the back burner.*

SALES MANAGEMENT (3.6a)

Sales managers said the partner *cooperated fully* and *let the buyer do everything* but did have *some feeling of protectiveness.* The SMs desired a *good relationship* with the partner and felt a *co-dependence on each other.*

OPERATIONS MANAGEMENT (4.6a)

The operations managers saw some purchased stations *bleeding to death* after *trying every format.* Some purchased employees *came over* but the OMs wanted to make sure the employees did not *get back in the same routine.*

PROCESS MANAGEMENT (6.6a)

Some of this group saw the purchased station as a *bankrupt stepchild.* Another purchased station had *high quality equipment* for the new owners. Separate locations prompted one PM to say a *year of growth in the personnel area* was lost.

QUESTION x.6b: What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) competition?

Three situations were represented in the answers to this question: the purchased situation, the buyer situation, and the other competition.

OWNERSHIP (1.6b)

One owner said the selling owner *did not know the situation* and just *needed the money.* The ownership group saw their place in the marketplace get bigger as they *took out the top competitor, became more even with television, got a lot of muscle,* and took the *bulk of the market revenue and audience shares.* Owners said that other competitors *hoped the local people would not like the duopoly, will need to do the same thing,* and *talked the*

duopoly down to advertisers. One owner felt threatened by another duopoly owner because of its *more powerful combination.*

GENERAL MANAGEMENT (2.6b)

General managers said the buyer in a duopoly can be a *positive influence by being a rate leader* in the market. GMs thought *flexibility was important* so that budgets could be shifted to help one of the duopoly stations that might *come under attack.* The GMs said the duopoly made the competition *sharper* and brought other competitors to the point of *forming their own duopolies.* GMs tried to be *local* when the competitor was not local. One GM said some markets are like *chess pieces where stations are constantly pairing up.*

SALES MANAGEMENT (3.6b)

Some sales managers saw the purchased station as an opportunity to *go after a missing audience segment with a new format.* SMs said their AE's focus should be on *ad effectiveness, not cost emphasis.* Decatur Local Sales Manager Dale Denham said:

> You draw away some of the attention because together if we ask a $30.00 rate, that's $30.00 a unit and you get one ad on each station and you can then focus on the effectiveness of the ad and the bulk of the people that you're getting to without quite so much emphasis on cost. So, I think in that respect, it's probably helped a little bit.

Sales managers started to see *control of more market shares* and were able to *minimize the competition with twice as powerful speech.* SMs thought other competition was *jealous, hesitant,* and *fretful.* Some competition tried to *cut down the duopoly at the knees with lower rates or change the advertiser's*

mental perception of the duopoly's worth. One sales manager saw a competitor's *whole sales staff* apply for jobs at the duopoly.

OPERATIONS MANAGEMENT (4.6b)

The operations managers used the purchased station to *fire a flanking shot at the competitor's audience* or *to fragment their success.* The OMs saw the buyer able to *set advertising rates for two.* Some OMs thought the duopoly was *unique in the market* but did not think the duopoly had a *profound effect* on the market. Operations managers received a variety of feedback from the other competitors, such as: *trashing the duopoly on the streets, finding the negatives, anxious and surprised,* and *nothing different.*

IMAGE MANAGEMENT (5.6b)

One image manager said their duopoly was a *dog fight* between the purchased and buyer staffs. The image managers felt the buyer *should be pro-active, not re-active, creative with commercials,* and be *cognitive of the competition.* IMs said the other competition *combated with lower rates* and *have started to consolidate.* Some competition *did not see the duopoly coming* and were *blown away.*

PROCESS MANAGEMENT (6.6b)

One process manager said a strength of a purchased station is *identifiable on-air personalities.* Process managers said the buyer *should never spread rumors, should rely on own numbers,* and *should always consider the competition's effects.* These managers saw their duopolies as a *threat to the competition* and said the competition *rarely poses any problems for the duopolies.*

QUESTION x.6c: What kind of control is exerted over the duopoly by the market?

This question allowed the participant to talk about the advantages and disadvantages of their market. Every responsibility area saw more advantages than disadvantages.

OWNERSHIP (1.6c)

The owners saw *more opportunities* such as *adding more stations, better advertiser support,* and *reaching out to more communities and potential business.* A small-market owner saw a nearby larger market as a disadvantage because of the *better formats and better station sounds.*

GENERAL MANAGEMENT (2.6c)

General managers said the *product was reflective of the community.* The GMs said a duopoly *was not unique* but needed to be in *growing markets.* An *excellent company reputation* adds another *information and entertainment choice to the market.*

SALES MANAGEMENT (3.6c)

Advantages seen by sales managers in their markets included a *healthy and intense demand* for advertising and music, *weaker stations eliminated, the target audience primed, catered, and sold,* and people *conditioned to the right format.* One disadvantage noted was a market that *could not absorb all the signals and have viable stations.*

OPERATIONS MANAGEMENT (4.6c)

Operations managers only saw advantages in their markets. These advantages included a *strong country music base, a good economy, returning*

advertising dollars, more money in the market, and *good broadcasters with market success.*

IMAGE MANAGEMENT (5.6c)

Image managers saw markets that had *room for another station* and *could capably serve both interests.* One IM said their duopoly was *designed so the seasonal market did not affect their business.* Another IM said their duopoly *filled a void in the market left by the competitor. Going through growing pains* was the only disadvantage seen by image managers.

PROCESS MANAGEMENT (6.6c)

Process managers reported a *good, solid economy* which *made duopolies possible.* The duopoly *reflected what was going on in the community* according to process managers. The group said *economic factors* were important for support of *two powerful stations.*

QUESTION x.6d: How do you see this duopoly reacting (what strategies) to the (changing) dynamics (needs) of the competition?

Participants answered this question in two parts. Those two parts were the categories of duopoly action and competitor action.

OWNERSHIP (1.6d)

The ownership group said duopolies should always *be on the offensive* and not let the *competition attack the hill.* Owners wanted their duopolies to *be positioned, have a strategic game plan,* and *challenge market leaders.* Greensboro owner Allen Dick illustrated this concept:

> Hopefully we can promote, which is marketing, we can position programming formatically to where we take a strong position and they

say, "They've got that hill. It will cost us dearly for us to challenge them. And then we don't know whether we can win." So, we hope they say, "Those guys are up on the hill. They've got big guns. We don't want to go after them."

Owners thought competitor action might include *offensive tactics to reduce duopoly shares* and *doing their own duopoly deals.* Owners wanted the competition to *stay healthy, combine,* and *get more active.*

GENERAL MANAGEMENT (2.6d)

General managers revealed several offensive tactics for the competition. This duopoly action included such strategies as *compressing market shares, intimidating competitor to leave a format, weeding out weak stations, acting, not reacting,* and *marketing the product to cast for new listeners and avoid audience erosion.* Lexington General Manager Dan Dorsett found out one strategy led to another strategy:

> Because of our young country station (WWYC), we believe that we are knocking that other AC station off buys and the reason for that I think, no one can ever tell for sure, is buyers who are, if they add a station, they're generally going to take a station off. Buyers and agencies are used to buying certain facilities and dividing of shares in certain ways. Well, here's what's happened, MIX (WMXL) is a much stronger AC station than KISS. We go in and tell a compelling story for young country. Somebody's got to come off the buying, so it's the second AC that comes off. We've taken money from them. I wouldn't have predicted this effect on the other AC. I don't think I thought through just exactly how

that would work, but as we're getting young country added to buys, we see money not going to them on some of these buys.

Some duopoly GMs saw competitors *copy the duopoly marketing efforts* and *get out of their stations and into the community.*

SALES MANAGEMENT (3.6d)

Sales managers were generally *not aware of the competition when doing well.* The SMs did not *want to think about any other radio stations.* They planned to *give people what they want.* Some SMs had *nothing planned* for the competition. The sales managers were not aware of any competitor actions.

OPERATIONS MANAGEMENT (4.6d)

Operations managers used everything from their *gut* to *formal research* to plan their duopoly action. OMs felt the duopoly should be *defined for a real choice, know the competitor's potential format plans,* and *get the best format to be successful.* Atlanta Operations Manager Neil McGinley said this was true even within the duopoly:

> We program against each other but on a higher level than before. As I said, we have taken away the stuff that was not good for the radio station because you were focused not so much on the audience, you were focused on "HA! I got this and you didn't," that is gone. I got this because it is good for me not because, "HA! You didn't get it."

Some operations managers saw *competition for business fade* as the duopoly stations were no longer *at each other's throat.*

IMAGE MANAGEMENT (5.6d)

The image managers took extreme pleasure in irritating the competition with such tactics as *stepped up sticker patrols, billboards across the street from the competitor's building, diluting the competitor's promotions, having bigger remote equipment,* and *being more visible.* Champaign Marketing Director Gina Elliott said competitors *do not dare go up against me:*

> Their slogan, "The switch is now on to Lite 97.5," well, MIX (WLRW) did something that the average listener has no idea that it means anything. We found out about a day ahead of time that was going to be the plug and we quickly changed our spot sets and said, "Thanks for making the switch to 94.5."

IMs did not see their competitors *doing promotions like the duopolies.* One image manager said the competition was *caught with their pants down.*

PROCESS MANAGEMENT (6.6d)

The process managers said a *strong product* was the best action a duopoly could take against the competition. Other actions a duopoly might take included having *managers who know how to act defensively* and *getting another FM station.* Louisville-Prism Business Manager Kenny Frankum said their competition tried to add an FM station:

> But there is a cost involved in doing that in that they only have a 3,000 watt station to do it with and no budget so they can't advertise it well, promote it, or do anything like that and I think we will just be able to move ahead with a stronger marketing plan.

Process managers saw the competition as *complacent, always changing, being pushed to the edge by the duopoly,* and *getting what drops off the wagon.*

SUMMARY

Duopoly managers found radio station owners that sold their stations to duopoly buyers to be helpful and cooperative but also damaging by spreading rumors and not operating the stations. Almost all managers in a duopoly put themselves on top or in control of outside competition and competition within the duopoly. Managers were aware that the competition had talked negatively about the duopoly. The managers generally did not respond with that same kind of action. A growing economy was an important asset for each duopoly's market. The managers felt all their markets had a strong economy. They also said the duopoly benefits the market. In response to the competition the managers said a duopoly needed both an offensive and defensive game plan. The duopoly strategy should be active and ongoing. Some duopoly managers had tailored their strategy for competition within the duopoly.

Pre-Duopoly

Five questions from the interview guide were related to activities before the duopoly was formed. The five questions asked participants what conditions and experiences were necessary to create a duopoly, why was their duopoly formed, who created the duopoly, and what was the design of the duopoly.

QUESTION x.7a: What conditions or requirements are necessary to put together a duopoly?

QUESTION x.7b: What experiences are necessary to put together a duopoly?

QUESTION x.7c: Why was this duopoly put together?

QUESTION x.7d: Who was involved in the creation of this duopoly?

QUESTION x.7e: Describe the design of this duopoly.

The coded/summarized answers to each of these questions are described next by responsibility areas for each question.

QUESTION x.7a: What conditions or requirements are necessary to put together a duopoly?

This question produced seven categories. Not all of the categories were represented in each responsibility area. Three of the categories centered around the viability of the buyer, the purchased, and the market. The other four categories were staff, location, audience match, and attitude.

OWNERSHIP (1.7a)

The owners said the buyer in a duopoly needs to have a *stable operation, good billings, low debt ratios,* and if possible, *local financing.* Both stations in a duopoly *need some horsepower,* however, one owner said the *merger of two weak stations can be successful.* Location considerations mentioned by the owners included *tower height, power,* and a *building project to move the facilities together.* The owners felt a *good engineer* was a necessity along with a *competent and qualified* staff. The owner should be *known in the community and a knowledgeable leader.* The ownership group said there were two conditions for a duopoly to have a good audience match: either *franchise within a format* or have *strong stations with individual formats controlling a certain demographic.*

GENERAL MANAGEMENT (2.7a)

According to the general management group the buyer in a duopoly should be *willing to make a sensible deal, a conscientious broadcaster,* and have a *good game plan and a strong property.* GMs said formats should be

mutually compatible and should fill a *hole in the market.* The buyer should know *what is in the purchased building and how the purchased station is operated.* Some GMs said the buyer should *begin with an LMA* to get both staffs through the *long negotiations.* General managers should *imagine coming into the market* for the first time when assessing the market viability. Knoxville General Manager Craig Jacobus said two viable properties may force the toughest decisions:

> I think that in strategies where you have two going concerns, full signal, billing properties that are contributing fairly decent billing numbers, is a), that's the first red flag to just throwing a combo together and selling it in combo, and b), how close are the formats. News-talk and CHR top-40 probably shouldn't be sold in combo if they're both going concerns. So the further apart the formats are in target and the more going concern each radio station is, the more risk you have, thus the slower you need to proceed in just throwing them together and putting one combo staff on the street and go sell this big combo.

General managers said staff requirements included a *strong management, involved department heads,* and a *buyer staff willing to take on additional duties.* GMs said they needed to *understand situational dynamics.* This group said the duopoly should *own a format franchise* or *match formats demographically.* They said there was *no right or wrong way.* A GMs attitude needed to be *flexible, sensitive,* and willing to *make changes* since there was no *textbook on duopoly strategy.*

SALES MANAGEMENT (3.7a)

Sales managers said a duopoly should *make financial sense* and have the backing of *corporate resources.* SMs said to remember there are *two entities and everything should not be combined.* The market *economics*, *the format,* and *the competition should all blend together.* This group said the duopoly audiences should *enhance* each other. SMs said managers should be *committed up front on which management style will be used.* Lexington General Sales Manager Karen Wesley said:

> A lot of stations choose to keep the stations selling in trombo and not split the sales staff and some stations choose to split the sales staff. I think whatever you choose, you have to be committed to whatever you do. I've spent about a week calling different general sales managers around the country to find out how they had chosen to sell, whether they've kept their sales staff together or whether they had split it off and having each fight for their own share and different people had different views. I don't think anyone knows the one single best thing to do, so just being committed to the decision that you make and not looking backward, I think is the best thing to do.

Top management's *vision should be acceptable at the local level* where *the plan is known from the beginning.*

OPERATIONS MANAGEMENT (4.7a)

Operations managers said the duopoly buyer should be *structured, have money and a knowledge of broadcasting,* and *give direction to the company.* Standalone stations will either *be a buyer or a seller* according to the OMs. They said the formats should *fill an unserved niche or hole* in the market. The

OMs said the stations should *complement* each other *demographically.* This group wanted *enough staff to meet time constraints* but still realized that *economies of scale could double the billing.* The operations managers said an attitude of *competing against yourself* was a requirement.

IMAGE MANAGEMENT (5.7a)

The image managers said a duopoly buyer should be able to *see both sides* and *provide materials and support.* The buyer needed to decide whether the purchased station would be a *flanker or a partner.* Image managers said the stations should have *different core audiences and be formatically different.* The market should be *researched for a complementary station.* The IMs said the staff should *know what is happening at each phase.* Image managers felt *growing pains* in the duopoly situation and said it was like *bringing a new child into the household.*

PROCESS MANAGEMENT (6.7a)

Process managers said a buyer in a duopoly should have a *successful track record, know the market,* and be able to *run several different stations under one roof.* Process managers said owners should *work out the best deal for the purchased equipment* and *research on how the purchased station could be made better.* The PMs said *one location* was a requirement. The staff should consist of *strong backup people,* have *help from AEs and upper management,* and be *knowledgeable of what is going on.* Some PMs said the duopoly required *two mind sets* since the duopoly was *kind of like Siamese twins.*

QUESTION x.7b: What experiences are necessary to put together a duopoly?

This question was categorized into two areas: same and different experiences.

OWNERSHIP (1.7b)

Some similar experiences owners had included: *profitably operating the same frequency earlier, running AM/FM combos, group operations experiences,* and *a good track record.* Experiences the owners found out that were different for a duopoly included: *operating multiple operations independently, asking people to double responsibilities,* and *preparing for more work and management problems.*

GENERAL MANAGEMENT (2.7b)

Some similar experiences general managers had included: *other company takeovers, previous format changes, firing staffs, start-up experience,* and *a long time in the market.* Experiences the GMs found out that were different for a duopoly included: *had never managed a previous competitor, managing multiple properties, competitive environments, financial management,* and *not having workbooks or books* as references.

SALES MANAGEMENT (3.7b)

Some similar experiences sales managers had included: *working in a variety of markets, formats, and environments, being through a start-up, selling experiences,* and *negotiations.* Atlanta General Sales Manager Diane Dalton found differences between employees who came to the duopoly after it was formed and those that had been through the creation experience:

> One of the things that has really been tough for the people that have been here the whole time and suddenly life is blown up and everything is different. It has really been hard for them. Me, my life blows up every three years and I am used to it. I think this one is the thing that has made it good for me. I think that is one of the reasons that Norman

> [Schrutt, Atlanta General Manager] put me in this position because I had the variety and experience versus somebody that has been in the same market and the same station.

Experiences the SMs found out that were different for a duopoly included: *more work and confusion, making history, making it up as we go, fighting a prior station image, no duopoly book or people with duopoly experience.*

OPERATIONS MANAGEMENT (4.7b)

Some similar experiences operations managers had included: *acquisition of another station and competitor, operational experience, people skills, time management knowledge,* and one OM said the duopoly was the *same as operating one* station. Experiences the OMs found out that were different for a duopoly included: *remembering all the call letters, selling different programs, different people, formats, philosophies, additional stations with the same support staff,* and *competing with self.*

IMAGE MANAGEMENT (5.7b)

Some similar experiences image managers had included: *working for an AM/FM combo, people skills, understanding both sides of the glass, programming and format knowledge, experience with automation systems.* Experiences the IMs found out that were different for a duopoly included: *separating yourself, playing chess with yourself, schizophrenia, different mind frame, delegating,* and *heavier production and copywriting loads.*

PROCESS MANAGEMENT (6.7b)

Some similar experiences process managers had included: *working at a multiple property location, appropriate backgrounds in accounting and auditing, organizational skills, juggling a lot of things,* and *a role model at a*

previous job. Experiences the PMs found out that were different for a duopoly included: *only one financial setup, but twice the work to get there, fitting in all the pieces to the paper trail jigsaw puzzle, infinite patience, computer logistics, ability to put up with chaos,* and *fishing as we go along finding our way.*

QUESTION x.7c: Why was this duopoly put together?

The answers to this question provided five different strategies used by owners to put the duopoly together. The five categories were: economies of scale, building strategy, protection strategy, just do it strategy, and public service strategy. Again, not all responsibility areas mentioned every strategy.

OWNERSHIP (1.7c)

The owners said economies of scale reasons included: *cutting staff, utilities, compensating people better, utilizing a better staff for the purchased station,* and *having the same overhead for multiple stations.* Building strategies included: *increased billings, enhanced competition for buyer staff, changing market dynamics,* and *retaining better personnel.* Protection strategies included: *taking out the competitor, making a preemptive move, keeping clients, getting a superior tower and signal, economic survival,* and *competing against larger combos.* Just do it strategies included: *saw a challenge, right price, fun of doing it,* and *thought it would work.* Opelika owner Gary Fuller was a good example of this strategy:

> If I don't buy it, there could be a younger Gary Fuller, who's fifteen years my junior and had the same work ethics I had when I was 35, then, you know, I've got to compete with that and just a pain in the butt, but I said the main thing is just the fun of doing it.

Public service strategies included: *benefit the community and listener,* and *overcome coverage complaints.*

GENERAL MANAGEMENT (2.7c)

The general managers said economies of scale reasons included: *operate facility in same building with low operating costs* and *remain economically viable after station increases in the market.* Building strategies included: *high number of viable share points, strategic move by owner, under-radioed, attractive market, marketing two stations together, appealing to an unreached market segment,* and *growing in the 1990s.* Protection strategies included: *taking over a lifestyle, getting the drop-in before somebody else did, putting two competitors in bed together, solidifying position in the market,* and *assuring investment remained strong.* Just do it strategies included: *it was there* and *a unique deal.* Public service strategies included: *added jobs to the market* and *would have been a dark license.*

SALES MANAGEMENT (3.7c)

The sales managers said building strategies included: *keeping more marbles, expand and grow company,* and *something new and different.* Protection strategies included: *gobbled up competitor to control format, locked up a demographic, took audience from major competitor,* and *changing format on the purchased station to reduce competition on the buyer station.* Just do it strategies included: *license was available* and *an opportune time and convenient situation.* Public service strategies included: *void in market, filling need for city and region, quality service to listeners,* and *gave area something back.*

OPERATIONS MANAGEMENT (4.7c)

The operations managers said economies of scale reasons included: *needed more than one station in small and medium markets to be viable.* Building strategies included: *had signals to fill niches in community, keep company growing,* and *owner's goal of having more stations.* Protection strategies included: *own the franchise, protect both fronts,* and *eliminated the competitor.* Just do it strategies included: *always wanted to pair up with competitor, convenience in same market,* and *door opened so stepped in.* Public service strategies included: *keep station on the air, salvage and rescue from format, financial problems,* and *super serve community.*

IMAGE MANAGEMENT (5.7c)

The image managers said economies of scale reasons included: *better efficiency* and *minimal staff needed to take on another station.* Building strategies included: *filling gaps in format and talent, ability to generate a lot of revenue,* and *combining a format in demand with an established personality.* Protection strategies included: *be the dominate force in the market, cover all demographics,* and *create competition for the market leaders.* Public service strategies included: *room for another voice in the market* and *more personalities involved in the community.*

PROCESS MANAGEMENT (6.7c)

The process managers said building strategies included: *success potential in a missing market segment, combining forces and knowledge to get more audience, building more competition,* and *making more money.* Protection strategies included: *identified over-radioed market with a need for a station to capture a huge share, getting ready for rules change,* and

capitalize on duopolies or be lost. Just do it strategies included: *purchased station's tower and transmitter on buyer's site, underutilized major facility sitting there, exceptional marriage, available and worth something,* and *ego.* Public service strategies included: *filled a gap and two different listener needs,* and *help business community.*

QUESTION x.7d: Who was involved in the creation of this duopoly? Answers to this question showed that every management position had some input into the creation of a duopoly depending on the individual duopoly. Categories for this question included: upper management, middle management, lower management, other, and discussion. Every category was not represented in each responsibility area.

OWNERSHIP (1.7d)

The ownership group recognized three levels of involvement. Middle management involvement included: *engineering, operations,* and *sales.* Lower management involvement included *news.* Other involvement included: *lawyers* and *accountants.*

GENERAL MANAGEMENT (2.7d)

The general management group recognized four levels of involvement. Upper management involvement included: *the general manager, corporate officers, chief executive officer, chief financial officer, vice-president of programming,* and *the owner(s).* Middle management involvement included *department heads.* Lower management involvement included *all managers* Other involvement included: *managers from other markets where the company owned stations* and *relatives involved in radio.* Decatur General

Manager Joel Fletcher said there were *many hours of discussion* on a variety of topics:

> It's real amazing to get four or five people together and you talk about anything from the logo of the new station to how to open the market on it and how to market the new station to what the rates ought to be to where the studios ought to be, to combine staffs or not combine staffs, just all kinds of things like that, to go full-bore automation or to go satellite delivered, or to go live twenty four hours with people.

SALES MANAGEMENT (3.7d)

The sales management group recognized two levels of involvement. Upper management involvement included: *president, general manager,* and *group owners.* Other involvement included *the culture of the general manager.*

OPERATIONS MANAGEMENT (4.7d)

The operations management group recognized three levels of involvement. Upper management involvement included: *both owners* and *the engineer.* Middle management involvement included *the operations manager.* Other involvement included *everybody in the building.* Discussion about the duopoly included: *brainstorming on formatics for six months* and *encouraging the owner.*

PROCESS MANAGEMENT (6.7d)

The process management group recognized one level of involvement. Upper management involvement included: *the owner(s)* and *general managers.* Discussion about the duopoly included: *how duopoly will be handled* and *length of time owner kept purchase under the hat.*

QUESTION x.7e: Describe the design of this duopoly.

Three categories were developed from this request: combined positions, separated positions, and other purposes. The summarization of these answers will illustrate the non-uniformity of whether a position is combined or separated in a duopoly. The author defined a combined position as one that had responsibility over at least two of the stations in a duopoly. The author defined a separated position as one that had responsibility over only one of the duopoly stations. Listed below will be the positions that each responsibility area reported in both the combined and separated categories. The positions listed only in one of the first two categories will then be provided by category. A summarization of the other purposes will follow these lists.

OWNERSHIP (1.7e)

Positions or responsibilities reported both combined and separated by owners included: *production, location, operations manager, sales manager, sales staff, board operators,* and *original air talent and other on-air announcers.* Positions or responsibilities reported combined only by owners included: *general manager, chief engineer, news director, technical and administrative support, business manager, traffic director,* and *receptionist.* Positions or responsibilities reported separated only by owners included: *program directors* and *news approaches.* Some of the other purposes for a duopoly according to this group included: *regional coverage, matched formats for demographic compatibility, maximizing combo selling when sensible, holding operating costs without sacrificing product quality.*

GENERAL MANAGEMENT (2.7e)

Positions or responsibilities reported both combined and separated by general managers included: *general manager, general sales manager, operations or station manager, traffic director, location, local sales calls, production director, news director or news people, office manager, sales assistant* and *chief or contract engineer.* Two examples of general managers switching sales strategies after starting with a different one were at the Johnson City and Decatur duopolies. Johnson City Station Manager Don Raines went from combined to separated sales staffs:

> We tried to use "lets let the sales staff sell all the properties," and one of the things that we ran into was, it seemed to be a lack of focus on any one property and especially the newer stations, I don't think got the attention they needed, so we had to switch back from the sales department handling all stations to the sales department handling each individual station, you know, back the way it used to be, and that put more focus on that particular station and it's got better results.

Decatur General Manager Joel Fletcher went from an initial start with separate sales staffs to combined staffs several months later:

> You begin to see those two sales staffs opposing each other in a very, not vicious, but it can be a difficult situation and I am the only guy that really has to love them both as much as the other. I have yet to see a situation where everybody's radio station doesn't favor one station or the other. It just is a natural thing to do and so we found ourselves really spinning our wheels. We found not only did our new station sales not do what we wanted them to do, but our other, our original FM [W]EJT

sales started to drop dramatically because people were spending time falling over each other. There was information that was not being passed on and so we decided to go ahead and combine sales staffs. Because quite honestly, it was taking it's toll on me.

Positions or responsibilities reported combined only by general managers included: *business manager, national sales, marketing director,* and *receptionist or sales assistant.* Positions or responsibilities reported separated only by general managers included: *local sales manager, program director, controller,* and *announcers.* Some of the other purposes for a duopoly according to this group included: *put the AM on satellite programming, create a big market share, compatible formats, overlapping the AM in the middle of the two FMs,* and *cross-promoting on-air but not off-air.* The general managers also said the most difficult decision was whether to *combine or separate sales staffs.* Several GMs had *growing pains* as staffs were *shifted back and forth between combo and split sales strategies.*

SALES MANAGEMENT (3.7e)

Positions or responsibilities reported both combined and separated by sales managers included: *local sales manager* and *sales staffs.* Greensboro General Sales Manager Jamey Kerr was at a duopoly that started with a combo sales staff but still is not sure the right decision was made:

> I know that if we ever do split, we're going to have some agencies or businesses saying, "Well, I don't want to talk to anybody else but Angie. I've dealt with Angie for seven years now. I just want to deal with her. I don't want to have to take two phone calls whereas now I've been getting one." Because that was the premise of duopolies to begin with:

It helps you streamline and also it supposedly makes you more efficient. But, you know, there are some times when I don't know if we have enough bodies and sometimes I don't know if we have enough competition when I see the shares we are getting as opposed to the other stations, being the second and third rated station in the market. We should be getting higher shares on some pieces of business. Are two separate sales staffs going to greatly increase our revenue? I don't know. I don't really think so. I think it's going to create more problems than it would solve. Particularly with like formatted stations.

Positions or responsibilities reported combined only by sales managers included: *general sales manager, regional sales manager, general manager or president, a non-traditional AE, AM programming, production department, copywriter,* and *the building.* No positions or responsibilities were reported separated only by sales managers. Some of the other purposes for a duopoly according to this group included: *to combine equipment, a smart financial move, eliminate friction, consistent programming, sharing in external promotions,* and *determining whether a split or combo sales staff would work.*

OPERATIONS MANAGEMENT (4.7e)

Positions or responsibilities reported both combined and separated by operations managers included: *announcers, production work and director, promotions,* and *research.* Positions or responsibilities reported combined only by operations managers included: *sales, owner, general manager, bookkeeping, operations manager, news director, program director, engineer,* and *idea sharing.* Positions or responsibilities reported separated only by operations managers included *the core audience.* Some of the other purposes

for a duopoly according to this group included: *complementary formats, domination of demographics, a friendlier workplace environment, more commitment to news, satellite programming for cost efficient start-up,* and *grooming assistants to assume more responsibilities.* Fort Walton Beach Operations Manager Rick Zurick broke down the design of this duopoly's complementary formats:

> 99-ROCK has and probably will continue to do very well in males 18 to about 25. KOOL has for the last few years been very strong in women from 25 to 54 and the talk radio station like most talk stations that I have ever been around is going to do well more with males than ladies and that is 25 plus, 35 plus. So, you know, we are not going after the same audience or the same sell. I mean, that would be nuts for us to do that.

IMAGE MANAGEMENT (5.7e)

No positions or responsibilities were reported both combined and separated by image managers. Positions or responsibilities reported combined only by image managers included: *air staff, production director, marketing director, promotions director,* and a *created staff of producers.* Louisville-Prism Production Director Chris Allman had such a staff:

> You can just walk down the hall and grab somebody and most likely they are going to be able to do the job you need them to do. You have got a lot more choices, you have got better presentation on the air by having a variety of voices to choose from.

No positions or responsibilities were reported separated only by image managers. Some of the other purposes for a duopoly according to this group included: *going straight ahead, turning images into sound, complementary*

formats, specializing more on big projects, working with all departments, and *looking for another copywriter.*

PROCESS MANAGEMENT (6.7e)

Positions or responsibilities reported both combined and separated by process managers included: *traffic director, promotions,* and *administration.* Positions or responsibilities reported combined only by PMs included: *business manager, production, corporate services, balance sheets,* and *continuity director.* Positions or responsibilities reported separated only by PMs included: *sales staffs, station management, programming, income statements,* and *anything revenue driven or general and administrative expenses.* Lexington Business Manager Diannia Gevedon said it was very important to decide ahead of time how to allocate expenses:

> All we did to start out with was to do additional costs. We did that March, April, and May and then May we backed up and said, whoa, wait a second here, this is not telling us if [WW]YC is making a profit, you know. Was this a good investment? Was it a bad investment? We can't tell from the way we're doing our books, so then we said okay what we want to do now is break up each individual station separately and let each of them be able to stand alone. Each of them show all of their revenue. Each of them show all the expenses associated with operating that station. That caused a lot of problems, because now you have to decide how you're going to allocate these expenses. You have a utility bill that you've always had. Now what do you do with it? Does one station pick up the whole utility bill? Do you divide it 50/50? Do you divide it? How do you

divide it? So these were the problems that I came up to and we just had to sit down and make some decisions.

Some of the other purposes for a duopoly according to this group included: *a model for the rest of the company, satellite programming requires less than a full staff,* and *increased power and upgraded transmitter and exciter on the purchased station.*

SUMMARY

Duopoly managers said there must be willing partners in the station transaction process. The buyer must have strength in management and finances. The managers said the duopoly management should be committed to the plan and be able to get through the growing pains. The experience of working in other radio combinations helped duopoly managers. There were no references for managers to use. Several managers felt they had to be two different people in the same body. Owners used five strategies to create the duopolies. These strategies gave the owners the opportunity to either help, provide, or control different aspects of the duopoly. People involved in the duopoly creation ranged from just the owner and consultants at some duopolies to the entire staff at other duopolies. The duopoly managers were confused most about whether to combine staff positions or keep them separate. Many managers were not sure which method should be used. Managers were somewhat in agreement that a duopoly should control either a format or a demographic lifestyle in a market.

Post-Duopoly

Four questions from the interview guide were related to activities after the duopoly was formed. The four questions asked participants what skills are needed to operate a duopoly, what areas the participant noticed growth in the duopoly, and what could be the negative and positive outcomes to strategies mentioned in the audience/listeners, advertisers, employees, and competition question groups.

QUESTION x.8a: What skills are necessary for the efficient operation of this duopoly?

QUESTION x.8b: Describe the rate of growth of the duopoly organization.

QUESTION x.8c: What are some possible negative outcomes to these strategies?

QUESTION x.8d: What are some possible positive outcomes (if not already mentioned) to these strategies?

The coded/summarized answers to each of these questions are described next by responsibility areas for each question.

QUESTION x.8a: What skills are necessary for the efficient operation of this duopoly?

Five areas of skills were coded from the answers to this question. These areas were: relational, educational, leadership, managerial, and practical. Again, not all responsibility areas had answers in all five areas.

OWNERSHIP (1.8a)

Owners said a relational skill was the ability to *communicate with both employees and clients.* Educational skills picked up by the owners were *FCC*

rules knowledge, consultation with other radio operators, and *relying on relatives in the radio business.* A practical skill mentioned by one owner was *learning to drive on the interstate* between stations.

GENERAL MANAGEMENT (2.8a)

Relational skills for general managers included *learning to say no positively, thinking in different directions,* and *diversity in people skills.* The GMs said leadership skills included a *greater level of decisiveness, establishing the proper attitude, delegating,* and *taking more risks.* Managerial skills the GMs developed were *diversity in operational skills, a great business sense, unbelievably well organized,* and *an immediate open door policy.* One GM said a practical skill she needed was to *live without sleep.*

SALES MANAGEMENT (3.8a)

Sales managers needed to *relate to the AEs* and *be patient.* The SMs felt educational skills they needed to develop included *being an authority on formats overnight, more creative,* and *having more capacity to handle more information.* Decatur Local Sales Manager Dale Denham said one needed to know whether old skills would work in this new situation:

> Is my system going to work under the conditions of the duopoly, the way that I evaluate people, the procedures that we follow, the sales techniques that we use to train. Is this going to work on a generic format say, as opposed to the oldies format? So, there were, you know, changes to be made there.

Leadership skills included *direction for the crew, utilizing all the tools,* and *being prepared.* Managerial skills for SMs included *training, motivating,* and *answering questions.* Sales managers thought practical skills necessary to

operate a duopoly were *having information available, a good management team,* and *a staff for delegation.*

OPERATIONS MANAGEMENT (4.8a)

Operations managers had to learn how to *deal with another set of people.* This group said they learned to *sell promoters on the value of the purchased station.* Other educational skills these managers suggested should be learned were *planning ahead further for station acquisitions* and *more knowledge of computers.* The OMs as leaders wanted to let people *find their strengths* and *let them focus* on their jobs. Some OMs had to learn how to *delegate* and become *better organizers.*

IMAGE MANAGEMENT (5.8a)

Image managers said *efficiency* and *time management* were two managerial skills needed to operate in a duopoly. The only practical skill mentioned was *computer skills.*

PROCESS MANAGEMENT (6.8a)

Process managers said *people and communication skills* were essential in a duopoly. For some PMs *learning what radio is all about* was an educational skill. As leaders process managers needed to be *coordinated, motivated, willing to take on responsibility,* and be able to *deal with problems quickly.*

Champaign Traffic Director Deb Rahn said:

> Before I took the position, they had somebody doing it who really didn't understand the importance of what it was that she was doing. And that's not good because you don't want to have that perception with the clients that people don't know what's going on. So, you really need to be on top of things and I guess just being able to look at a situation and go to the

heart of it, figure out what it is that needs to be done and not being afraid to take responsibility for your actions.

Managerial skills for this group included *organization, follow through, time management, versatility, teaching,* and *delegating.* Practical skills included *going back to old skills, computer skills, attention to detail, multi-tasking with computers,* and *common sense.*

QUESTION x.8b: Describe the rate of growth of the duopoly organization.

Four categories of answers described areas of growth within the duopoly: financial, personnel, resources, and audience.

OWNERSHIP (1.8b)

The ownership group said their financial growth was *slow but not going down, modest on the buyer, going down on the AM,* and *exceptional financial growth in eight months.* Owners also expected financial growth to come from *emerging related revenue areas, more agency buys,* and *the ability to reach different clients.* EZ Communications President Alan Box described how radio sales were expanding into different areas:

> It makes it much more attractive to an advertiser when we can go into the local Ford dealer and say you're buying this remote on our country station and you're running these commercials on our adult contemporary station, how would you like for us to mail a direct-mail letter offering a cassette just to come into the dealership next Saturday to support your remote, and we can mail that to 5,000 people in the zip codes right around here. That type of stuff has really become instead of

a giveaway, it's something we can actually sell. And I think that the magic behind it has been two data bases which make one larger one. Growth in the personnel area was noticed in the *number of employees* both through *additions and cutbacks.* Resource growth was described as a *stable format* and *growth to fit the building.* Most owners hoped for an increase in *ratings.* One owner noted a *50% increase in one demographic in six months.*

GENERAL MANAGEMENT (2.8b)

General managers reported on both historical growth and future growth. GMs said they *lost money when sold combo, saw the biggest growth from the purchased station, were under the original yearly projection but made monthly projections by the end of 1993, had revenues, sales, and payroll go up.* Future growth included *tremendous growth after a first year experiment, wanting 1+1+1 to equal 4, profitable in the next year or two,* and *another revenue increase in the purchased stations.* General managers said personnel *cleaned up bad selling habits, increased in size,* and *cultivated their potential.* GMs saw growth in resources through a *better sound, new ways to serve clients,* and *being under one roof.* Growth in the audience was noticed by the purchased station *rising to higher ratings* and *more people talking about the stations.* Atlanta General Manager Norman Schrutt noticed rating growth without changing the air staff:

> I think the greatest satisfaction that we have had is that we have had rating growth without changing air personalities on any of the radio stations. Sometimes you have to shoot all the people and hire all new people. We have not made changes except for a sidekick for the morning show, a female news person. It is the same morning guy, the

same mid-day person, the same afternoon person, the same night person and the same overnight person. To hit rating growth with that really is extremely interesting for us and it should be interesting for people who look at it because all it is, is that we changed the music a little. We changed the style, we changed the attitude and we have had success. That is very gratifying.

SALES MANAGEMENT (3.8b)

Sales managers noticed more financial growth than less financial growth. *More dollars came in during the fourth quarter of 1993, more new accounts came on the stations,* and *both revenues and expenses increased.* SMs said the personnel had *personal growth, numerical growth,* and *growth in how to present beyond numbers.* Sales managers learned *smarter ways to use outside suppliers* and *introduced more creative and unique sales techniques.* The SMs said there was more *potential for steady shares* with the duopoly and a *hot and exciting on-air* sound.

OPERATIONS MANAGEMENT (4.8b)

Operations managers saw financial growth in *sales and dollars* as well as *other revenue outlets* and *rebirth to a station.* Personnel growth came from *personal growth, new skills, promotions, new employees, morale, knowledge of executing duopolies,* and a *tighter knit family.* The OMs also saw growth in resources through *cross-pollination of ideas between stations* and *finding the right people for the right jobs.* Some OMs saw growth in the purchased station's *listeners,* others said there was still *room to grow.*

IMAGE MANAGEMENT (5.8b)

Image managers said *revenue* and *new business* was part of the financial growth. Personnel growth included *knowing what other jobs are about, seeing things in different ways,* and *promotions, employee numbers attitude, and responsibilities.* Louisville-Prism Production Director Chris Allman said:

> Every time for the first few weeks, every time I sat there and wrote something I was going "I could do this in two minutes" but that is not my job anymore. So growth as a manager, growth in responsibilities.

Growth was also seen in *merchandising* and *more diverse talents.* One IM said their duopoly was *swallowing up country listeners.*

PROCESS MANAGEMENT (6.8b)

Financial areas of growth noticed by process managers included *sales, payroll, bills, revenue,* and *orders.* Personnel growth was recorded in *employee numbers, attitude changes, finding the right kind of people, paperwork,* and *growing pains.* Some of the resources that increased included *the building, phone system, parking lot, work hours, community involvement,* and *station exposure.* Process managers said the duopoly was *reaching more people, constantly growing,* and was a *force in the market.*

QUESTION x.8c: What are some possible negative outcomes to these strategies?

Answers to this question were coded in five categories. The five negative outcome codes were advertiser perceptions, financial, personnel, programming, and general.

OWNERSHIP (1.8c)

The first two categories were the only ones mentioned by the ownership group. They said advertisers might respond that *the pricing was too hot* or that all the *advertiser dollars cannot go into one basket.* The owners said *incorrect perceptions* from the advertiser would be a *definite hindrance.* Owners said another negative outcome would be if *some stations suffered revenue losses.*

GENERAL MANAGEMENT (2.8c)

General managers said advertisers could think that the duopoly was *arrogant, over-charging,* or *taking advantage of the duopoly dominance.* GMs said *one station could become a weak sister, sales might fall off,* or *continual annual growth was not recognized.* The GMs wondered if *the right programming decisions had been made, if the format they chose would remain viable,* or *if the effort to win was misjudged.* Negative outcomes among personnel could include *arguments when under one roof, the distraction of moving, lack of motivation and proper presentation knowledge, not enough attention to the staff,* and *resistance from combo sales AEs to represent all stations.* Knoxville General Manager Craig Jacobus commented on this last point:

> If you have sold the soft adult contemporary station and got your $2,000, let's say, to stay there and sell through again at that particular point to get that next sale becomes a very difficult proposition for most sellers. The objection is I've already bought here, go away. And so you find that the seller that might have been able to get you there prior, a lot of them are not equipped today to be able to handle a complex sale as it is.

SALES MANAGEMENT (3.8c)

Sales managers said negative perceptions from advertisers included *not being able to meet cost per points, price structures high for agencies,* and *losing advertisers to other media.* SMs said they could be *spending too much time on the street trying to make a profit* or *pricing the small retailer out of the radio business.* Personnel negatives could be *time spent learning a different language for non-traditional business, not equally pitching both stations in a combo sell,* and forgetting that AEs *still needed to be motivated.* Other SMs said *negative does not register, getting tired or frustrated,* and *not thinking through actions.*

OPERATIONS MANAGEMENT (4.8c)

Operations managers said *purchasing the wrong station in the wrong market* was a financial negative. OMs saw *people being tossed out of work, having less places to train new announcers, asking AEs to sell to the same clients,* and *in-fighting between staffs* as some negatives in the personnel area. Programming negatives included *losing the core audience, lack of local talent,* and *less competition.*

IMAGE MANAGEMENT (5.8c)

Image managers said *start-up costs* could *drain some of the first year's profits.* IMs said *some people were not accommodating* while others might *lose sight of working for all the stations.* Programming was *all a gamble* if another station came into the market before *the duopoly audience was set.* One IM said the *plate was incredibly full with a lot of things on the table.* The Savannah duopoly also had the concern of being operated by owners without the majority percentage of stock as Production Director Christy Allen explained:

Sometimes I worry that since LOVE isn't completely ours, that maybe the owners on the other side will say "Hey! this is a money making venture, lets take it all on our own and see if we can't buy it back away from them" and then I would hate to see that but if somebody tried to take it over from where it is right now, I think it would lose. I think it wouldn't get the attention that it is getting right now.

PROCESS MANAGEMENT (6.8c)

Process managers did not want advertisers to perceive the duopoly owner as one who might *force other stations out of the market.* Another fear was that *rates might not rise enough to maintain the duopoly's position in the market.* PMs said separate stations within a duopoly might *undercut each other on rates and lose the advertiser on both stations.* Weak *cash flows and revenues* were also another concern. Some PMs found it *difficult to coordinate business and sales* and received *negative vibes as people realized more office help was needed.* The PMs learned *how to survive the ups and downs.*

QUESTION x.8d: What are some possible positive outcomes (if not already mentioned) to these strategies?

Positive outcomes to duopoly strategies were categorized under the codes community benefits, duopoly benefits, personnel benefits, and industry benefits. As with some previous questions not all representative areas covered all categories.

OWNERSHIP (1.8d)

Owners considered benefits to the community to include: *more community service, a larger employer with an economic impact,* and *making another hometown station.* Duopoly benefits included *recognition and respect*

and *growth in revenue and audience.* The owners believed the radio industry would be *healthier and have more capital* because of the *decreased number of owners* allowing *dedicated owners to expand.*

GENERAL MANAGEMENT (2.8d)

The general managers said the duopoly *brought a lot to the table* for the community including *service* and *reliability.* The duopoly, in return, *profits more* and has a *larger audience* with more *revenue shares.*

SALES MANAGEMENT (3.8d)

Duopoly sales managers said they have *more people involved and in touch* with the community. This gave the duopoly more *pulses for an accurate marketplace reading.* The SMs said the company's *status, sales,* and *growth potential were increased.* Personnel benefited from more work with *increased salaries and open management positions.* The industry benefited from *other stations copying successful duopoly stations.*

OPERATIONS MANAGEMENT (4.8d)

More people were reached with local news and sports coverage as a result of the duopoly according to operations managers. The OMs said the duopoly benefited positively from *charging competitive rates, getting stronger ratings and larger revenues,* and *looking better when the competition weakened.*

IMAGE MANAGEMENT (5.8d)

Image managers said the community benefited from having a *stabilized company with audience recognition* that can *get out and shake hands* with people. The duopoly benefited from *greater recognition of all stations, a successful format shift,* and *tremendous growth potential.* Duopoly personnel

benefited with *big, fat bonuses* and *employee growth* into *one big, happy family.*

PROCESS MANAGEMENT (6.8d)

Process managers said the community benefited from *more staff participation in community activities*, an *established, stable ownership*, and *powerful stations.* The duopoly became a *financially secure organization able to grow in the market.* Positive outcomes for personnel included *planned work, smoother operation,* and *paid what you are worth.* Atlanta Business Manager Crystal Davis said:

> We will just be able to work from the standpoint of having most of our work well planned out and not have to be so reactionary and putting out fires which has really gone down a lot over the last month. We were doing a lot of that at first and you know, since finding out that, "by the way, did you know that we have this lease that needs paid?" and certain things you just don't get bills for so you find out, you know, one you haven't paid through some bill that is out there and just different projects that have been going on.

SUMMARY

Duopoly managers said they needed to develop more people skills and become quick learners. Managers needed to be willing to help others and take on more responsibilities. Besides revenue and audience growth managers also noticed personal growth among employees in such areas as working together like a team or family, the employee attitudes, and sharing of information between employees. Duopoly managers said negative outcomes to their duopoly strategies might include getting the wrong advertiser perceptions,

having discouraged personnel, programming with a non-viable format, and having cash flows that do not match the audience popularity of the duopoly stations. Positive outcomes to the strategies of duopoly managers included having reliable stations, employees benefiting from stronger stations, and having an economic and social impact on the market.

Future

Two questions from the interview guide were related to the future outlook for duopolies. The two questions asked where the duopoly goes now and what the participant would change if they could start over.

QUESTION x.9a: What direction does this duopoly go from here?

QUESTION x.9b: Would there be anything you would do differently with this duopoly?

The coded/summarized answers to each of these questions are described next by responsibility areas for each question.

QUESTION x.9a: What direction does this duopoly go from here?

Four categories emerged from the answers to this question. They were community anchor, market dominator, internal strategies, and external strategies.

OWNERSHIP (1.9a)

The owners said a duopoly striving to be a community anchor would *provide information and better events for the listeners.* The market dominator duopoly wants to *maintain the dominant marketplace position* and *grow in revenue and success.* Internal strategies to move the duopoly in the desired

direction included *possible split sales staffs* and *attracting more capital to better serve the duopoly's clients.* External strategies by the owners would include *pressuring the FCC to further raise ownership limits.*

GENERAL MANAGEMENT (2.9a)

General managers said community anchor duopolies would be involved in *more localization, have popular personalities,* and *emphasize serving the community.* The market dominator duopoly wants *50% of the market's revenue and audience shares* and *add more stations.* The GMs said internal strategies that will move the duopoly along included *looking for more ways to integrate, separating AMs and FMs into two separate divisions, increasing revenue, on-going sales training,* and *separate general sales managers.* External strategies included *more outside promotions, continual research,* and *some savings with less promotion.*

SALES MANAGEMENT (3.9a)

Sales managers focused on the market dominator duopoly. This type of duopoly *adds more stations, makes all stations contenders,* and *goes up in ratings.* SMs said internal strategies to move the duopoly in this direction included *develop and grow new business, getting it right with adjustments,* and getting *better revenue, resources, and rewards.* Two external strategies mentioned were *upgrading the station signal* and *switching to live programming.*

OPERATIONS MANAGEMENT (4.9a)

Operations Managers said a community anchor duopoly would be *more familiar with and do more with the business community and listeners.* The market dominator duopoly wants *more money, rating success,* and *market wins*

for all stations. Internal strategies to make this work would include *staffing stations twenty-four hours, keeping head above water, working out kinks,* and *getting new digital equipment.* External strategies would include *avoiding mistakes, being strong enough to make changes,* and *growing in demographics, dollars, and ratings.*

IMAGE MANAGEMENT (5.9a)

The community anchor duopoly would *get stations active and visible at more community events* according to the image managers. They said the market dominator duopoly would *go full forward sticking to their guns.* IMs mentioned *adding people to the company* as an internal strategy. External strategies included *getting the product right for all the audience* and *staying on the right track and moving in the right direction.*

PROCESS MANAGEMENT (6.9a)

Process managers said the community anchor duopoly would *serve their audience with more giveaways and community involvement.* The market dominator duopoly would *beat the market leader, go up, become larger, maintain top ranking,* and *may acquire more stations.* Internal strategies included *having lots and lots of money, lower accounts payables,* and *having positive financial effects.* External strategies included *developing loyal listeners, selling an AM, keeping all stations,* and *buying properties in other cities.*

QUESTION x.9b: Would there be anything you would do differently with this duopoly?

Answers to this question were coded into five categories. The categories were negotiating, planning, staffing, waiting, and activist.

OWNERSHIP (1.9b)

One owner said he probably would *not have paid so much* for the purchased property. Another owner said he would have negotiated a *better deal on inherited personnel.* Owners wanted to *plan better* and have *done everything at one time. Starting on a building sooner* and *being able to decide how to represent the stations in sales* were two other plans the owners would have done. One owner said a *real big "if"* in duopolies is whether to have split or combo sales staffs. Owners said they would have waited to *decide on sales staffs and format switches.* Several owners said they would *change the stinking rules, have a duopoly in any market,* and *eliminate the necessity of having LMAs.* Another activist idea from an owner was *not to be a standalone FM station.* One of those duopolies affected by the rule change was the Louisville-Sunnyside duopoly. Owner Charlie Jenkins would have sold one of the AM stations had the rules not changed:

> If I had it to do over again, and I knew that I would be able to keep WXVW, I would start with separate sales staffs, separate identities. I think our duopoly would have been a lot more successful had we been able from the opening bell to have brought in a separate sales staff and say, "Okay, people, you are going to sell WXVW, and people, you are going to sell WAVG." That probably goes against what I just said a moment ago in competing, but I still think that separate staffs are better than combination staffs because I think one facility always tends to suffer if you have combo staffs.

GENERAL MANAGEMENT (2.9b)

One general manager felt an *LMA should be started immediately* so the purchased staff would know what was going to happen. Other GMs said they would *look for more space, have a separate location for sales staff,* and *be able to start with the ideal structure.* The GMs would change the staffing by *demanding a strong management person for clear direction in sales, adding more people on the purchased programming staff,* and *starting with separate GMs.* The GMs also said they would *wait a year before deciding on air staff instead of shooting from the hip, promote stronger out of the box, sensed a morale issue sooner,* and *made the duopoly be more successful sooner.* One GM would *set up a bonus plan to reward AEs who shared information.*

SALES MANAGEMENT (3.9b)

Some sales managers said they would not change a lot in the planning area. Other SMs said *upper management should let employees know of decisions, put a focused sales effort into the purchased stations immediately,* and *prepared clients for the duopoly several months earlier.* Staffing needed to be *focused, not just more AEs.* SMs said it took *longer for AEs to build personal relationships with buyers* when staffs were split; other SMs said they would *go combo from day one.*

OPERATIONS MANAGEMENT (4.9b)

Planning changes for operations managers included *discussing more viable options for the purchased AM, keeping the local flavor,* and *not duplicating stations.* Operations managers said the *most difficult area to control was marketing and promotions and whether to have one or two people in that area.* Other staffing changes included *choosing the correct daypart to*

go live and *having the necessary personnel resources to make the duopoly run.* OMs would liked to have been *in a single facility sooner* and *proceeded more slowly* with the change. One OM said *something different* might have been done with *the Mothership,* the buyer FM.

IMAGE MANAGEMENT (5.9b)

Image managers said planning changes would be to *make format changes more significant* and have *good, solid equipment with a phenomenal sound.* One IM said upper management *has done a great job.* The biggest staffing change image managers wanted was *more people and hours.* IMs wanted to be *in one building from the start.* Some activist ideas from IMs included *marketing sales as a whole concept instead of individual stations, on-air cross-promotions,* and *solidify company to meet future companies with just as much power.*

PROCESS MANAGEMENT (6.9b)

Process managers thought *more planning and preparation* was needed in the negotiation stages. Preparation and planning was also needed *in sales organization, paperwork organization,* and *getting all employees in one location.* Staffing changes included *networking computers, additional administrative support,* and *further divisions of labor.* The PMs said start with a decision on *how financial numbers are to be calculated* and *fine tune along the way.* Some PMs were not sure *who they could talk to on how to do an effective job* while others *just kind of went in circles the first year.*

SUMMARY

Duopoly managers saw duopolies going in two directions. These directions were to benefit the community and dominate the market. Duopolies

could be moving in one or both directions. Strategies used to follow these directions were adjusting, growing, and involvement. If a manager could do something again they would let both staffs know of the impending transaction, have stronger promotions for the duopoly, and provide more planning and preparation time for all those affected by the duopoly creation.

Summary of Results

These radio duopolies were created for one or more reasons. These reasons were the goals and objectives of the buying owners. The experiences of the owners and other managers enabled the duopoly to be designed according to certain conditions and requirements. The owners and managers were aware of five primary groups that were affected by a duopoly's creation. The first group was the audience. The duopoly managers provided the audience more choices with a duopoly but did not necessarily inform the audience why these choices were now available (Table 4.3). The second group was the advertisers. Advertisers seemed to have adapted more quickly to a duopoly than the other four groups (Table 4.4). The third group was the employees. Employees worked harder, did not always get more rewards and resources, and were expected to double their output (Table 4.5). The fourth group was the ownership. Owners realized savings and revenue gains but did not always know when to expect them (Table 4.6). Each duopoly manager had something unique to offer the duopoly (Table 4.7). These talents helped serve the first four groups but were especially necessary for the fifth group. The fifth group was the competition. Duopoly managers felt they needed to attack

Table 4.3

Results Summary

Question Group 1: Audience/Listeners

Analysis Codes	Answer Categories
1.1a-6.1a	Increases and Expertise in Formats and Station Sound Promotion and Programming Strengths Additional Choices Confusion and No Awareness
1.1b-6.1b	Positive and Negative Feedback Loyalty to Stations Many Not Aware of Internal Station Functions
1.1c-6.1c	Stay in Touch Through Research More Audience Involvement

Table 4.4

Results Summary

Question Group 2: Advertisers

Analysis Codes	Answer Categories
1.2a-6.2a	Strength of the Stations Coordinated Station Services Additional Audience Coverage Managerial Differences in Time Savings
1.2b-6.2b	Majority of Advertisers Were Fearful Educated and Explained to Relieve Fears Duopolies Have Seen Positive Turnarounds from Advertisers
1.2c-6.2c	Provide Right Audiences Offer the Most Resources

Table 4.5

Results Summary

Question Group 3: Employees

Analysis Codes	Answer Categories
1.3a-6.3a	Security More Money Opportunity to Advance Larger Workload Some Job Losses
1.3b-6.3b	Purchased Staff Frightened Buyer Staff Elated Lower and Middle Level Managers Aware of More Uncertainty Among Buyer Staff
1.3c-6.3c	Combined Location Better Than Separated Locations Growing Pains and Cohesiveness Experienced in Combined Locations Separate Locations Does Allow Some Identity Establishment for Purchased Station(s)
1.3d-6.3d	Struggles and Conflicts Among the "Family" Compatibility is Evident Difficulties Can Be Worked Out
1.3e-6.3e	Provide More Training Programs Reward Employees Properly

Table 4.6

Results Summary

Question Group 4: Ownership

Analysis Codes	Answer Categories
1.4a-6.4a	Savings More Revenue Personal and Community Benefits Mentioned Only by Owners and Process Managers
1.4b-6.4b	Owners Expected More Unknown Whether More Was Possible Other Managers Also Saw Owner as Fulfilling Public Service by Creating Duopoly

Table 4.7

Results Summary

Question Group 5: Individual Analysis

Analysis Codes	Answer Categories
1.5a-6.5a	Owners Were the Leaders General Managers Were the Teachers Sales Managers Were the Drivers Operations Managers Were the Consultants Image Managers Were the Energizers Process Managers Were the Mediators
1.5b-6.5b	Duopoly Managers Were Busier Upper Management (Owners/Some GMs) Dealt With Fewer People Middle and Lower Managers Dealt With More People and Had More Responsibilities Managers Leery of Additional Responsibilities
1.5c-6.5c	Managers Expected More Resources Not Always Available Managers Wanted to Be More Efficient With Time and Staff

the competition and use defensive tactics against the competition (Table 4.8). As duopoly managers reflected on the beginnings of their duopoly (Table 4.9) they realized there was still growth to come in many areas (Table 4.10). Most duopoly managers perceived both negative and positive outcomes to their strategies (Table 4.10). Almost every duopoly manager felt more preparation and planning would help a duopoly become more successful at a faster pace (Table 4.11).

Radio managers experienced an ongoing, moving process by being involved in a duopoly. This process enabled a manager to overcome the shock of facing a duopoly for the first time. The process transformed a manager from an unsure but excited manager to a manager that was able to direct other employees with confidence towards the goals of the duopoly owner. Chapter Five will provide an analysis of these results and will bring together the data with the study's research questions.

Table 4.8

Results Summary

Question Group 6: Competition

Analysis Codes	Answer Categories
1.6a-6.6a	Selling Owners (Partner) Were Both Cooperative And Damaging
1.6b-6.6b	Duopoly Managers Were in Control of the Competition Mostly Negative Reactions from Outside Competition Mixed Reactions from Competition Within Duopoly
1.6c-6.6c	A Duopoly and a Market Have a Mutually Beneficial Relationship
1.6d-6.6d	Offensive and Defensive Strategies Were Needed Competitive Strategies Should Be Active and Ongoing

Table 4.9

Results Summary

Question Group 7: Pre-Duopoly

Analysis Codes	Answer Categories
1.7a-6.7a	Buyer, Purchased, and Market Viability Essential Management and Financial Strength Essential for the Buyer Buyer Must Be Committed to Plan and Work Through Growing Pains
1.7b-6.7b	Previous Radio Experience Helped Some Managers Most Managers Had No Experience of Own or Others to Rely On
1.7c-6.7c	Duopolies Were Created With These Strategies: Economies of Scale Building Protection Just Do It Public Service
1.7d-6.7d	Most Owners Sought Their Managers' Advice Variety of People Involved in Duopoly Creation
1.7e-6.7e	Confusion Reigned in Design of Duopolies Several Structures Tried Many Changes No Single Structure Emerged Managers Wanted to Control Some Audience Aspect

Table 4.10

Results Summary

Question Group 8: Post-Duopoly

Analysis Codes	Answer Categories
1.8a-6.8a	Relational Skills Vitally Important Managers Went to School on Formats, Regulations Managers Handled More Work and Helped Out Each Other
1.8b-6.8b	Revenue Growth Slow to Fast Audience Growth None to Exceptional Personal Growth in Working Relationships and Attitudes Personnel Growth as Evident as Job Losses Resource Growth None to Need More
1.8c-6.8c	Advertiser Perceives Duopoly Incorrectly Discouraged Personnel Having a Non-Viable Format Less Cash Flow Than Expected Several Managers Could Not Think of Any Negatives
1.8d-6.8d	Reliable Stations for Market Economic and Social Impact on Market Strong Stations for Employees Owners and Sales Managers Said Industry Benefits

Table 4.11

Results Summary

Question Group 9: Future

Analysis Codes	Answer Categories
1.9a-6.9a	Duopolies Emphasized Community Anchor or Market Dominator Strategies; Most Were Both Internally Duopolies Adjusted and Grew Externally Duopolies Became More Involved
1.9b-6.9b	Managers Needed More Planning and Preparation Time Duopolies Needed to Have Stronger Promotions Buyer and Purchased Staffs Should Be Informed

CHAPTER FIVE

DISCUSSION

This chapter is organized into three parts. Part one analyzes the results from Chapter Four. Part two offers implications and recommendations for the radio industry, future research possibilities, and contributions to the field of broadcast research. Part three states the conclusions.

PART ONE

ANALYSIS OF RESULTS

This part will be organized into two sections. The first section will be organized by the four supporting research questions stated in Chapter One. The author developed an overall theme from the data analysis process for each research question. These themes were supported by several sub-themes which tied together the categories reported in Chapter Four (Figure 5.1).

The second section will analyze and compare the data between the six responsibility areas. The author developed a model for this section that connected the six responsibility areas. The author combined the analyses from the first and second sections to the major research question. The author then constructed a model to illustrate the process owners and managers went through to direct a duopoly to the desired outcome.

THE TRAVEL PROCESS

RESEARCH QUESTION 1:

Know What They Want

Strength

Versatility

Clarity

Savings

RESEARCH QUESTION 2:

How Do We Get Through

Through Chaotic Confusion

to Bonded Survivors

RESEARCH QUESTION 3:

What Will Help Find The Way

Diversity

Vision

Lighted Maze

Partnerships

RESEARCH QUESTION 4:

How Will I Know When I Get There

Mixed Results

Dominance Means Losses and Recognition

Still Start Stronger

Figure 5.1

Themes and Sub-Themes For Supporting Research Questions

The Travel Process

RESEARCH QUESTION #1: Why is a radio station duopoly created?

This question's overall theme was *Know What They Want.* Four consistent sub-themes emerged from the data in answer to this question. These four sub-themes were *Strength, Versatility, Clarity,* and *Savings.*

Every management group mentioned strength of the duopoly as an overall benefit for each group affected by the creation of the duopoly. The listeners received strength in programming through resources to research music needs among the audience. This research provided the listener a variety of quality choices for the type of programming they could hear on the radio stations. The duopoly provided listeners and advertisers strength in promotions and community involvement. Additional resources allowed the duopoly staff to become more involved in the community through local events and duopoly sponsored events. Many events were tied into promotional activities for advertisers. In several duopolies (Jonesboro, Louisville-Sunnyside, and Opelika) the duopoly's strength showed when the purchased station(s) were brought back to life for the community. Advertisers also experienced strength through the number of stations in a duopoly. Managers perceived this as a strength for advertisers since there were more resources to cater to an advertiser's product or service. Employees of duopolies realized the strength of multiple ownership through additional income and resources. Not every duopoly was able to afford these additions in equal amounts. Employees

also noticed the duopoly's strength when their jobs remained intact while friends in the market were losing their jobs.

The duopoly's versatility was also evident in these three groups. Listeners to duopolies may have noticed some combined promotions between two or more stations. A community may have received another format choice not previously available in the market. The community may have seen other radio stations in the market become more active in the community. Advertisers definitely noticed the versatility of duopolies. The duopoly was able to offer the advertiser the efficiency of using two to four stations with an expanded creative staff and sometimes at a more efficient price than was previously available with only one or two stations. Duopolies gave advertisers the versatility of being able to choose a variety of audience demographics from the same group of stations. Two duopolies (Louisville-Prism and Fort Walton Beach) offered advertisers at least three different core audiences. Versatility was important to employees since they could cross-train in other positions and formats within the duopoly or use the duopoly experience to move to other markets.

After the initial confusion, which will be addressed under the second research question, the duopoly provided clarity for the three groups. Several duopolies (Decatur, Champaign, Savannah, and Gainesville) started either a new station or a new format in the market. The new station or format gave listeners a clear choice for that particular kind of music. The music was either not available in the market or the particular style of the music was not offered by existing stations. Two duopolies (Opelika and Gainesville) gave clarity to sports and news locations on the radio dial. Advertisers understood clearly

that the duopoly does have more control than an individual station. Duopoly staffs gave advertisers clarity through focused and powerful presentations. The advertisers sometimes had fewer people representing more stations. Clarity did not appear immediately for employees. Job responsibilities and job locations were not always evident after the duopoly was created. This confusion did clarify after a period of time for most duopoly employees.

Owners experienced the most savings from the duopoly. Their savings came from increased revenue, less overhead costs, less competition, and fewer employees. Owners did not experience all of these savings in equal amounts at each duopoly. One duopoly (Fort Walton Beach) had increased expenses but expected to recoup that through additional revenue. Two other duopolies (Atlanta and Opelika) wanted more competition. Savings for advertisers also were not uniform. Some advertisers had to meet with fewer sales people while other advertisers did not see that benefit as weaker stations were staffed by strong and separate duopoly sales staffs. Employees definitely did not experience any time savings since reduced staffs, more responsibilities, and increased workloads forced employees to become better time managers if they wanted to have a life outside of the duopoly.

Those people responsible for creating a duopoly needed to know what the audience, advertisers, employees, and ownership wanted. Several strategies were used to create a duopoly at the same time this knowledge was discovered. The five strategies mentioned in sections 1.7c-6.7c of Chapter Four (economies of scale, building strategy, protection strategy, just do it strategy, and public service strategy) were not isolated to any one type of duopoly. Combinations of these five strategies were found in each duopoly. Owners

created a duopoly to be able to efficiently operate multiple stations. Owners created a duopoly to build their business to a more profitable or viable operation. Owners created a duopoly to protect a musical format, a dominant position in the marketplace, or just to survive. Owners created a duopoly to accept another challenge in their radio business. Owners created a duopoly to better serve the community.

RESEARCH QUESTION #2: What do the various viewpoints, considered in the design of a duopoly, bring to bear upon the implementation of a duopoly?

This question's overall theme was *How Do We Get Through.* An explanatory sub-theme supported this overall theme: *Through Chaotic Confusion to Bonded Survivors.*

Chaos and confusion in a duopoly was most evident in the design of the duopoly's staff. Owners and managers literally had no resources on which to base their decisions. Two participants said the duopoly was similar to an AM/FM combination. The data in this study overwhelmingly revealed a different viewpoint from the other participants. Duopolies formed in late 1992 and early 1993 were groping for the correct operating strategies. Knoxville General Manager Craig Jacobus talked with a lot of other managers:

> Tons of discussions with all the rest of the guys out there with their canes ahead of them trying to find the way down the road.

Managers were indecisive on what was the best way to put together a staff to operate the duopoly. This hesitancy was very visible in the sales department. Duopolies were being formed with sales staffs selling all the stations, some of the stations, and only one of the stations. Several duopolies (Johnson City, Decatur, Gainesville, Lexington and Savannah) changed decisions after

several months operating with the opposite strategy. The changes among duopolies were not consistent as some duopolies (Decatur and Gainesville) went from split to combo sales staffs and other duopolies (Lexington, Johnson City, and Savannah) went from combined to split sales staffs. At least two other duopolies (Louisville-Sunnyside and Greensboro), both choosing combo staffs, were not sure they had made the right decision. The data showed every other conceivable position in a radio duopoly was reported combined in some duopolies and separated in other duopolies. However, none of the other positions brought forth as much confusion from the participants' responses as did the sales area. Fifteen of the 16 duopolies had one general manager. The lone exception was the Washington, D.C. duopoly which also happened to be the largest market represented in this study. Washington, D.C. GM Catherine Meloy said the duopoly had just gone to three separate general managers the first part of 1994:

> It was felt that we really needed to have a general manager focused on [W]TEM, a general manager focused on [W]BIG, and a general manager focused on [W]GMS. So, while we are a duopoly and though we work together, we share positions until the station gets to a certain point, and then, quite frankly, we break those positions off.

Besides non-uniformity in duopoly staffs the data showed non-uniformity in several work processes in a duopoly. These work processes included how to sell the duopoly to an advertiser, how to account for the expenses and revenues among multiple stations, how to market competitive and complementary formats to advertisers and listeners, and how to assign additional responsibilities to employees.

Duopoly managers received feedback in the form of control and perceptions from ten different areas. These areas were evenly divided between outside feedback and inside feedback. The outside group consisted of listeners, advertisers, other competition, market, and the selling owner (partner). The market was the only area not associated with a lot of confusion. A strong, viable economy was necessary to support duopolies. Every duopoly staff seemed to think their market was either growing or rebounding from the recession. One participant was surprised his market (Savannah) did not have more duopolies because of the abundance of radio stations in that market. Listeners, advertisers, and other competition were either unaware, confused, scared, negative, or against the duopoly at the time each duopoly was formed. The partner in a duopoly was not confused. They were either helping the buyer or were completely out of the picture except for the financial negotiations.

The inside group consisted of employees, each participants own perceptions, the owner, location, and organizational culture. Even though owners themselves admitted some uncertainty, that attitude about owners was not expressed by other duopoly staff members. Owners of duopolies were quality broadcasters who expected more, lots more effort, from their staffs. Each of the other four areas involved some type of confusion or chaos. Duopoly employees from the purchased staff and the buyer staff were often combative with each other. Some of the duopoly staffs that were especially competitive before the merger (Atlanta, Greensboro, Jonesboro, and Fort Walton Beach) associated the transaction with war metaphors. The employees

were fighting the enemy, protecting private spaces, and conquering. Atlanta General Manager Norman Schrutt had the most competitive situation:

> They (the purchased station) have had some success in one of two for maybe a year in beating this radio station and all of a sudden this radio station bounces back and not only bounces back and beat them in the ratings but bounces back and buys their company. That is difficult. It is difficult for the personnel, it is difficult for the on air staff, it is difficult for us to get our mind where we are in a situation with the radio station to talk about, well we do it this way over here. It's not we, we are we now at both stations. We are we. It is not we and they.

Personal perceptions from duopoly employees were mixed. Some employees were confused and unsure of what their responsibilities were supposed to be. Most of this confusion developed from a lack of understanding. Sometimes the confusion resulted from a lack of motivation. Other employees were excited about the merger. These employees saw the duopoly as a way to either survive or gain power.

The duopoly staff still experienced growing pains whether the duopoly was in one location or separate locations. However, the combined duopolies yielded the less costly types of pain. These staffs complained about crowded conditions, loss of private space, and lack of storage space. Staffs in separate locations complained about losing time in the day to commute between stations, spending half a day at each location, not feeling at home in the "other" location, trying to manage people in different buildings, talking on the phone all day, and trying to locate someone somewhere else. The duopoly location usually determined the climate around which the organizational culture

developed. Staffs in one location were more involved with cultural differences, however, staffs in separate locations were aware of each other and were guessing what might happen when they went into one facility.[1] The most prevalent description of the organizational culture of a duopoly was the use of the family metaphor. Duopoly sister stations treated each other with typical sibling rivalry tactics. Fort Walton Beach General Manager Georgia Edmiston said:

> This only child took on two sisters, and all of a sudden, the new babies were getting a lot of attention, because they needed the attention. This child was up and running real well, but you know, there were some growing pains. I'm here to tell you there were some weeks that it seems like there was nothing but growing pains; however, as with everything, time can cure most anything and heal most anything. I would say it probably took about six months for people to be comfortable working with the other stations, you know, those people have been rivals.

Some duopolies experienced great amounts of tension, fighting and yelling between staffs, shouts of inequality, and hoarding of information. Some owners wanted the staffs to be at each other's throats as separately owned competitors would be. Other owners wanted a competitive and respectful spirit. The majority wanted their staffs to get along. There was confusion. There was chaos. The duopolies in this study have managed to make it through most of the confusion and chaos. How did they do it?

1. At the time of this study ten duopolies were already combined, five were making plans to be combined sometime during 1994, and the last duopoly was combined through simulcasting but maintained separate facilities in different towns.

Owners and managers employed several strategies to bring these confused and chaotic areas to the point of being bonded survivors. Outside of the duopoly the strategies included giving the listeners what they wanted, educating the advertisers, finding the support available in the marketplace, and working with the partner. These areas were more cooperative than the fifth outside area. The other competitors required some offensive and defensive strategies. The war metaphors were again used to describe this purpose. Champaign Marketing Director Gina Elliott was very challenging:

> Maintaining the dominance, or maintaining the attitude that we have with competitors, out smiling and shaking hands in public. Don't you dare to even try to take anything I have. I will cut you off at the knees. Respectfully. It's kill, kill, kill. Always maintaining the dominance over our overall competitors.

Preparation for the competition involved a strategic game plan designed to protect the duopoly's dominant position or to attack the market leader's dominant position. Some managers watched the competition react to the duopoly's plans and saw some competition eventually create a duopoly themselves.

The inside group also required some strategic maneuvering. The duopoly was not going anywhere so employees had to learn to live with each other, mix together, or leave the situation. Many employees from both sides did choose to leave. Duopolies scrambled to fill positions and added staff rather than fired staff. Every duopoly had plans to bring the full-time employees into one location. Managers believed there would be more cooperation and information sharing under one roof. One duopoly (Atlanta) was having a new

building built for their duopoly. Another duopoly (Decatur) squeezed people into existing rented space. Most of the duopolies were constructing, or already had completed, additions to existing buildings. Employees felt the bitterness of being separated would melt into a family-like atmosphere of helping and sharing among sisters.

RESEARCH QUESTION #3: What management strategies are identified with radio station duopolies?

This question's overall theme was *What Will Help Find The Way.* This theme was supported by four sub-themes: *Diversity, Vision, Lighted Maze,* and *Partnerships.*

Every responsibility area required a diversity of skills for each manager to function efficiently in the duopoly. Some managers honed their people skills, computer skills, or time management skills. Other managers developed new skills like being focused on two stations instead of one, developing more information handling capacities, and acting decisively with the proper attitude.

Upper and middle management positions were vision-oriented. The owners, general managers, and sales managers were seen as the people who showed the employees the picture that was available for the duopoly. Operations managers directed the employees to the vision. Image and process managers made sure the vision was real with an overview of other employees' responsibilities.

The highway duopoly managers traveled was a maze. Duopoly pioneers had no map to lead them. There was no pattern found in textbooks, recorded histories, or others' experiences. Even those managers who were reading

about duopolies in the trade periodicals had no idea that a duopoly involved so much until they became part of one. Louisville-Prism General Manager James Cooley said:

> I can say without any reservation at all that I have never done this before. I have never managed three stations simultaneously. I can say that it is a challenge and you are tested or challenged every day because you are constantly changing hats, you are constantly trying to facilitate different activities within the stations that have different goals and different needs and it does keep you awful busy. You are very reluctant to leave the radio station.

There were conferences and seminars but by the time these were held and duopoly pioneers spoke at these sessions other owners were already forming duopolies without any idea of what direction to go. Some of the pioneers were still trying to get through the maze. Fortunately, the maze became lighted. Duopoly owners and managers did become educated and informed. They did pass on information to other managers when calls were made asking for the information. Trade periodicals became more explicit in their coverage of duopolies and how duopolies were being handled around the country. Every major national media conference found some way to squeeze in a session on duopolies. Duopoly managers and owners were starting to "see" better. However, the overall pattern of a duopoly was still elusive.

Most duopoly participants in this study felt there were three major parts to the start of a successful duopoly: the willing buyer, the willing seller, and the acceptable marketplace. The relationship between these three elements is depicted in Figure 5.2. The seller had one or more stations to offer to the

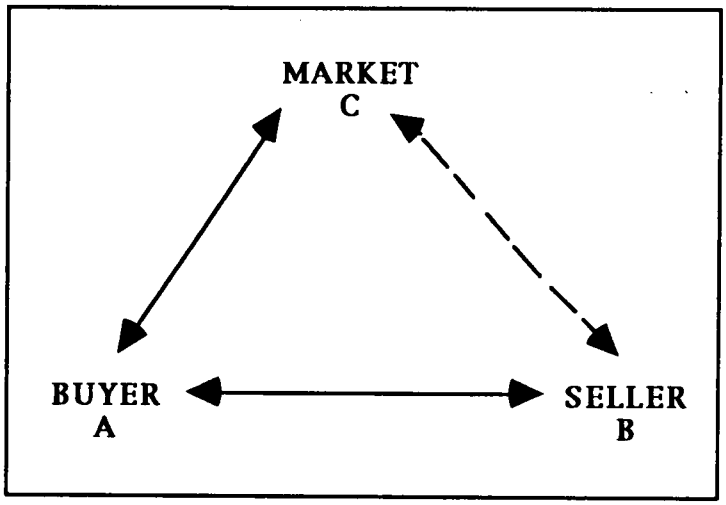


Figure 5.2

Pre-Duopoly Relationship

buyer. The buyer had a price and sometimes other protective clauses to give the seller. The two reached an agreement. The buyer and marketplace had an existing strong relationship in most cases. The seller's relationship with the marketplace still existed but had either deteriorated or was not as strong as the buyer's relationship with the marketplace or never existed in the case of a new station. When the transaction was completed the partial viability of the triangle changed to a solid three-way arrow benefiting two parties instead of three (Figure 5.3). The duopoly had positioned itself for audience and/or format dominance in the market. Managers urged duopoly owners to be committed and flexible in their duopoly strategies.

The buyer in a duopoly took on a partner in the form of one or more additional stations. There were other partnerships that needed to be forged for a successful duopoly. Each of these partnerships required strategies for further development. The first of these partnerships was with the audience. The key link between the duopoly and its finding the proper direction was the audience. The basic strategy that emerged from the data to keep this link strong was *adaptation through research*. Duopolies had more product to get to the listeners. There was an urgency expressed by the managers to constantly have the image of the duopoly in front of the audience. Lexington Promotions Director Sammy Simpson said:

> I think for us that the big thing is since there is a promotions department here now is to, you know, show the clients and the listeners that it's going to be working to their full advantage to have it there, to be involved. Like this week, with the big snow we had last week, we heard that the blood drive or the blood supply is very low, so we

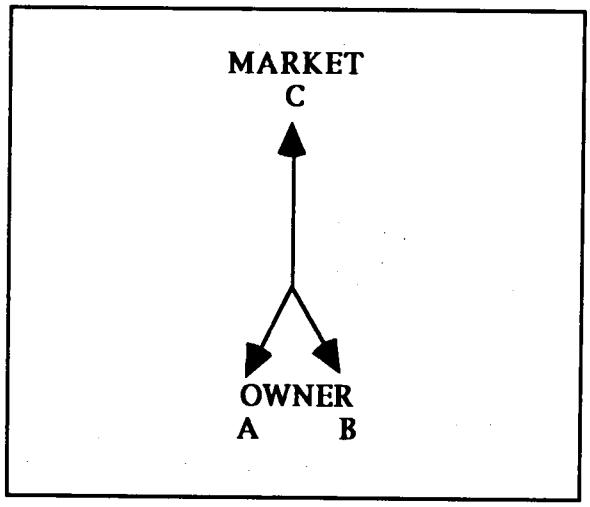


Figure 5.3

Post-Duopoly Relationship

> immediately put together a blood drive for this week to help out, so just turning things around that quickly where they weren't able to do that in the past is going to be a major advantage for the listener and for the client and for the station.

Letting the audience know about the duopoly was also accomplished through exciting promotions, locally involved personalities, and a steady format. All of these elements were constantly evaluated through qualitative and quantitative research.

The second partnership was with the advertisers. The advertisers came to a duopoly because the duopoly had something unique to offer. The product for the advertiser was the audience that could be delivered by the duopoly. The audience needed to be delivered in a *polished presentation.* The duopoly staff learned to develop professional marketing skills. Some duopolies mentioned they began providing additional training for their sales staffs. Some staffs felt they had to offer additional value with the advertising package. Other staffs discovered ways to sell the additional value as part of the advertising package. Greensboro General Sales Manager Jamey Kerr explained:

> Whereas you could look at it one of two ways: You could buy the radio and get direct mail, a very targeted direct mail, I might add. You could get the direct mail and the bonus, or, if you only want to do direct mail, you can buy direct mail and get the radio as a bonus. And we have had a couple of clients that had 100% direct mail coop. But you know, we would never be able to touch that as a radio station. However, we were able to get it and bill them as direct mail.

Duopoly staffs needed to decide the best method of presenting the packaged product to the advertiser. The product might include one station, two stations, or even three or four stations. The number of different audiences could even be as varied. Five strategies emerged from the data. One strategy was to present a package that included two or more stations with the same format and different but complementary audiences. The Atlanta duopoly offered the advertiser virtually every country music listener from teenagers to grandparents with three stations playing three different styles of country music. The second strategy was to present a package that included two or more stations with the same audience ages but split the audience along gender lines between the stations. The Knoxville and Greensboro duopolies offered the advertiser adult males with a rock station and adult females with a soft contemporary station. A third strategy that emerged from the data was to present a package that included a variety of formats and a variety of audiences. The Lexington, Fort Walton Beach, Gainesville, and Louisville-Prism duopolies accomplished this by providing a package to advertisers of older adult males with a talk format on an AM station, younger adult males with a rock or country format on an FM station, and adult females with either a soft contemporary or oldies format on the second FM station. The Gainesville duopoly strayed from this slightly by providing a niche audience of all ages with a southern gospel format on the second AM station.[2] The fourth strategy that emerged from the data was to combine two of three stations with similar formats and have the third station, usually the stronger of the three, stand on its own. The Opelika and Savannah duopolies accomplished this by appealing

2. A flyer showing Gainesville's *Radio Center* concept is in Appendix E.

to the African-American listener with an AM/FM combination of urban contemporary/soul or soft urban/gospel music. Both of these format combinations delivered the majority of that niche population to the advertisers. In fact, the Savannah combination had filled such a need in the market that the new soft urban FM station was overall the top ranked station in the market after its first ratings period. The other FM station in these two duopolies offered the advertiser an adult male or female with contemporary or country music formats. The fifth strategy the author found in the data was the dual strategy used by the Charlotte and Louisville-Sunnyside duopolies. Both of these duopolies involved only AM stations. The owners' philosophies were to provide a niche audience with a single style of music. The Louisville-Sunnyside duopoly offered the advertiser an older female/male audience with nostalgia and oldies rock music. The Charlotte duopoly offered the advertiser a niche format of all ages and both genders with a simulcasted, locally produced southern gospel format. The other duopolies not mentioned had further variations of these five strategies or were planning to change their formats to one of these strategies. To review, the five strategies of product packages for advertisers were: the format franchise strategy, the demographic dominant strategy, the take your pick strategy, the split strategy, and the niche strategy.

The third partnership duopolies needed to develop was the partnership between the station management and the employees. This partnership was cultivated by *providing more* and *staying in line.* Duopoly owners expected to increase their cash flows by both increasing revenues and decreasing expenses. Some owners found out that expenses were increasing along with revenues. Johnson City Sales Manager Mike Patterson said:

What we did was probably one of the more expensive ways to do it. We were taking an AM/FM combo that was financially strapped. The company that owned it, it was not making them money, let's put it that way. The FM has a pretty good metro signal but it's not a large signal at all, but we changed the format of that FM station which is really the money maker between the two. When you do that, a couple of concerns is, you're starting from scratch, you have an image to fight, like in our case, we took the FM station and it was a teen station, played rock and heavy metal and we changed it to an oldies format. Changed call letters to WKOS, so not only were we starting a new station but we also had an image that we had to overcome, because we were still located on 104.9. People had been trained in the market to know that 104.9 was a head banging or a rap type music, so you had marketing expenses, what we ended up doing was, went with a satellite programming which is probably more cost effective at least to begin with. So you've got marketing expenses, you've got the program expenses starting up, as far as your sales effort to generate revenues. You don't have any history of numbers from the rating services that you can go out and use with advertisers, so it's a little bit tough.

A few owners realistically decided to invest in more equipment and personnel so the duopoly could operate efficiently and effectively. A few other owners wanted a higher economic return with a minimal investment. Managers from these latter duopolies were being squeezed between wanting to make more profit for the owner but not having adequate resources to effectively equip

the staff to carry out the owner's objectives. Decatur General Manager Joel Fletcher said:

> The owner expects pretty immediate significant cash flow increases and doesn't want to spend the money to promote it as a separate unit. He wants twice as much revenue, but he doesn't want to spend nearly as much money. He just wants to combine all the staffs and expects everybody to be delighted to do it. That's the feeling I get, not just from Bud (Bayard H. Walters, Owner), but from other owners. They feel that it's, you know, in this case they only have to increase their expenses by 20% or 30% and double their cash flow and that just isn't the reality of it.

An effective strategy that emerged from one of the owners (EZ Communications President Alan Box) to alleviate this situation was to provide enough tools for the employees to conduct their duties without having to hire additional personnel:

> The positive side of those early days is that the expense savings were greater than we anticipated and that was primarily due to we sort of adopted the attitude, and I remember going around telling people, if a new computer or new software will allow you to do more and keep us from hiring part-timers or full-timers to do more work, then you tell me and we'll get you a new computer or new software. We really tried to upgrade in the area of computers, traffic software, bookkeeping software, all those sorts of things, secretaries and administrative people, get them better equipment. And that has seemed to help a lot. I mean, even down to phone systems with voice mail and stuff like that. We've

tried to let technology take the place of people and really expanding. And that has worked, it's worked better than we thought.

Since a partnership is between two parties the employees needed to uphold their part. The management expected employees to perform their duties even if they did not get along with other staff members. The employees who were not team players were eventually weeded out of the duopolies. What was left was a staff willing to be part of a team and to develop like a family. The duopoly staff should share ideas, know all the products of the duopoly, and behave competitively and respectfully with each other. This would allow the duopoly to function at a level of performance designed to reach the goals of the duopoly. Of course, the duopolies in this study were all striving to reach that top performance level. The author did not receive any indication from any of the 16 duopolies that they had reached all their objectives. Each duopoly was moving through some stage of this development process.

The fourth partnership found in a duopoly was the link between the duopoly and its competition. Only two participants mentioned competition other than opposing radio stations in the market. The Decatur general manager thought the cable system was a primary competitor and the Atlanta general sales manager mentioned the daily newspaper as a primary competitor in addition to the other radio stations. The author did not ask specifically about other media in the interview so this partnership should only be interpreted as including the duopoly and competing radio stations. Duopoly management needed to consider their competition as a partner in their strategic planning. Two strategies emerged from the data for this partnership: *attack* and *defend*. Duopoly managers saw their position in the

marketplace as one to hold onto or as one to add more leverage to their position. Those duopolies wanting to add more leverage to their position were using several strategies. One duopoly tested different formats and their compatibility with listeners through market research techniques like call-out, auditorium testing, or surveys. This strategy enabled the duopoly to know the viability of formats not evident in the marketplace if a competitor chose that format to attack the duopoly. Several duopolies took aim at a market leader and either went head-to-head with the same format on one of the duopoly stations in order to reduce the leader's audience shares or counter-programmed with an opposing format on two of the duopoly stations in order to squeeze the leader at the low and high end of the leader's audience demographics. These two programming strategies forced the leader to counteract with additional promotional efforts to maintain audience shares, leave the format, or form their own duopolies or LMAs.

Only a few of the duopolies had to aggressively defend their positions. The Louisville-Prism, Louisville-Sunnyside, and Charlotte duopolies were feeling some pressure to react to their competitor's strategies. These strategies were essentially the same strategies used by the duopoly. The difference, in the duopoly manager's mind, was that the duopoly had the resources to outlast the competitor. The two possible exceptions to this were the Charlotte and Louisville-Sunnyside duopolies. These were AM/AM duopolies in markets with more powerful duopolies involving FM stations. Both of these staffs showed some intimidation because of these larger competing duopolies but at the same time also showed some hope that they had a duopoly to maintain their existence. Louisville-Sunnyside Owner Charlie Jenkins said:

> Like taking a boxer that weighs one hundred and fifty pounds and putting him in the ring with a two hundred fifty pounder. If you can't compete, stay in your own classification and do what you can do. Be a gorilla, I guess. I foresee our niche as being a gorilla to a great extent. Achieving a niche and massaging it and serving it as best we possibly can.

RESEARCH QUESTION #4: How will these strategies affect the direction(s) of a duopoly?

This question's overall theme was *How Will I Know When I Get There.* This theme was supported by three sub-themes: *Mixed Results, Dominance Means Losses and Recognition,* and *Still Start Stronger.*

A consistent pattern of financial growth did not emerge from the data for these duopolies. Some duopolies saw revenues increase on one station but decrease on another station. A few duopolies did see an overall increase in revenues. Several duopolies did not experience any growth in their first year as a duopoly. Other duopolies actually saw bottom line figures decrease due to increased expenditures involved with getting into a single location, changing formats, and hiring different personnel.[3] Another growth pattern noticed in the data was the personal growth of employees and their ability to respond to the changing work environment and adapt to different cultures. Although not every manager that was interviewed had reached total maturity with the environment and culture, the author saw that the majority of participants were becoming more open to their responsibilities and other staff members

3. These statements were not supported by financial figures from the stations but instead by the answers provided during the interviews.

rather than remaining closed to the changes in each of these areas. Fort Walton Beach Traffic Director Lynn Valdivia said:

> Even though we are together we still want to compete and we still have that competition between us, and therefore, that builds us up as a team. If you look at it positively as building up each others' morale and there would be more people there to look up to, to get you going. This radio station right here when it first started out, I was amazed at how family like it is the way we run operations. It is not that you do this and I do this it is like we do this and this is what we get from it. It is more of us urging or egging each other on saying , "Yeah we can do it, we can do it."

Only one duopoly (Jonesboro) mentioned a specific strategy to help employees adapt to the organizational culture. The owner established an employee advisory board designed for non-management employees to meet with the owner and discuss organizational policies and culture. The employees were compensated for their participation on the advisory board.

Every duopoly wanted to be dominant in some aspect of their business. The duopolies wanted to have the most audience and revenue shares, acquire more stations, develop more advertisers, increase the quality and numerical levels of the staff, and become more community-oriented. This direction towards dominance could lead to either losses, recognition or both. The losses were depicted as the negative outcomes to the strategies employed by the duopoly management. Losses could occur in any of the four partnerships: sales might fall off, formats could turn sour, personnel might resist the strategies, advertisers might revolt, or the duopoly's market dominance might

weaken. Positive outcomes to the strategies were depicted as recognition for the duopoly from the four partnerships: more people listen to the stations, the market recognizes a strong community leader, the duopoly becomes a stable, secure organization, and the duopoly employees grow together as a family. Lexington General Manager Dan Dorsett illustrated both aspects of dominance:

> You cannot pour *Miracle Gro* on it and expect it to happen and I knew there were some reasons for that. It takes a while for consumers to accept it, that your product is for them, if it is, and that you're going to be there and that you're going to be reliable and just to get the name recognition. I mean everybody knows what *Coca-Cola* is, but that's only after all those years of awareness. That's where really the difference in managing the product is, because 94.5, even though we went through the format change it still is a hot AC. That's what a lot of people thought it was anyway and it's, 94.5 has been such a legendary frequency in the market. That's a mature product which requires one way of thinking and young country (WWYC) is a baby, its embryonic and I have to remember, I have to keep that in mind and not expect too much of it, you know, right out of the gates. The three year plan on both stations would be to maintain the adult, and then with the country is to just grow the shares and keep feeding it, and keep nursing it along, give it that TLC and keep feeding it that promotion budget and watch it happen.

The most consistent response from the data for directing future duopolies was to start stronger. Duopolies need to start strong with promotional efforts so the listeners catch on quick that there is a change or a new format or station in the community. Duopoly owners and managers need

to plan how they will structure the duopoly staff earlier than the acquisition process. Duopoly owners and managers need to inform their staffs what will be taking place at the outset. The purchased staff should also be informed as soon as possible. Duopoly sales staffs need to start as early as possible informing and instructing advertisers how the duopoly will be more beneficial. Duopoly owners need to consolidate their locations as quickly as possible. These are ways duopolies can start "out of the box" with a stronger foundation that can be a springboard to a successful operation.

Summary of Four Supporting Research Questions

The first research question asked why a duopoly was created. In order to answer this question the participants needed to know what the various groups affected by the duopoly wanted. The sub-themes strength, versatility, clarity, and savings emerged as answers to this query. The second research question asked how the viewpoints affected by the duopoly impacted the beginnings of a duopoly. The groups that held the viewpoints were confused which in turn created a chaotic situation for the beginnings of duopolies. Relying on others in similar situations created a group of duopoly managers that were bonded together for the good of the duopoly. The third research question asked what management strategies were linked with duopolies. Four sub-themes of diversity, vision, lighted maze, and partnerships showed that some of the standard radio business strategies combined with new duopoly strategies would help duopoly staffs find their way. The fourth research question asked how these strategies affected what direction a duopoly would

go. The duopolies in this study have experienced some of the results of reaching a certain point along the duopoly highway. However, other duopolies will need to be formed and studied to know the direction the highway ultimately travels.

The Vehicle

In Chapter Four the author assigned a word to each responsibility area (1.5a-6.5a) that indicated what that particular group of managers offered to the duopoly (Table 5.1). When looked at individually each area of responsibility had a unique task to accomplish in the duopoly. When looked at as a combination the six areas revealed a model of six co-dependent parts. Duopoly staffs could use this model to find the right direction for their duopoly. First, the author examined each group individually.

OWNERS/LEADER

Obviously the duopoly could not be created without the consent of the owner. The owners were the leading force that created the duopoly. Some owners conducted the negotiations and financial transactions then let the rest of the staff manage the actual merger of the stations. Some owners were involved in the decision-making process on how to merge the two stations. Some owners even went so far as to put on a hat and direct the remodeling projects. Whether the owner was on site or at corporate headquarters there was some leadership input involved from this group.

Table 5.1

Responsibility Areas Described by Position Offerings

Responsibility Areas	Position Offerings
Owners	Leader
General Managers	Teacher
Sales Managers	Driver
Operations Managers	Consultant
Image Managers	Energizer
Process Managers	Mediator

GENERAL MANAGERS/TEACHER

This group represented the person at the station that the rest of the staff looked to for knowledge. Many of the general managers felt they were able to take their experience and knowledge of other radio operations and apply it to a duopoly. Because the GMs had this knowledge they found themselves educating, training, and instructing their staffs. The GMs also used other peoples' experiences to assist them in the education of their staffs.

SALES MANAGERS/DRIVER

This group earned the driver label because the sales managers were the driving force behind the duopoly's success. The SMs were responsible for securing enough business from advertisers to pay the bills and make a profit. The sales managers were creating new business, cultivating old business, and sharing their enthusiasm and motivation with the rest of the staff. The sales managers directed their staffs properly.

OPERATIONS MANAGERS/CONSULTANT

A consultant is one who has experience and knowledge about a specific topic. Operations managers knew various radio formats, mixed with all the staff, and had a view of the entire operation. This group was able to be in command of their own area and assist in other areas of the duopoly.

IMAGE MANAGERS/ENERGIZER

This group provided the energy to get the duopoly visible in the community. As a whole the image managers in this study were energetic individuals. The IMs used some of that energy and enthusiasm to help other departments in the duopoly and to make sure all the stations were given equal treatment in the image managers' respective areas.

PROCESS MANAGERS/MEDIATOR

The process managers were mediators in two ways. The first way was as an actual counselor for other staff members when disputes broke out about internal or cultural differences. The second way was as a controller of the flow of information through the duopoly. Whether the information flowed on paper or through a computer the process managers were responsible for making sure there were no disruptions from one point to another.

After this individual examination of each group the author combined the six areas into a single vehicle for use on the duopoly highway. The author used the automobile as a metaphor to show how the duopoly staff comprised the vehicle used by the owner to travel the duopoly highway. There are hundreds of parts in a car and only six responsibility areas listed here in the duopoly. The author has labeled each responsibility area with the part of the automobile that is most closely related to the first label for each area (Table 5.2). The automobile is a fixture in almost every society. The author offered this model for the reader as an easy way to see how this duopoly vehicle enabled the owner to direct the duopoly to the desired outcome within the travel process outlined in the first section of this part.

The Duopoly Highway

MAJOR RESEARCH QUESTION: How does a radio station owner direct the various forces evident in a duopoly to the desired outcome?

Whatever the desired outcome was for a duopoly owner the way to direct the various forces towards that outcome was to use the appropriate

Table 5.2

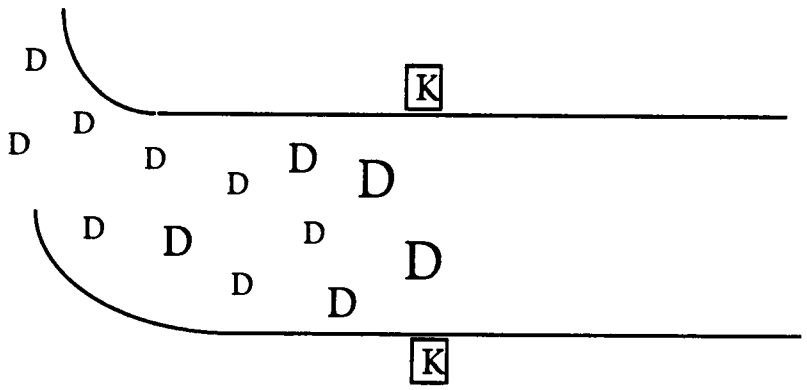
Responsibility Areas Described by Automobile Parts

Responsibility Areas	Position Offerings	Automobile Parts
Owners	Leader	Passenger
General Managers	Teacher	Headlights
Sales Managers	Driver	Driver
Operations Managers	Consultant	Fuel
Image Managers	Energizer	Spark Plug
Process Managers	Mediator	Stabilizer

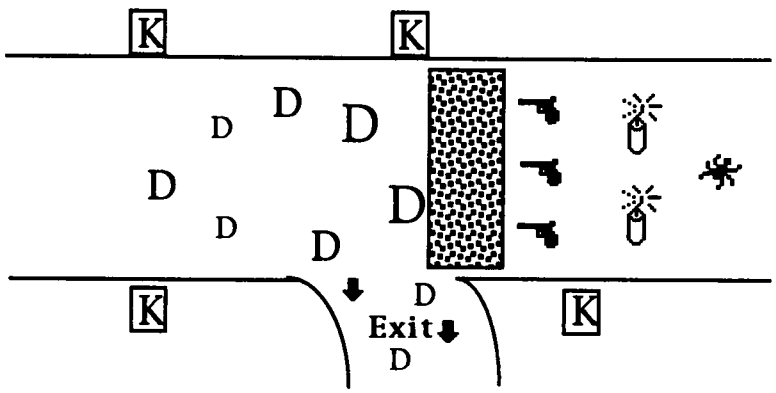
vehicle to get the duopoly started, to keep the duopoly going, and to help the duopoly to the ultimate outcome. The obvious vehicle was a functioning, cooperative staff of talented managers who in turn could direct the other employees to their own personal outcomes. This study showed that duopolies have not yet reached the time where every manager was able to function as effectively as possible. Duopoly managers were starting to acquire the tools and resources to operate and manage effectively. Some managers were still trying to find their way through the initial confusion of a duopoly. Other managers were in the process of learning what was required of them. Some managers were leading their duopolies successfully. Managers within a single duopoly were going through these three stages of development: finding, learning, and leading. This three-way process created a difficult and sometimes confusing road for the owner to travel with the duopoly staff.

The owner of a duopoly traveled with the duopoly staff through three phases (Figure 5.4). The first phase was the finding phase. In this phase there were duopolies (D) of several sizes. The different sizes represented the strength of the duopoly revealed through the level of confusion and commitment within the staff. The larger Ds were the more stable and older duopolies. The smaller Ds were the newer and unsure duopolies. The knowledge roadsigns (K) offered by the older duopolies was minimal in this phase. As duopolies moved through the first phase and into the second phase knowledge increased and duopoly managers began to discover what they were supposed to be doing.

The second phase was the learning phase. This was where the duopoly faced its first negative roadblocks ( ,  , ). The three objects represented



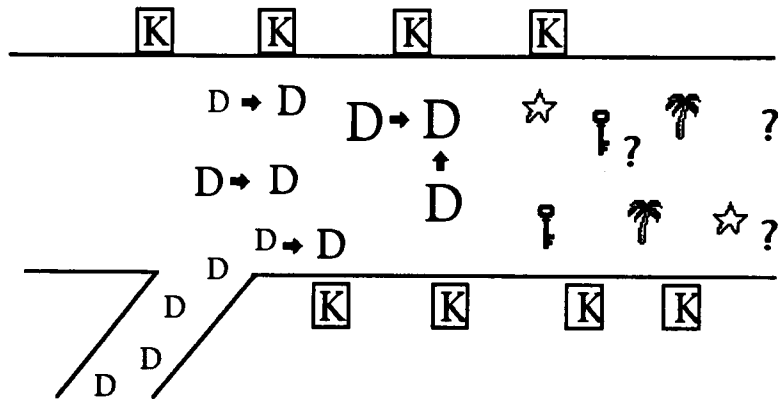
Phase One



Phase Two

Figure 5.4

The Duopoly Highway



Phase Three

Figure 5.4 (continued)

The Duopoly Highway

attacks from competition, blown staff assignments or wrong organizational choices, and a web of confusion. Negative roadblocks included losing staff, missed financial projections, strong competition, adverse advertisers, and turned-off listeners. The shaded area represented the maze duopoly staffs traveled through to get to the positive outcomes. During this second phase several duopolies folded and left the highway (⬇Exit⬇). Some were sold to different owners. Some languished under the shadow of more powerful combinations. Some duopolies were split up and sold as separate stations to different owners. A few duopolies, including the Jonesboro duopoly from this study, were facing FCC imposed deadlines to come into technical compliance with the 1992 duopoly rules (Tobey, 1994; Madden, 1994).[4] For those duopolies that struggled through the negative roadblocks there were additional roadsigns of knowledge available for the staff to get educated and rejuvenated to make it through the maze. As additional knowledge was acquired and the negative roadblocks were overcome duopolies and their staffs began to look organized and anticipated moving into phase three.

The third phase was the leading phase. This phase encompassed both the present (1994) and the future (beyond 1994). The phase was the present for those duopolies who have made it through the second phase and were headed for their rewards (☆, 🏌, 🌴). These three objects represented the recognition, the knowledge, and the financial benefits duopolies received. Along the way the duopoly's confidence and staff co-dependence grew enabling them to turn the negative roadblocks to positive roadblocks and to put the positives in order and working the way they should. Positive

4. 8 FCC Rcd 7595 (1993).

roadblocks included deciding which station received the best promotions, how to expand the building to fit everyone in, and getting enough new equipment to satisfy everyone. Getting through the negative and positive roadblocks helped the staffs within the duopolies bond together (➡⬅). This phase was a future phase for those duopolies just being formed. These duopolies could be entering the duopoly highway at this point because more and more knowledge had been made available for owners from previous duopoly experiences. These new duopoly owners (none of which were involved in this study) may bond with the stronger and older duopolies (D➡D) and bypass most of the learning phase. This third phase will also be a future phase for all duopolies. There are still unknowns (?) that cannot be seen ahead of time. These unknowns might come in the form of governmental regulations, changing audience tastes, new technologies, or another economic disaster. Phase three also indicated there was an unsure ending (open highway) to the duopoly phenomenon. Duopolies were only approaching their second anniversary at the time of this writing. This was much too early to determine from this investigation how the new industrial structure was affecting duopolies on a national level. On the local level there was some indication that duopolies might be working. However, the author is reluctant to confidently say the duopoly creation was or will be successful for all radio stations.

When a duopoly owner a) develops a staff that has the tools and resources to operate multiple stations, b) combines the staff into a single location, c) benefits from other duopoly experiences, and d) uses this duopoly vehicle to travel the fast lane of the highway, then the owner will have directed the duopoly to the desired outcome. This was the process this study's

data revealed to the author. Other researchers could interpret this or similar data differently. There may be other models that could apply to this data as well. The author felt through the interviews and through the data analysis process that the 69 people of these duopolies were on a journey with a known destination but not with all the necessary abilities to reach the destination. This was the travel process revealed by sixteen duopolies in 1994.

PART TWO

IMPLICATIONS

This part includes this study's implications and recommendations for the radio industry, future research possibilities on radio duopolies and in related areas, and contributions to the field of radio broadcasting research.

Radio Industry Implications

One of the findings in this study was the need to adequately prepare for the changes brought about by a duopoly. Some managers claimed the experience of working for an AM/FM combination helped them in the duopoly situation. Even these managers realized that early decisions were not always the correct decisions for their duopoly. There were also many other managers in this study who did not have that experience and were at a lost as to what to do in a duopoly. However, preparation for a duopoly in the traditional sense was not possible. There were no textbooks to read on how to structure a duopoly staff. There were no audio tapes indicating the proper duopoly

management strategies from recognized experts in the industry. There were no video tapes showing the proper layout in a radio station for multiple on-air and production studios. There were no recognized consultants with years of experience in duopoly practices. In early 1994 one duopoly operator said "not only are we not yet taking the mid-term exam, we're still writing the textbooks" (Bunzel, 1994). As the textbooks are written, the research is conducted, and the multi-media resources are produced, it is vitally important for radio operators to find this information and to share it with other present and future duopoly operators and managers. The information is needed for owners to adequately prepare their managers who in turn can adequately prepare employees on what can be expected in a duopoly. The rush to consolidate caught some owners and managers ill-prepared to take on additional personnel and job responsibilities.

Duopoly owners also need to realize that acquiring another one or two stations is not a "cheap" move. There will need to be financial investments in upgrading equipment, *adding* personnel in some cases, taking care of left-over seller responsibilities, and finding that perfect format. A surprising finding, to this author, was that there were duopolies that were actually formed by starting a new station (Decatur, Champaign, Louisville-Prism and Savannah). Duopolies may have actually increased the number of stations in a market. Other duopolies (Johnson City and Lexington) took over an existing station and started over from scratch with a new staff and format. Managers from both of these situations felt that building a new station was easier from a marketing and an employee interaction standpoint but probably not from a financial standpoint. Even duopolies that did not have any major changes in

staff or formats (Atlanta and Louisville-Sunnyside) had their share of difficulties. A duopoly is not an inexpensive creation because of the time investment as well. Duopoly managers and employees are expected to and most always double their responsibilities. This was seen in the traffic director whose traffic log output literally doubled or tripled on a daily basis to the general manager who needed to schedule an additional staff's meetings into an already hectic weekly schedule. Atlanta General Sales Manager Diane Dalton said this was especially true in her situation:

> I think there are a lot of companies that are doubling up in markets and aren't prepared to spend the money that it is going to take just to get yourself organized. Far more complicated than I ever expected. I thought, well what is the big deal. You have run one radio station what is one more. It is just amazingly complicated to bring two operations together, you would have people that are doing much more than their job normally entails. We aren't to the point yet where my head is not yet above water. It is a lot more challenging than we expected.

There were differences noticed in the level of understanding what was happening in a duopoly between the six responsibility areas. The author noticed as the management responsibilities decreased (from the owner to the lower level managers) there was an increase in the amount of insight into the organizational culture. The author implied from the data that the lower and middle level managers were closer to the actual workings of a duopoly. This finding is important for general managers and owners to consider. Of course, not every GM or owner can be categorized as one who is not in tune with the staff. But, as one GM pointed out in this study, even an open door type

manager could get shut off from the other employees due to the increased time demands on creating and putting together a duopoly. As many managers did recognize it was important to remain "in touch" with the staff during this chaotic situation.

Another difference noticed in this study between the different management levels was the amount of concern expressed by the various managers as to what would be happening in the new organization. Lower level managers and some middle level managers expressed more concern for job security and job changes than some middle and upper level managers. This finding was surprising since a lot of the trade literature indicated upper management positions (general managers and sales managers) were receiving more "pink slips" than lower management positions (production, traffic, receptionist, business). All levels of management were affected by job reductions but only the high profile positions received trade periodical notice. Most of this study's managers were either reluctant or chose not to discuss job reductions at their respective duopolies. The reductions did take place and did affect all levels as evidenced by Atlanta GM Norman Schrutt:

> It puts a lot of people out of work which is not the happy side of it. We put out our general manager, we put out an operations manager, we put out a business manager, we put out a traffic manager, a lot of people are out of work. We put out a chief engineer because we didn't need two chiefs. It has that negative flaw.

Upper managers may have expressed less concern about job displacement because they did have a job, were more confident of securing another position in a different station, duopoly, or market or had a satisfactory compensation

or, if needed, severance package (see Appendix E for an example of a letter offering such a package).

One aspect of a duopoly that created a confused scenario was the actual "moving in" of a staff to the existing or a new location. There was an overall consensus that combining both staffs into a single location was a beneficial strategy for a duopoly. Some duopolies that were separated at the time of this study (January 1994) saw some benefits in being separated initially. These benefits included giving the purchased station(s) a chance to develop a separate identity and become established before moving in or taking in the buyer station(s). The managers of the five duopolies not combined at the time of this study had a variety of thoughts on what it would be like when the staffs were combined. The thoughts they had were similar to the thoughts the already combined staffs had expressed (see Chapter Four, 1.3c-6.3c).

Another combination issue was whether to combine or keep separate duopoly staffs. Obviously, from this study's results, there was not a consensus on the best strategy in this area, especially in the sales department. The Atlanta and Louisville-Prism General Managers both said this was a decision they struggled with daily for several weeks. For Atlanta GM Norman Schrutt the decision came down to what would create the most sales:

> Finally, after just thinking about the plus and the minus, decided to sell them separately because I believed that the only way one and one makes two is to be in competition with each other. I think the other way one and one makes one and a half, not good you want to make two.

Schrutt's philosophy supported Decatur GM Joel Fletcher's philosophy, however, the Decatur duopoly changed to combo sales staffs after an

unsuccessful start with separate sales staffs. The knowledge from these two GMs was an excellent example of what kind of information can be offered to future duopoly managers. The duopolies with combined sales staffs thought most of the advantages were for the advertisers. The duopolies with separate sales staffs saw advantages for both the advertisers and the stations in the duopolies. The industry still needs some time to determine what is the best strategy for the sales department. There are only three choices (combine, keep separate, or both) so some consensus should arise in the near future. There was some consensus that a combined sales staff worked for smaller market duopolies and a separate sales staff worked for larger market duopolies. The author did not investigate enough duopolies to definitely come to that conclusion. It did make sense from the upper management viewpoint for these duopolies to combine most administrative positions. Some administrative managers were vocal on the need for enough personnel to perform the combined duties involved with multiple stations. The majority of the duopolies kept the programming areas separated in the announcing and programming departments but did have a combined operations manager overseeing the programming of the stations. The new finding in this study concerning staffing was an owner or general managers' indecision on the promotions department. Some duopolies had a promotions director for each station. Other duopolies had one promotions director or a marketing director overseeing assistant promotions directors. However, the managers were not yet convinced there was a correct way for staffing this department. The author contends the reason for this indecision was the new concept of working with a staff that was a former enemy. The buyer was not sure if the purchased

station should be promoted *with* the buyer station or *adjacent* to the buyer station. This was another area that with time a more clear understanding will emerge.

The FCC changed the duopoly rules to assist struggling stations, to help stations survive and not leave the air depriving a community of that service. There were 27 FM and 18 AM stations represented in this study. The majority of the duopoly operators had new and exciting plans for all the stations. There were a few managers, however, that considered the AM part of the duopoly to be worthless. The author contends there were three AM stations in three different duopolies that were not providing a service to the community. The stations were either simulcasted with an FM or operated with an unstaffed satellite-delivered format. A manager at two of these duopolies did say there may be a possibility of "doing something" with the AM stations. A manager at the third duopoly wanted to "give away" the AM station. The author contends that three out of 45 stations not serving the public may not be a crisis, but if this is a trend that could be depicted in other duopolies, then broadcasters may need to be watching for another regulation that would prevent them from not letting AM or FM stations realize their full potential. This cautionary note was necessary in the light of the increasing consolidation in the radio industry. Nineteen percent of the 10,039 licensed commercial stations were involved in either an LMA or a duopoly through June 1994 (Radio Business Report, 1994). The number of duopolies increased 35% from November 1993 to April 1994 (Radio Business Report, 1994).

There was a clear consensus among managers that their duopoly was unique and special for that particular market. There was not a clear

consensus from this study as to what type of combination or what strategies might be the best for potential duopolies. This study did discover enough strategies on duopoly management and operations to give other duopoly managers and future duopoly managers additional ideas to help create successful consolidated radio operations. This author contends there were enough similarities among the managers in these duopolies to believe that the overall picture of a duopoly presented in part one of this chapter can show duopoly managers where adjustments might be made in their present operations. The duopoly highway and travel process model can also assist potential duopoly operators in understanding what a duopoly staff will face when a duopoly is created.

Radio Industry Recommendations

The radio industry structurally changed only two times in the 42 years prior to 1992. These two changes involved the programming element of radio: a) radio's survival of television's mass media appeal in the 1950s and b) FM radio's emergence as the dominant radio medium in the late 1970s. The structural change brought about in the radio industry by the change in the ownership rules in 1992 caught many radio broadcasters off guard. Some broadcasters had used LMA-type instruments to consolidate and most broadcasters were aware of the rule changes. They were not, however, aware of how to make use of the new rules on a local level at their owned and operated stations. Several managers in this study said radio operators will either be a buyer or a seller in today's radio environment. There were also

several managers who disagreed with that assumption. This section will address those radio owners and managers who will be entering into a duopoly and those owners and managers who are presently involved in a duopoly.

RECOMMENDATIONS FOR STARTING A DUOPOLY

Learn from others' experiences. Now that the radio industry has seen almost one-fifth of the stations consolidated through duopolies or marketing agreements there are plenty of owners and managers to consult for insight on starting a duopoly. Planning and preparation will assist any operator from facing the same roadblocks some of this study's operators faced. The potential duopoly owner should create a simple checklist to guide the formation of the duopoly. This checklist could be developed around the owner's goals and objectives while considering the four partnerships involved in a duopoly: audience, advertisers, employees, and competition. The checklist should guide the owner to completion of the required elements necessary to put together a duopoly: a) legal, b) technical, c) financial, d) programming, e) personnel, f) advertising, and g) promotions. The checklist may develop into a folder of notes as more ideas are collected about each of these elements. The duopoly owner that has planned and prepared before acquiring the other station(s) will then be able to prepare the four partnerships in a duopoly.

Future duopoly owners should not always expect a bottom line reduction in expenses and increase in revenue. Operational efficiency from employees and equipment requires a financial investment and a time commitment from an owner. A duopoly owner should plan to replace staff that leave voluntarily if that position is necessary for an efficient operation. Trimming the staff, especially in the process management area, may create over-worked

employees who will look for the first opportunity to leave. However, providing the resources for these same employees may enable them to increase their workload while maintaining their loyalty to the company. Programming can also be an expense for those duopoly operators planning to change formats or start a new station. Satellite-delivered formats are available for some start-up cost savings in programming. However, duopoly operators should expect to shift to at least 50% live programming (6AM-6PM) if the operator expects to become a community anchor. Another item that will probably increase in cost is the promotional effort put out by the duopoly. There are changes in a duopoly that listeners and advertisers need to be informed about: formats, promotions, slogans, and new stations.

An area that could be either an additional expense or an additional savings for the duopoly owner would be the location of the duopoly. Duopoly stations and staffs should be combined into one location as soon as it is feasible for the owner to do so. Additional expense may be required to build onto or renovate an existing building or to build a new facility. Additional savings would be seen in reduced rent, utilities, office equipment, phone systems, and some personnel by being in one location. The possible savings in combining locations will far outweigh any advantages to remaining separate.

A future duopoly owner should also be aware of the organizational cultural changes that will take place. Absorbing a previously weak or strong competitor into a different culture will not be easy. Every manager or employee will not assume the same amount of elation as the owner over acquiring another staff or being acquired by another staff. The duopoly owner and those managers overseeing new employees should plan to initiate

communication efforts between the staffs even before consolidation of locations. Duopoly owners and managers should recognize the differences in cultural perceptions among the various employee levels.

The design of the duopoly will require careful planning. The design consists of the programming and the staffing of the duopoly. Careful research by the duopoly owner and staff should determine which of the programming strategies available would be applicable to a duopoly's market, audience, and advertisers. By virtue of having multiple stations in the same service (AM or FM) a duopoly owner should plan to dominate some aspect of a format or audience demographic in order to remain a viable duopoly. Duopoly owners should research for possible benefits new strategies that will continue to emerge in the programming area. Research efforts in all four of the partnership areas should be ongoing.

The staffing of the duopoly should be planned, organized, and committed to as early as possible. This area, of course, will fluctuate with the unexpected departures of staff from both sides of the duopoly. The owner and duopoly managers should have a plan for the positions needed before purchasing the station(s). This plan could be based on the knowledge now available for that duopoly's particular market and station characteristics. As could be seen from this study, recommending certain combined or separated positions for all duopolies would not be practical. Combining or keeping separate positions will be a function of the owner's resources and complexity of the formats on the duopoly stations.

The benefit to the community should be another important consideration for a duopoly owner. The community ultimately supports the

radio stations. The owner and managers should determine before the purchase how the community will benefit from these combined operations. Planning and preparing for the areas mentioned in this section will direct duopoly owners to a quicker achievement of goals and objectives.

RECOMMENDATIONS FOR OWNERS AND MANAGERS IN A DUOPOLY

Duopoly owners should now be far enough into a duopoly to become committed to their plans for the four partnerships. Making a decision and having a commitment to that decision is necessary for the managers and employees to function effectively. This efficiency by the duopoly staff will result in the needed attention applied to the other three partnerships. Duopoly owners that are willing to wait for the long-term return on their investment will be more likely to see that return than those owners who expect an immediate return on their investment. Constantly searching for ways to strengthen the duopoly among the four partnerships should be a primary concern for duopoly owners.

After a general manager's concern with acquiring a duopoly is over, the general manager's attention should be more focused on the organizational culture within the duopoly staff. GMs should become more aware of the potential clashes and conflicts that could arise from combining two separate and sometimes distinct staffs. General managers should also be aware of market changes in the audience and competition. The GM should be the person in a duopoly who directs the other managers and employees to the sources of knowledge for implementing the duopoly plans.

The sales manager probably has the most difficult job in a duopoly. The sales manager must educate both the sales staff and the advertiser. The

advertiser should be taught how to effectively use the duopoly. The sales staff should be instructed how to effectively present the duopoly to the advertiser. The sales manager should network with other managers in other duopolies to develop and distribute training materials oriented towards duopoly presentations. Until such materials are developed sales managers should continue to use existing sales training tools for sharpening their staffs' skills. Both sales strategies of combining sales staffs and keeping sales staffs separate have worked for existing duopolies. The sales manager should determine the best plan for the duopoly based on the marketplace requirements and the sales staff abilities.

The operations manager may have one of the busiest jobs in the duopoly. This person should be able to manage different personalities among the programming staff. Announcer loyalty to the purchased or buyer station(s) could be a negative or a positive influence on the duopoly. The operations manager has direct access to the announcers and should institute creative methods for the announcers to assist each other in their respective formats. For example, critiquing each other's air checks one-on-one would give both announcers an opportunity to pass on tips as well as learn about a different format. The operations manager should continually conduct some form of research to stay aware of changing audience tastes in music and programming. The operations manager should implement the owner's programming strategy so the station formats are complementary to each other even though they may be distinct formats.

The image managers must take the complementary formats and market them to the audience and advertisers. Marketing stations together and

separately have worked for existing duopolies. Direction for which strategy to use will come from the owner and general manager's philosophy on how separate or combined to keep the formats and stations. The image manager, both in production and promotions, should maintain a flexible attitude. All the stations may be able to participate in some community events. Other promotional events may only be suited to a particular format or station. The voice talent should be trained for utilization with all the duopoly formats.

Several times during this study managers would make the comment that the process manager was the person who really "runs" the duopoly. This manager should be very adept at handling quickly changing situations. The process manager should have the necessary tools to accomplish their tasks quickly and efficiently. The area of managing paperwork or fixing equipment should not be hindered in multiple station operations. The process manager should develop a staff that could also be adaptable to different operating philosophies within the same company or building. This group of managers will need to develop an extra amount of patience as a duopoly operation proceeds.

There are two overall keys that every manager should use to successfully create and implement a duopoly. The first key is involvement. Every employee should be aware of what is about to transpire. Secrecy is needed in some aspects of radio operations. However, the scope of change that a duopoly brings to an operation should not be kept hidden until the final paper is signed. The LMA is the only effective tool owners now have at their disposal to get both staffs involved in the duopoly creation process while the legal and regulatory paperwork is processed. If an LMA is not possible than

the owner and managers should incorporate small group sessions so the staffs to be merged will be able to interact with their future co-workers before the merger takes place. The second key is attitude. The owner and general manager should immediately instill the appropriate attitude into each manager and employee. When the goals and objectives of the owner are clearly expressed to the duopoly staff then the staff will be able to adjust and move the duopoly toward the desired outcomes. Getting competing staffs to work together effectively should be the overall objective of a duopoly management team.

Future Research Possibilities

There is a need to take the findings from this study and apply them to other duopolies. This application would enable broadcast researchers and industry professionals to see if more consistent patterns emerge from the study of additional duopolies. One immediate study the author plans to initiate is a follow-up questionnaire to the participants in this study. This questionnaire will be sent in early 1995. Several managers indicated some events to take place in 1994 that would be worth following, such as: a) the required divestiture of one of the duopoly stations, b) whether AEs have been educated in new ways to serve the advertiser, c) what happened when a market became totally consolidated, d) have duopolies added some of the strategies noted in this study to their marketing or advertising arsenal, e) which organizational structure had the best growth for the duopoly, f) how are duopolies interacting with the new consulting resources becoming

available, g) did a duopoly secure 100% ownership of all stations, and h) what management restructuring took place after combining locations.

An interesting study would be to find an owner who is about to purchase a duopoly and spend time with both the buyer and purchased staffs to see firsthand how the two staffs react to a duopoly creation announcement. This case study using participant observation could follow through with the duopoly to see how an organization manages the change as it happens. This type of research could provide the *present* perspective of a duopoly creation rather than the *past* perspective provided by the author's study. Several managers did recommend to the author to "be here next time" when the duopoly process happens. A different twist to this study would be to have the researcher "arranged" to be hired as an entry level employee (news reporter or announcer) who then could observe the transaction process as a participant and a researcher. Other areas that need to be investigated on a duopoly by duopoly basis would be: a) how managers perceive each other[5] and b) what has been the effect on those employees displaced by duopolies.

This study concentrated on the local effects of a duopoly within selected duopolies. The research on duopolies needs to be expanded to a regional and national scope. Duopolies could be compared on a market by market basis to see if there are other differences besides those discovered in this study. The author suggests that this study could be used as a basis for construction of a nationally administered survey to various managers and employees within duopolies. The survey, or similar research technique, could discover: a) employee demographics within a duopoly, b) use of the different partnership

5. The author only asked the managers how they perceived the owner.

strategies outlined in this study, c) financial results of duopoly strategies, and d) whether duopolies have developed a typical organizational structure.[6] Surveys could also be administered to advertisers, advertising agencies, listeners, and competing radio stations to determine the effect of duopolies on these groups from their perspective rather than the perspective of the duopoly participant as was done in the author's study.

Additional studies in the duopoly research area could concentrate on: a) developing a composite of the successful or surviving duopoly (Husni, 1989), b) and, from the opposite side, developing a composite of the duopoly that did not survive, c) finding additional reasons for duopoly failures and successes, d) comparing the satisfaction of employees in duopolies with those employees in a non-duopoly station, e) determining the effects of the rule separating radio markets into small and large markets for duopolies, and f) tracking the types of owners involved in duopoly purchases. Historical research could focus on the struggles and triumphs of individual duopolies or companies involved with duopolies. The historiographer might also want to track the spread of duopolies through the radio industry since inception and compare the diffusion of duopolies with that of other industrial changes. To answer the question of whether a duopoly serves the public interest the researcher might want to analyze the content of a duopoly's broadcast day to determine the amount of community-oriented programming heard on each station and compare that amount to stations not involved in a duopoly.

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6. The Opelika duopoly's owner (Gary Fuller) had developed an organizational chart showing his structure of the management staff (Appendix E).

Legal scholars may want to investigate further applications of the 1992 ownership rule changes such as: a) the effects of the national ownership limits[7], b) minority-owned duopolies, and c) cross-interest ownerships. The type of studies already mentioned could be expanded into other media areas. Already there are television LMAs around the country with further deregulation in that area expected by the FCC (Kirchen, 1993). Researchers could explore consolidation issues in the cable industry, the telephone industry, and the video programming industry, as well as what effects developing technologies will have on these industries, including duopolies.

Contributions To Radio Broadcasting Research

This study contributed three indicators that pointed towards areas of exploration and research for radio professionals and academicians. One of those indicators was the existence of format strategies for duopolies not found in the literature. These strategies included what the author called the take your pick strategy, the split strategy, and the niche strategy. These format strategies were different from what was used in radio prior to duopolies because of the extra dimension of presenting commonly owned multiple properties to an advertiser.

Another indicator this study provided was an indication that duopolies provided additional community service and benefits as a result of the combined operations. This tentative finding needs to be supported with more

7. These will be increasing to 20 AM and 20 FM stations allowed per owner on the second anniversary of the duopoly and multiple ownership rules changes, September 16, 1994.

research that defines what duopoly managers mean when they say community service. Some managers said that additional stations provided more news and community events coverage. Other managers said their stations provided more promotional activities or a new and diverse music format. Further research would support the assertion that duopolies do provide additional community service.

The third indicator this study contributed was the insight into the different ways duopoly staffs handled changes in the organizational culture. This indicator showed that duopolies had comparable organizational factors to what was found in the literature. However, this was a point for further consideration since many duopolies were still in a situation where organizational change was evident.

PART THREE

CONCLUSIONS

When the author first became aware of LMAs and duopolies his first inclination was to study the economic effects of the ownership rule changes on the radio industry. The author soon learned and this study has confirmed that it may be several more years before enough duopolies have operated long enough to study the economic effects of the FCC's 1992 actions.

This study, instead, has uncovered the effects of the duopoly rule changes on radio stations at the personal level of those station's owners and managers. The study's findings were not intended to apply to every duopoly. However, every duopoly should be able to learn something from this study.

Duopolies were not new to the radio industry. The idea that duopolies could "save" the radio industry from economic doom was new. That, of course, has yet to be determined. What could be determined was that a duopoly was not "the panacea that a lot of people think it is" (Schrutt, 1994). A duopoly required an extreme amount of work. This increased amount of work emanated from the owner to the lowest level manager and into the line employees. The workload for duopoly employees doubled in both time and responsibilities. Increased income and other remuneration did not follow immediately if at all in some duopolies. Some employees did not see either more work or income as they were dismissed from their jobs by a duopoly owner. Duopoly employees often shared their facilities and equipment with people who were considered the enemy prior to the duopoly.

A duopoly did have some positive benefits. In some instances a duopoly kept a station from going off the air. A duopoly gave new life to an existing station that was left for dead by other owners and staff or brought to life a station that was on the verge of never being constructed. A duopoly brought more jobs to a community, another format to an unserved audience, more promotional events for advertisers and listeners, and increased opportunities for employees. A duopoly also, but not always immediately, improved the financial position of the owner.

As with most new phenomena there were different phases of development. Duopoly owners and managers went through a finding phase, a learning phase, and a leading phase. All three phases were still evident in the radio industry at the conclusion of this study. The author speculated these phases of duopoly development would remain for at least one more year and

possibly longer as duopolies advanced along the duopoly highway. Duopolies could increase their speed towards the leading phase by evaluating their strategies now being used in the travel process. Duopoly managers could adjust their strategies or adopt those mentioned in this study. Duopoly managers could check their "vehicle," their staff, to see if any parts need adjusting or if the culture established for the staff was appropriate for a duopoly.

There are positives and negatives to creating a duopoly, keeping a duopoly operating efficiently, and having a duopoly serve the community while following regulations. Current duopoly operators have the opportunity to shape the radio industry for the future. It was this author's contention that current duopoly operators, and those who plan to be, could bring a change in attitude to those people who say, "the only sure thing you know about duopolies is that there is one receptionist."

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Allen, Christy, Production Director, Savannah Duopoly, January 12, 1994.

Allman, Chris, Production Director, Louisville-Prism Duopoly, January 7, 1994.

Armstrong, Russell, Traffic Director, Savannah Duopoly, January 12, 1994.

Barbour, Nancy, Business Manager, Knoxville Duopoly, February 11, 1994.

Barnett, David, Production Director, Johnson City Duopoly, January 26, 1994.

Bedell, Stuart, FCC Mass Media Bureau Assistant Chief, Audio Services Division, February 2, 1994.

Box, Alan, President EZ Communications, January 31, 1994.

Boyles, Theresa, Business Manager, Savannah Duopoly, January 12, 1994.

Brady, Lisa, Traffic Director, Gainesville Duopoly, January 19, 1994.

Bryant, Ed, Business Manager/Engineer, Johnson City Duopoly, January 26, 1994.

Burcham, Andy, News/Sports Director, Opelika Duopoly, January 10, 1994.

Chilton, Ron, Operations Manager, Louisville-Sunnyside Duopoly, January 7, 1994.

Cooley, James, General Manager, Louisville-Prism Duopoly, January 7, 1994.

Cox, Jason, Production Director, Champaign Duopoly, January 6, 1994.

Crackel, Sheila, Business Manager, Champaign Duopoly, January 6, 1994.

Crosley, Linda, Business Manager, Louisville-Sunnyside Duopoly, January 7, 1994.

Dalton, Diane, General Sales Manager, Atlanta Duopoly, January 21, 1994.

Davis, Crystal, Business Manager, Atlanta Duopoly, January 21, 1994.

Denham, Dale, Sales Manager, Decatur Duopoly, January 5, 1994.

Dick, Allen, Owner/President, Greensboro Duopoly, January 14, 1994.

Dillow-Ashworth, Mary, Office Manager, Johnson City Duopoly, January 26, 1994.

Dorsett, Dan, General Manager, Lexington Duopoly, January 17, 1994.

Duke, Larry, Owner, Jonesboro Duopoly, January 4, 1994.

Edmiston, Georgia, General Manager, Fort Walton Beach Duopoly, January 11, 1994.

Edwards, Steve, President, Knoxville Duopoly, October 18, 1993.

Elliott, Gina, Marketing Director, Champaign Duopoly, January 6, 1994.

Ellison, Christy, National Sales Manager, Jonesboro Duopoly, January 4, 1994.

Fletcher, Joel, General Manager, Decatur Duopoly, January 5, 1994.

Ford, Carl, Owner, Charlotte Duopoly, January 14, 1994.

Frank, Katy, Business Manager (Traffic Director), Louisville-Prism Duopoly, January 7, 1994.

Frankum, Kenny, Business Manager (Bookkeeping/Personnel), Louisville-Prism Duopoly, January 7, 1994.

Fuller, Gary, Owner, Opelika Duopoly, January 10, 1994.

Fuller, Laura, Business Manager, Opelika Duopoly, January 10, 1994.

Gevedon, Diannia, Business Manager, Lexington Duopoly, January 17, 1994.

Gibson, Don, Creative/Production Director, Johnson City Duopoly, January 26, 1994.

Gorby, Daniel, General Manager, Savannah Duopoly, January 12, 1994.

Hays, Bill, General Manager and Vice President of Oak Ridge FM, Inc., February 24, 1993.

Hurt, Rufus, Program Director, Johnson City Duopoly, January 26, 1994.

Jackson, Tom, Operations Manager, Greensboro Duopoly, January 14, 1994.

Jacobs III, Jay, Owner/President, Gainesville Duopoly, January 19, 1994.

Jacobs, Jr., John W., Owner/Chairman, Gainesville Duopoly, January 19, 1994.

Jacobus, Craig, General Manager, Knoxville Duopoly, October 22, 1993.

Jenkins, Charlie, Owner, Louisville-Sunnyside Duopoly, January 7, 1994.

Kabool, Bobbie, Sales Manager, Johnson City Duopoly, January 26, 1994.

Kerr, Jamey, General Sales Manager, Greensboro Duopoly, January 14, 1994.

Lefevere, Alan, Chief Engineer, Johnson City Duopoly, January 26, 1994.

McGinley, Neil, Operations Manager, Atlanta Duopoly, January 21, 1994.

McKenzie, Sandy, Regional Sales Manager, Decatur Duopoly, January 5, 1994.

Meloy, Catherine, General Manager, Washington, D.C. Duopoly, January 31, 1994.

Nelson, Barbara, Vice-President of Administration, Jonesboro Duopoly, January 4, 1994.

O'Day, Steve, Promotions Director, Fort Walton Beach Duopoly, January 11, 1994.

Patterson, Mike, Sales Manager, Johnson City Duopoly, January 26, 1994.

Pethel, Jean, Sales Manager, Gainesville Duopoly, January 19, 1994.

Raines, Don, Station Manager, Johnson City Duopoly, January 26, 1994.

Rahn, Deb, Traffic Director, Champaign Duopoly, January 6, 1994.

Rockhold, Derrick, Production Director, Decatur Duopoly, January 5, 1994.

Roper, Jeff, Operations Manager, Savannah Duopoly, January 12, 1994.

Sanders, Glenda, Traffic Director, Atlanta Duopoly, January 21, 1994.

Schrutt, Norman, General Manager, Atlanta Duopoly, January 21, 1994.

Simpson, Sammy, Promotions Director, Lexington Duopoly, January 17, 1994.

Smith, Gary, Chief Engineer, Gainesville Duopoly, January 19, 1994.

Stanford, Ken, News Director, Gainesville Duopoly, January 19, 1994.

Stevens, Jerry, Sales Manager, Savannah Duopoly, January 12, 1994.

Todd, Mike, Chief Financial Officer, Jonesboro Duopoly, January 4, 1994.

Upright, Ken, Operations Manager, Charlotte Duopoly, January 14, 1994.

Valdivia, Lynn, Traffic Director/Office Manager, Fort Walton Beach Duopoly, January 11, 1994.

Weber, Dale, General Manager, Champaign Duopoly, January 6, 1994.

Wesley, Karen, General Sales Manager, Lexington Duopoly, January 17, 1994.

William, Joel, Operations Manager, Gainesville Duopoly, January 19, 1994.

York, Jana, Traffic Director, Jonesboro Duopoly, January 4, 1994.

Zurick, Rick, Operations Manager, Fort Walton Beach Duopoly, January 11, 1994.

APPENDICES

APPENDIX A

LIST OF DUOPOLIES

Market Rank	12		
Purchased (P) Calls AM		**FM**	WYAY-FM
City	Gainesville		
Market	Atlanta		
State	GA		
P Format AM		**FM**	CW
P Frequency AM		**FM**	106.7
P Power (KW) AM		**FM**	100
P Arbitron AM		**FM**	5.4
Buyer (B) Calls AM	WKHX-AM	**FM**	WKHX-FM
B City			
B Format AM	CW	**FM**	CW
B Frequency AM	590	**FM**	101.5
B Power (KW) AM	5	**FM**	100
B Arbitron AM	.4	**FM**	9
Positions Interviewed	General Manager General Sales Manager Operations Manager Business Manager Traffic Director		

Market Rank	194		
Purchased (P) Calls AM		**FM**	WIXY-FM
City	Champaign		
Market	Champaign		
State	IL		
P Format AM		**FM**	CW
P Frequency AM		**FM**	100.3
P Power (KW) AM		**FM**	12
P Arbitron AM		**FM**	
Buyer (B) Calls AM		**FM**	WLRW-FM
B City			
B Format AM		**FM**	CH
B Frequency AM		**FM**	94.5
B Power (KW) AM		**FM**	50
B Arbitron AM		**FM**	16.2
Positions Interviewed	Vice-President/General Manager Marketing Director Production Director Business Manager Traffic Director		

Market Rank	39	
Purchased (P) Calls AM	WLTC-AM	**FM**
City	Gastonia	
Market	Charlotte	
State	NC	
P Format AM	SG	**FM**
P Frequency AM	1370	**FM**
P Power (KW) AM	5	**FM**
P Arbitron AM		**FM**
Buyer (B) Calls AM	WRNA-AM	**FM**
B City	China Grove	
B Format AM	SG	**FM**
B Frequency AM	1140	**FM**
B Power (KW) AM	1	**FM**
B Arbitron AM		**FM**
Positions Interviewed	Owner Operations Manager	

Market Rank	NR		
Purchased (P) Calls AM		**FM**	WYDS-FM
City	Decatur		
Market	Decatur		
State	IL		
P Format AM		**FM**	CW
P Frequency AM		**FM**	93.1
P Power (KW) AM		**FM**	6
P Arbitron AM		**FM**	
Buyer (B) Calls AM	WSHY-AM	**FM**	WEJT-FM
B City	Shelbyville		
B Format AM	OL	**FM**	AC
B Frequency AM	1560	**FM**	105.1
B Power (KW) AM	.5	**FM**	13
B Arbitron AM		**FM**	
Positions Interviewed	General Manager Regional Sales Manager Local Sales Manager Production Director		

Market Rank	212		
Purchased (P) Calls AM	WFTW-AM	**FM**	WKSM-FM
City	Fort Walton Beach		
Market	Fort Walton Beach/Destin		
State	FL		
P Format AM	NX/TK	**FM**	CR
P Frequency AM	1260	**FM**	99.5
P Power (KW) AM	1	**FM**	50
P Arbitron AM	1.5	**FM**	9.4
Buyer (B) Calls AM		**FM**	WYZB-FM
B City	Mary Esther		
B Format AM		**FM**	OL
B Frequency AM		**FM**	105.5
B Power (KW) AM		**FM**	3
B Arbitron AM		**FM**	10.8
Positions Interviewed	General Manager Operations Manager Promotions Director Traffic Director		

Market Rank	NR		
Purchased (P) Calls AM	WGGA-AM	**FM**	
City	Gainesville		
Market	Gainesville		
State	GA		
P Format AM	SG	**FM**	
P Frequency AM	1240	**FM**	
P Power (KW) AM	1	**FM**	
P Arbitron AM		**FM**	
Buyer (B) Calls AM	WDUN-AM	**FM**	WMJE-FM
B City	Gainesville Clarkesville		
B Format AM	TK	**FM**	AC
B Frequency AM	550	**FM**	102.9
B Power (KW) AM	5	**FM**	2.75
B Arbitron AM		**FM**	
Positions Interviewed	Owner/Chairman Owner/President Sales Manager Operations Manager News Director Chief Engineer Traffic Director		

Market Rank	49		
Purchased (P) Calls AM		**FM**	WKZL-FM
City	Winston-Salem		
Market	Greensboro/Winston-Salem		
State	NC		
P Format AM		**FM**	AC
P Frequency AM		**FM**	107.5
P Power (KW) AM		**FM**	100
P Arbitron AM		**FM**	4.6
Buyer (B) Calls AM		**FM**	WKRR-FM
B City	Asheboro		
B Format AM		**FM**	AR
B Frequency AM		**FM**	92.3
B Power (KW) AM		**FM**	100
B Arbitron AM		**FM**	8.4
Positions Interviewed	Owner/President General Sales Manager Operations Manager		

Market Rank	93		
Purchased (P) Calls AM	WKIN-AM	**FM**	WKOS-FM
City	Kingsport		
Market	Johnson City		
State	TN		
P Format AM	CW	**FM**	OL
P Frequency AM	1320	**FM**	104.9
P Power (KW) AM	5	**FM**	1.38
P Arbitron AM	.7	**FM**	4.1
Buyer (B) Calls AM	WJCW-AM	**FM**	WQUT-FM
B City			
B Format AM	NX/TK	**FM**	CH
B Frequency AM	910	**FM**	101.5
B Power (KW) AM	5	**FM**	100
B Arbitron AM	3.2	**FM**	13.5

Positions Interviewed

Station Manager/WQUT Sales Manager
WKOS Sales Manager
AM Sales Manager
Program Director
Creative/Production Director
Production Director
Business Manager/Engineer
Chief Engineer
Office Manager

Market Rank	NR		
Purchased (P) Calls AM	KBTM-AM	**FM**	KJBR-FM
City	Jonesboro		
Market	Jonesboro		
State	AR		
P Format AM	NX/TK	**FM**	AC
P Frequency AM	1230	**FM**	101.9
P Power (KW) AM	1	**FM**	100
P Arbitron AM		**FM**	
Buyer (B) Calls AM		**FM**	KFIN-FM
B City			
B Format AM		**FM**	CW
B Frequency AM		**FM**	107.9
B Power (KW) AM		**FM**	100
B Arbitron AM		**FM**	
Positions Interviewed	Owner National Sales Manager Vice-President of Administration Chief Financial Officer Traffic Director		

Market Rank	71		
Purchased (P) Calls AM	WEZK-AM	**FM**	WIMZ-FM
City	Knoxville		
Market	Knoxville		
State	TN		
P Format AM	AC	**FM**	AR
P Frequency AM	1240	**FM**	103.5
P Power (KW) AM	1	**FM**	100
P Arbitron AM	.1	**FM**	7.1
Buyer (B) Calls AM		**FM**	WEZK-FM
B City			
B Format AM		**FM**	AC
B Frequency AM		**FM**	97.5
B Power (KW) AM		**FM**	100
B Arbitron AM		**FM**	8.8
Positions Interviewed	President General Manager Business Manager		

Market Rank	125		
Purchased (P) Calls AM		**FM**	WWYC-FM
City	Winchester		
Market	Lexington		
State	KY		
P Format AM		**FM**	CW
P Frequency AM		**FM**	100.1
P Power (KW) AM		**FM**	32
P Arbitron AM		**FM**	2.1
Buyer (B) Calls AM	WLAP-AM	**FM**	WMXL-FM
B City	Lexington		
B Format AM	NX	**FM**	AC
B Frequency AM	630	**FM**	94.5
B Power (KW) AM	5	**FM**	100
B Arbitron AM	9	**FM**	7.7
Positions Interviewed	General Manager General Sales Manager Promotions Director Business Manager		

Market Rank	51		
Purchased (P) Calls AM		**FM**	WTFX-FM
City	Louisville-Prism		
Market	Louisville		
State	KY		
P Format AM		**FM**	AR
P Frequency AM		**FM**	100.5
P Power (KW) AM		**FM**	50
P Arbitron AM		**FM**	
Buyer (B) Calls AM	WWKY-AM	**FM**	WVEZ-FM
B City			
B Format AM	TK	**FM**	SA
B Frequency AM	790	**FM**	106.9
B Power (KW) AM	5	**FM**	24.5
B Arbitron AM	4.2	**FM**	5.8
Positions Interviewed	General Manager Production Director Business Manager (Bookkeeping/Personnel) Business Manager (Traffic Director)		

Market Rank	51	
Purchased (P) Calls AM	WAVG-AM	**FM**
City	Louisville-Sunnyside	
Market	Louisville	
State	KY	
P Format AM	AS	**FM**
P Frequency AM	970	**FM**
P Power (KW) AM	5	**FM**
P Arbitron AM	3.4	**FM**
Buyer (B) Calls AM	WXVW-AM	**FM**
B City	Jeffersonville IN	
B Format AM	SX	**FM**
B Frequency AM	1450	**FM**
B Power (KW) AM	1	**FM**
B Arbitron AM	.6	**FM**
Positions Interviewed	Owner (General Manager, General Sales Manager, Sports Broadcaster) Operations Manager Business Manager	

Market Rank	NR		
Purchased (P) Calls AM		**FM**	WMXA-FM
City	Opelika		
Market	Opelika		
State	AL		
P Format AM		**FM**	AC
P Frequency AM		**FM**	96.7
P Power (KW) AM		**FM**	.73
P Arbitron AM		**FM**	
Buyer (B) Calls AM	WZMG-AM	**FM**	WKKR-FM
B City	Opelika Auburn		
B Format AM	RB	**FM**	CW
B Frequency AM	1520	**FM**	97.7
B Power (KW) AM	5	**FM**	1.35
B Arbitron AM		**FM**	
Positions Interviewed	Owner News Director/Sports Director Business Manager (Bookkeeper)		

Market Rank	150		
Purchased (P) Calls AM		**FM**	WLVH-FM
City	Hardeeville		
Market	Savannah GA		
State	SC		
P Format AM		**FM**	SB
P Frequency AM		**FM**	101.1
P Power (KW) AM		**FM**	50
P Arbitron AM		**FM**	11.6
Buyer (B) Calls AM	WSOK-AM	**FM**	WAEV-FM
B City	Savannah		
B Format AM	BG	**FM**	AC
B Frequency AM	1230	**FM**	97.3
B Power (KW) AM	1	**FM**	100
B Arbitron AM	6.5	**FM**	4.5
Positions Interviewed	General Manager Sales Manager Operations Manager Production Director Business Manager Traffic Director		

Market Rank	7		
Purchased (P) Calls AM		**FM**	WBIG-FM
City	Washington, D.C.		
Market	Washington, D.C.		
State	DC		
P Format AM		**FM**	OL
P Frequency AM		**FM**	100.3
P Power (KW) AM		**FM**	36
P Arbitron AM		**FM**	3
Buyer (B) Calls AM	WTEM-AM	**FM**	WGMS-FM
B City	Bethesda Washington, D.C.		
B Format AM	SX	**FM**	FA
B Frequency AM	570	**FM**	103.5
B Power (KW) AM	5	**FM**	44
B Arbitron AM	1	**FM**	3.3
Positions Interviewed	General Manager (WGMS)		

APPENDIX B

LETTERS AND INTERVIEW GUIDES

November 24, 1993

«name»
«position co.»
«calls»
«address»
«city st zip»

Dear «title» «last»:

On September 16, 1992 new FCC regulations allowed radio station owners to create duopolies in local markets. During the first year of this change in the multiple ownership rules radio station owners created 298 duopolies. According to my research you were one of those owners.

I am asking a select group of these radio station owners to be involved in a formal research project to examine the organizational structure and management strategies used at radio station duopolies. Your participation in this study will help bring the radio industry to a better understanding of the design of a duopoly, the viewpoints behind a duopoly, and the directions for a duopoly. The insight you can provide from your unique duopoly will help other radio station owners and managers now in a duopoly or those considering a duopoly. This research is part of my dissertation at the University of Tennessee-Knoxville. Should you decide to take part in the next stage of this research here is what will happen:

1) Fill out the enclosed duopoly research form and return it to me in the postage-paid envelope (the information you provide will help confirm my research efforts);

2) As the forms are received I will phone you to schedule a day where I can visit your radio stations and interview selected staff; and,

3) The visit should include interviews with the General Manager, the owner (if on site), and other managerial positions affected by the creation of the duopoly (sales managers, news directors, engineers, traffic, business managers, etc.) Each interview should be from one-half to one hour.

Even if you decide not to have me visit your stations please fill out and return the form. The information will be valuable for future research projects involving duopolies. Of course, information that is of a confidential nature will not be identified with any one duopoly or individual. Should you have any questions about this research project please contact me or the chair of my doctoral committee, Dr. Sam Swan. A summary of the research findings will be provided to the participants.

Thank you, «title» «last», for your time and cooperation.

DUOPOLY RESEARCH INFORMATION

Please fill out the information below and return this form in the enclosed postage-paid envelope. Thank you.

BUYER CALL LETTERS _____

PURCHASED CALL LETTERS _____

FCC ACTION DATE _____

Are the stations in the duopoly operated with (check one):

SEPARATE STAFFS _____

CONSOLIDATED STAFFS _____

COMBINATION OF SEPARATE AND CONSOLIDATED STAFFS _____

Please list any staff positions that were consolidated after the duopoly:

Do you and your station staff wish to participate further in this research project:

YES _____ NO _____

If yes, who should be contacted to schedule a visit:

NAME _____

POSITION _____

PHONE _____

If different from above:

YOUR NAME _____

POSITION _____

PHONE _____

Again, thank you for your time and cooperation.
Linwood A. Hagin

December 8, 1993

«name»
«position co.»
«calls»
«address»
«city st zip»

Dear «title» «last»:

Two weeks ago you were sent a letter describing my doctoral research into the organizational structure and management strategies of duopolies. Enclosed was a form requesting acknowledgment of your further participation and verification of your duopoly information. If the form was lost in the mail or misplaced I am sending this second letter as a reminder or replacement along with an additional form to send back to me. Also enclosed is a copy of the original letter outlining the instructions.

«title» «last», it is vitally important that enough stations respond to my inquiry so that a representative number of stations can be chosen for an in-depth analysis of duopolies. I would appreciate it very much if you could fill out the enclosed form and send it back to me as soon as possible.

If you have already mailed the original form please disregard this notice. Thank you, «title» «last», for your interest and cooperation.

Sincerely,

December 17, 1993

«name»
«position co.»
«calls»
«address»
«city st zip»

Dear «title» «last»:

Thank you for showing an interest in my research project on radio station duopolies. I have received enough affirmative responses to begin making phone calls for appointments. Since the holiday season is upon us I will begin making calls the week of December 20th to schedule appointments beginning January 3rd. This should avoid not having access to any of your employees due to vacation time or the busy pre-Christmas rush of radio programming and selling.

Since this research is not being funded by an outside source at this point I am trying to keep costs to a minimum. Therefore, may I ask that you have the following information available when I call to arrange an appointment:

1) Several suggested dates for visiting your stations and interviewing staff;

2) Names and titles of those employees I will be interviewing (primarily those affected by the consolidation); and,

3) Directions to your stations from the nearest Interstate.

From Knoxville it looks like I will be making eastern, western, and southern trips. I will be trying to visit several stations on each trip with the flexibility of spending additional time at a station if needed. Again, thanks, «title» «last», for your help. I look forward to meeting you and your staff.

Sincerely,

December 29, 1993

«name»
«position co.»
«calls»
«address»
«city st zip»

Dear «title» «last»:

Thank you for your cooperation with my duopoly research project. As we talked about on the phone I plan to visit your stations on Wednesday, January 12th at 9 A.M. The people you suggested I should interview besides yourself were:

(Names and Positions Listed Here)

Also enclosed is the consent form I will ask each person to read and sign. Again, thanks, «title» «last», for your assistance. I look forward to meeting you and your staff.

Sincerely,

INTERVIEW GUIDE

I. What were the reasons for your company/station to buy (purchased station)?

   A. Expand on these reasons.

   B. Are the reasons still evident today?

II. What was the organizational structure of each station before the duopoly was formed?

III. What is the organizational structure now (Describe in chart format)?

   A. How did you (owner/general manager) arrive at this structure?

      1. Did you look at other stations?

      2. Did trade literature affect your decision?

   B. Has the structure changed since the initial formation?

      1. What external forces might have caused these changes?

         - competition

         - economy

      2. What internal forces might have caused these changes?

         - personnel

         - finances/debt

IV. Compare your organizational structure with other duopoly organizational structures.

   A. In what ways is your structure different?

   B. The same?

   C. Would this structure work with other types of duopolies?

V. What strategies have been set for your organization since the duopoly was formed? How will/have you implement(ed) these strategies? What positive or negative effects have you noticed about these strategies? Why have each of the strategies in the following areas been succcessful or not successful? Talk about the differences between the strategies used for a duopoly and the strategy used for a single station. (Ask each of these questions for the following areas).

A. Business/financial.

B. Promotions.

C. Sales.

D. News.

E. Competition.

E. Other (Engineering, Traffic, Administration).

F. Facilities.

VI. Compare your strategies with other duopoly strategies.

A. In what ways are your strategies different?

B. The same?

C. Would these strategies work with other types of duopolies?

INTERVIEW GUIDE-REVISED

INTRODUCTION QUESTION:

Describe your background in radio and how you became involved with these radio stations.

I. Conditions for a duopoly.

- A. What are the requirements for putting together a duopoly?
- B. What conditions are necessary to put together a duopoly?
- C. What experiences are necessary to put together a duopoly?
- D. Why was this duopoly put together?

II. Formation of a duopoly.

- A. Who was involved in the creation of this duopoly?
- B. Describe the design of this duopoly?

III. Practicalities of a duopoly.

- A. What does each manager offer to the duopoly?
- B. What can the duopoly offer for the employee? the owner?
- C. How has the range in which a particular manager functions, changed since the duopoly was formed?
- D. What does this duopoly offer for advertisers? for listeners?

IV. Perceptions of a duopoly.

- A. What kind of control is exerted over the duopoly by:
  1. Advertisers
  2. Owner
  3. Partner station
  4. Employee

5. Competition

6. Listener

7. Market

8. Location

9. Organizational culture

B. What perceptions did you bring to the duopoly?

C. What skills are necessary for the efficient operation of this duopoly?

V. Dynamics of a duopoly.

A. Describe the rate of growth of the duopoly organization?

B. How do you see this duopoly reacting to the dynamics of the:

1. Advertiser needs

2. Competition

3. Target audience

4. Station interaction within the duopoly

VI. Directions of a duopoly.

A. What are some possible negative outcomes to these strategies?

B. What are some possible positive outcomes (if not already mentioned)?

C. What direction does this duopoly go from here?

D. Would there be anything you would do differently with this duopoly?

APPENDIX C

FULL TEXT

TRANSCRIPTION

Louisville, Kentucky Prism Duopoly
Kenny Frankum, Business Manager (Bookkeeping/Personnel)

I: Why don't you start off Kenny by describing your background in radio and how you got involved with these stations.

KF: My background is not very long. I have only been involved in for about two and a half years now. I came to these stations by signing up with a temporary service and I came down here, this was my first assignment from the temporary service and I stuck. So that is how I got into it. It was by accident.

I: Your title is business manager, is that right?

KF: Yeah.

I: Can you tell me from your perspective or what you think the conditions or requirements are for the duopoly?

KF: Conditions or requirements? It seems to me like a duopoly is a very good idea, being at it from my point of view of business, because it enables us to run several different stations, you know, under one roof and have some cost savings by being able to share responsibilities with the different departments and cost. Cost involved as far as rent and so forth like that. It is very efficient from my point of view and I am real happy with it.

I: What type of experiences do you think are necessary to put a duopoly together?

KF: Well you know it is such a new thing that we are just kind of fishing along as we go and, you know, finding our way.

I: What has helped you as business manager to work in this type of situation?

KF: I think it has just been the ability, at this point, the ability to put up with chaos because we went from running two stations to starting up another one, brand new from scratch. We have more than doubled our staff and we have had to buy a piece of equipment after piece of equipment after piece of equipment and then try to integrate everyone into a system where we have three stations instead of two. It has been quite a challenge. It has been a little hectic, a little chaotic but it seems to be coming together now.

I: Are you aware of why this duopoly was put together?

KF: It seems to me, from what I know, that Bill Phalen, the head of the company just saw that as the way to go for now. You know, to do business in radio now is the cutting edge and you are either going to do duopolies and capitalize on that or you are going to be lost.

I: Do you interact with the other business managers of the other duopolies at present here?

KF: Yes, I do.

I: Do you share information?

KF: Yeah, we try to help each other along. We are trying to make sure that we get all our using the same system and stuff, you know, same kind of softwares and whatever so you know that any problems that crop up we can solve.

I: Is there just one business manager for each of those locations?
KF: Well no there isn't. This is the first one of the Prisms that we have tried to do with one, you know. Before basically the other places where they had it in two stations and two stations with pretty much a complete staff for these two and a complete staff for the other two. This is the first one where we are trying to run it under one. Be just, you know, one place and consolidate some of the positions.

I: When you say "two stations" and "two stations" do you mean like AM-AM and FM-FM?

KF: No AM-FM and AM-FM.

I: OK.

KF: See before you could only own AM and FM in the market and now you can own more but the way they were sold or the way they were bought was the AM and FM, the AM and FM so they are like in Tucson and still being run. Two separate businesses.

I: From your perspective again can you describe what you see as the design of this duopoly, the structure of it with the people involved?

KF: Well this is the one with the ideas. We are trying to set this up as a model for the rest of the company. You know, we want to utilize as many savings as we can and if we can get away with the one business manager and one general manager, see the other way we have two stations in Tucson and we have a general manager at these two and a general manager at the other two. So this is the first time we are trying to do it with one and one, you know. So that is what we are trying to do at the top, you know, the administrative levels and keep it one person under that. You know we still have a program director for TFX and a program director for ZEZ and the sales manager and all of that and still have to be duplicated. At this point, we have looked at maybe consolidating the sales force but it doesn't seem to be a real viable option at this point.

I: The only consolidations then are the people on the list here?

KF: That is ...

I: Well in your position as business manager what do you see yourself offering the duopoly?

KF: First off, cost efficiency because we will be paying one person instead of two in my position. Even if I end up having to have an assistant they will be somebody that we could get at a lower salary than another business manager and still be cost savings.

I: What do you see the duopoly offering the employees at this station?

KF: More security because it is going to be a more viable business with three stations generating, or four stations actually we will probably end up with four, generating revenue. You know, if one should fall on lean times there is still going to be two or three others to hold it up so, you know, with having that many under one place there would be a lot more security and stability in the business.

I: What about the owner, what does the duopoly offer an owner?

KF: I think cost efficiency and more revenue more bottom line money.

I: Jim told me that you were here before the new station was put on the air. Can you describe how your function in the role as business manager how that has changed from the two stations to adding a third station? What are your responsibilities, your duties and so forth?

KF: I am just snowballed. I am still at this point trying to get a handle on it. If you will look at my office you will see that I am not there yet. But I think as I put the system in place and get people set in it is going to be real good. You know everything went real smooth before. There was the two stations, things were set up to go that way and I just worked from day to day without many hitches. But since we have started the other station there has been numerable problems because we put the third station on the air with spare parts that we had from the other two just to get it on the air just as quick as we could and then we ordered all the equipment for it and as the new pieces of equipment came in we plugged them in but there was always problems, you know. There was constantly problems in buying equipment, repairing equipment, you know, arranging for people to take care of certain jobs and stuff. Then we had the real sudden increase in the number of employees and all the problems that go along with that. Coordinating their benefits and you know just getting them settled in, getting the simple things like a place to sit down and a pencil to write with and things like that because we went from about 22 employees to we have 50 now. So we were a real lean little operation under the former owners.

I: What do you think the duopoly offers for the advertisers?

KF: I think we can probably better cover their needs because we have more different demographics that we are reaching now. So any time you can do that and if we could add another station or we can find another little niche market that we can reach I think it will be better for the advertisers. We can really show them all the different people we are reaching and, you know, find out which is best suited for them. You know, they might have a need for one part of their product at one market and another part at another market. So I think we have some benefits to offer them.

I: How about the listeners, are they receiving anything by combining the stations?

KF: The biggest thing that I have seen is that we added a hot rock and roll station here. It is pretty cutting edge and there is a lot of humor involved and stuff and this was pretty much a very staid place before. We had WZEZ which was adult contemporary music to talk radio. It was a very quiet laid back place. Now we have all these rock and roll types in here so our listeners have changed. People that are walking in the door or calling and stuff are just a whole different group of people that we are dealing with and it has been very interesting.

I: Was that a niche that wasn't being met here in Louisville, rock and roll?

KF: Right because before the only rock station in town was QMF and they were classic rock, generally trying to reach older people. So now we have moved into the younger rock market. The main market we are trying to reach is 18 to 34. Sometimes we say 18 to 40 year old market. We are number one in that area so it has really made a difference.

I: How do you think the advertisers have perceived the creation of the duopoly?

KF: They viewed it with a little caution at first they wanted to stand back and see what was going to happen. Then the first book came out in the Fall which covered some of the ... and the FOX did real well in it and it looked like it was going to be a viable product so then they were a little more encouraged and start spending a little more money. I think that when the next book comes out which will be pretty soon it will show that continuation in the market and they are going to be a little more comfortable with it. So they have been about six or seven months. It is good that they have rocketed to the top in that time. You know like we were just behind OMF in the first book that came out and then the trend came out the next month. You get a book every three months and a Trend in between and in the next two Trends we passed them up.

I: What kind of control or insight do you think the owner gives to this duopoly?

KF: He is pretty much been hands off with it. We are pretty autonomous here. Of course, we report what we do at the end of the month back to him but he hasn't exerted a lot of influence on us yet. Other than the ideas of what to do I mean he is service quality oriented person. So that is more empowering to work for, you know, you all decide how to do the job there. That is the philosophy behind it there.

I: How about the employees at the station. What kind of influence or input do they give to the duopoly?

KF: The way we worked before we had a very strong general manager and there was one way of doing things around here, his way. With Prism taking over and the service quality idea, you know, people all over the station are deciding what needs to be done and how we should do it. Now the people actually do ... here. We are really trying to push forward this service quality idea, settle the kinks and stuff to solve the problems and questions that arise. It has generated a real healthy atmosphere here among the employees. They are just more involved with the station and they feel more a part of it.

I: Do you see your competition in this Louisville market effecting this duopoly at all?

KF: You always have to consider your competition is going to affect you.

I: How would they do it then?

KF: You have to always look to the future and know where you are going and the way we have been looking at it is that duopolies are going to be the way to go and we are the only one here right now but that is not going to last so we just feel that we need to lead the way and to do that that is why we are probably going to try and get another FM station. We will go to four stations then. I think that is the idea. We are either going to lead the way or be lost so we are going to lead the way.

I: You mentioned earlier about the different types of listeners coming in and calling and so forth, can you give me some examples of maybe some feedback that you have gotten from them concerning the duopoly?

KF: Concerning the duopoly, Ha! Ha!, I don't know. I don't think that there is that big of perception out there with listeners that there is a duopoly. They just know the new rock station we have. The feedback that I have had from them on the answering machine after hours, I come in in the morning and I am listening and they are going "Yeah man, play me some rock, play me some Matelica." Stuff like that so that is really interesting. It is definitely a different segment of the population that we are reaching.

I: What about the market itself. The geography maybe the retail aspect, how does that affect the duopoly? Does being in Louisville, Kentucky mean anything itself?

KF: I don't think it would be that much different from any other. I think the duopoly idea is just going to allow someone to serve the advertiser a little better and pinpoint the market they need to reach a little better. One stop shopping is going to have to deal with limited people.

I: What kind of influence do you think the location of these stations affects how the duopoly operates being in this one building?

KF: Well we like the idea of everybody being together, you know, all the stations being together. But we are looking for another location at this time. We are having some growing pains here. We just hired two more sales people and a vendor co-op person and I am looking at broom closets now for places to put them in. I just have run out of space, you know, where we use to have just plenty of space with empty offices setting around every on air person use to have their own office. Now none of them do. We just make one big jock lounge for all the on air people so we are experiencing growing pains but we are looking for a new building to move to. We did a survey among the people and we decided we wanted to stay in the downtown area here just because it seems to be more central, you know, to going anywhere in the community to sell or for people coming in to work. It just seems to be a little better so we are looking in this area.

I: How would you describe the culture of all the people working together at this one location?

KF: It seems to be great. I mean, it could be real tense around here before we had a very demanding general manager, you know, it was a small operation so things were not always lighthearted as they should be and there seems to be good interaction among the people in all the different stations in the area. The people are walking around most of the time with a smile on their faces and telling jokes and stuff. There is still always little problems that crop up and people will have disagreements but it seems to be blending well.

I: You had mentioned earlier and you used the word chaos, I think, "before the chaos came, before the first station or as the first station was being added" what sort of perceptions did you have about what was going to take place?

KF: I sure didn't anticipate all of the problems that we have had and all the growing pains but I felt good about embracing the change, you know, and moving ahead with it even though it has been particularly trying in my position because I have had to coordinate a whole lot of the stuff. When we would hire people to work in one station and they would just come in and do the job but I was doing all this new stuff and added responsibilities, you know, from what I had to do before. It has taken quite a bit of adjustment on my part but I feel good looking towards the future about it.

I: Are there any skills that you have had to develop to accommodate those new responsibilities?

KF: I have had to learn to wear my tennis shoes to work. I seem to be on the move a lot and I have to be able to deal with problems quickly. Seems like I walked up the hall and I can't go too far before someone is hollering my name about this or that or the other. So I just had to learn how to deal with something quickly and move on or pass it on to someone else who should handle it or something.

I: In the seven months can you describe what you describe what you have seen as the rate of growth in the organization? I know you have mentioned more employees, are there other areas that you have seen where the organization has grown?

KF: We are outgrowing our space here and we need extra space. I mean, our market out there is growing. We are reaching a lot more people and we have also made improvements on the AM and on the ZEZ since then too and EZ is growing and it's audience is starting to creep up and now we are going to start to push on our AM and talk radio and make a bunch new improvements to it in hopes of it growing too.

I: How about revenue, has that grown along with everything else?

KF: Yeah. Yes, it has. FOX is just coming along real well and that really helps. The AM has started to sell our own sell shows now, you know, someone that want come in and do an hour talk radio show, we sell it to them. So the revenue on the AM has increased. We have increased it by doing that. The old FM, ZEZ, it has always been a real steady performer because of the kind of music it plays. It has just always been perceived as a value in this market. Whether the ratings were up or down it has always been perceived as a value because they reach so many offices during the day and things like that. It is the kind of music that you turn on and have in the background and it is not intrusive. So people have always viewed it as a value but I think with typing the format out exclusively with light 106.9 now has started to see an increase in the ratings and a growth in the sales place.

I: Start with the advertisers. There are a couple of categories that I want to mention in relation to this next question. The needs of the advertisers are changing all the time are you aware of what strategies are going to be implemented to accommodate the needs of the advertisers?

KF: That is not really something that I have been involved with a lot. You know, we have two sales managers that have concentrated more on that.

I: OK. How about the competition, do you have any strategies or plans to continue battling the competition?

KF: Our competition, one of their strategies has been to, they leased a 3,000 watt station. QMF did, they were classic rock. Then we came in and took the younger market away from them so now they have went and leased a 3,000

watt station which they plan to play just basically music targeted to young people and they would like to draw some of those young people away from us this way and expand and try to squeeze us from the middle, you know, try to squeeze us out of the middle. The want to kind of get above us and below us and kind of put the squeeze on. That seems to be their strategy right now. But there is a cost involved in doing that in that they only have a 3,000 watt station on the lower end to do it with and no budget so they can't advertise it well, promote it, or do anything like that and I think we will just be able to move ahead with a stronger marketing plan. You know we have got TV budgeted, billboard budgeted, and as well as print media. We also have a continued commitment to provide a quality product so I think we will sail right on through that. I think that low end attempts will be a short lived one because they will not be able to afford this over a long period of time.

I: Whose is that owner?

KF: John Otting. Otting Broadcasting. He is locally owned and he lives here in town. He has got the one station and he has leased this other station.

I: What about the needs of the audience, you probably have seen some changes in that? They are going to change too, what plans are in store to meet those needs?

KF: We are just aggressively trying to stay on top of the what they are wanting. We are doing marketing research all the time. We budget money to really research it and see what needs to be done and try to stay on top of it and fulfill those needs.

I: Is that your own in house research or do you contract that?

KF: A combination of both, we have one research thing set up for company Y and we do it here through our computer and modem system that calls out. We do it there and then we do some where we just contract marketing research too.

I: Of those strategies that you talked about do you see any possible negative outcomes to them?

KF: Nay, we don't want to look at it that way. We will look at it and try to use the market research and try to stay ahead of the problem and see where we need to go and make sure that we steer in that direction.

I: Combining two questions here, what positive outcomes do you see and where do you think those outcomes are going to take the duopoly from this point?

KF: I just see us growing real strong. I am looking at the budget and the way we are covering stuff I see us being a real financially secure organization. So, you know, we should be able to be steady. There has been a lot of turnover in

the radio market especially in the past ten or 15 years. It is constantly turning over and if we can establish an ownership here that is going be here for a while and have some stability, you know, I think that can do nothing but benefit us. You know, and benefit the community and the advertisers too. We are looking for this fourth station and that is another segment on the market and we will be able to cover...

I: If you had to do anything differently, what would that be?

KF: I think probably I would have tried to have been a little better prepared for this changeover. I just was not aware of how enormous the task was going to be at the time.

I: You are not the first to say that. I am hearing that from almost everyone that I talk to. More prepared.

KF: You know, I am not sure what you could have prepared with because it just hasn't been done before and there is no one to talk on how to do an effective job, you know. We just had to kind of find our way as we went along but it seemed alright. You know, we make use of these committees to solve problems and stuff with and we have come up with ideas and solutions and try to implement them and it seems to be working out. I see things clearing up as we go.

I: Well great, for only being in the business for three years you had some real good answers and you know what you are talking about. That completes the interview. I appreciate your help.

APPENDIX D

DATA BASE LAYOUT FORMS AND INTERVIEW DATA

Name	Participant's Name
Position	Participant's Title
Market	Location of Duopoly
TX Code	Transcription Page and Line Numbers
Resp. Area	Responsibility Area for Position
Question #	Question Order on Revised Interview Guide
Answer	Portion of Transcription Analyzed

Name	Participant's Name
Position	Participant's Title
Market	Location of Duopoly
TX Code	Transcription Page and Line Numbers
Resp. Area	Responsibility Area for Position
Question #	Question Order on Revised Interview Guide
Question Groups	Group Question # Belongs To
Answer	Portion of Transcription Analyzed
Answer Coding	Key words or phrases chosen from answer for coding purposes

Record Locater

Question Text

Responsibility Area For Position

Open Coded Categories

Participants

1.1a

What does this duopoly offer for listeners?

Ownership

Increases In:
- Coverage
- Programming
- Information

Expertise In:
- Community Analysis
- Market Research
- Programming
- Consistency

Confusion:
- Do Not Care
- Still Learning
- No Change

Participants 5

Question Group 1: Audience/Listeners

2.1a

What does this duopoly offer for listeners?

General Management

Community:
- More Charity Work
- New Channel
- Another Format

Stations:
- Stronger
- Economies Of Scale
- Resources
- Research
- Know Perceptions
- Correct Management

Programming:
- Better Sounding Products
  - Distinct Formats In Same Music Genre
  - Live Programming Versus Satellite
- Love And Care
- Strong Program Directors
- Strong Personalities

Promotions:
- Cross On-Air
- Separate Off-Air

Participants 9

Question Group 1: Audience/Listeners

3.1a

What does this duopoly offer for listeners?

Sales Management

Choice:
- Variety
- Bigger Pond
- More Options
- Great Opportunity

Quality:
- Central Management System
- Purchased Emulates Buyer
- Good Format, Programming
- Two Incomes To Feed Equipment, Research

Participants 5

Question Group 1: Audience/Listeners

4.1a

What does this duopoly offer for listeners?

Operations Management

Choice:
- Separate Spot Clusters
- Opportunity Not To Duplicate
- More Local Sports And News
- Super Serve On Both Formats
- Better Programmed Stations

Station:
- Good Broadcasting Company
- Listener Oriented
- No More Gorilla Tactics
- Cleaner Sound
- Cross-promote Between Stations

Market:
- Competition Gets Better
- Fills Need

Knowledge:
- Invisible To Listener
- Most Do Not Know
- Not A Lot Of Change

Participants 8

Question Group 1: Audience/Listeners

5.1a

What does this duopoly offer for listeners?

Image Management

Sound:
- More Voices On Commercials
- Position As Separate
- Hear Different Things

Programming:
- Exciting Product
- Complimentary
- No Simulcast

Community:
- Nothing Unique
- More Know As Partners
- Do Not Really Know As Sister Stations
- Add To Programming
- Serve Versus Sit On Satellite
- Good For Listener

Station:
- Good Outlets
- Bigger Staff
- More Resources

Participants 6

Question Group 1: Audience/Listeners

6.1a

What does this duopoly offer for listeners?

Process Management

Sound:
- Music
- Less Commercials
- More Ads
- Consistent Quality

Programming:
- Broader Choice Of Formats
- Broader Public Service Base
- Information Coverage
- Share News With Sisters
- Promoting Each Other
- Promotions
- Contests
- Local Sports
- Product Improvement

Station:
- Independent Sister Stations
- Both Doing Good
- Buyer Knows Everything
- Competitors
- Service, Quality-Oriented Company

Community:
- Listeners Will Always Be There
- Loyalty To Purchased
- New Station = My Station
- Gets A Station Back
- Treating Listeners As A Client

Knowledge:
- No Awareness
- Do Not Care
- Do Not Even Realize It
- Not A Lot
- Stayed The Same
- No Realization Of Connection

Participants 13

Question Group 1: Audience/Listeners

1.1b

What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) listeners?

Ownership

Positive:
- Appreciate
- Love It
- Listen
- Good Citizens
- Do The Right Thing
- Direction To Local Radio

Negative:
- Complaints
- Lots Of Money
- No Local Station
- No Local Weather

Neutral:
- No Input
- No Complaints

Participants 5

Question Group 1: Audience/Listeners

2.1b

What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) listeners?

General Management

Positive:
- Local Promotions
- Music Intensive
- Format Shift On Buyer
- Getting Money's Worth
- Better Product
- Hear Music
- High Reception
- Fast Win

Inside:
- Unaware
- Still Competitors
- Do Not Care What Goes On
- Information Sharing
- Very Diverse Formats

Negative:
- Letters Against Format Switch

Participants 6

Question Group 1: Audience/Listeners

3.1b

What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) listeners?

Sales Management

Response Is Key:
- Carryover To New Partner
- Already Knows Likes
- Does Not Pay Attention
- Unaware
- Visit Station Location

Station:
- Separate Letterhead
- Work To Inform
- Get A Response
- Less Credit From Sales Managers

Participants 6

Question Group 1: Audience/Listeners

4.1b

What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) listeners?

Operations Management

Programming:
- Shifted For Purchased
- Correct Counter Programmed For Buyer
- Audience Wanted Basic Product
- Three Different Sources
- Surveyed For Purchased Format Changed
- Specialty Hours, Dayparts

Feedback:
- Programming Via Letters
- Praising Purchase
- Negative With Old Owners
- Positive With New Owners
- Filled A Void
- Loyal

Knowledge:
- Do Not Know
- Do Not Want Them To Know

Participants 5

Question Group 1: Audience/Listeners

5.1b

What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) listeners?

Image Management

Responses:
- Different From Each Audience
- Becoming More Aware
- Positive To Format Change
- No Perception Of Duopoly
- Does Not Understand
- Support, Allegiance

Station:
- Share Some Listeners
- Separate Entities
- Not A Partner
- Treat As Dual Station

Programming:
- Distinct Listening Groups
- Cross-Over Production
- Play Their Music
- Few Commercials
- Good Contests

Participants 6

Question Group 1: Audience/Listeners

6.1b

What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) listeners?

Process Management

Expectations:
- Identify With On-Air Talent
- Relate To Stations
- Want Local Talent

Feedback Methods:
- Tune-Out Control
- More Calls Than Letters
- Calls
- See In Person
- Tailgate Parties

Knowledge:
- Unaware Of Satellite Programming
- Separate Formats Keep Listeners Unaware
- Unaware Of Duopoly
- Aware Of New Rock Station

Feedback:
- More Positive Than Negative About Programming Changes

Participants 6

Question Group 1: Audience/Listeners

1.1c

How do you see this duopoly reacting (what strategies) to the (changing) dynamics (needs) of the target audience(s)?

Ownership

Adaptability:
- Format
- Promotional Messages

Programming:
- Increased Live
- Additional News

Promotions:
- Separate Marketing
- Same Media; Different Messages

Personnel:
- Additional News Person

Audience:
- Stay In Touch
- Communicate
- Studies

Self:
- Continually Evaluate
- Pace Setter
- Leader

Participants 6

Question Group 1: Audience/Listeners

2.1c

How do you see this duopoly reacting (what strategies) to the (changing) dynamics (needs) of the target audience(s)?

General Management

Research:
- In-House
- Outside
- Perceptuals On Format, Music

Format Adjustments:
- Morning Show Energy; Involved Audience;
- Personality Oriented
- Sports Cross-Remote
- More Time, Effort
- Added Programs
- None

Promotions:
- Two-Station Event
- More Responses
- Better Memories

Maintenance:
- Nursing, Feeding, Tender Loving Care
- Maturity
- Reliability
- Name Recognition

Participants 7

Question Group 1: Audience/Listeners

3.1c

How do you see this duopoly reacting (what strategies) to the (changing) dynamics (needs) of the target audience(s)?

Sales Management

Promotions:
- Separate Trip Giveaways
- Live Remotes
- Downtown Triplecast
- Both Bumper Stickers On Cars
- Single Station Van

Programming:
- Reflects Market Changes
- Separate Format, Announcers
- Crossover Listening

Participants 3

Question Group 1: Audience/Listeners

4.1c

How do you see this duopoly reacting (what strategies) to the (changing) dynamics (needs) of the target audience(s)?

Operations Management

Promotions:
- Direct Mail
- Liners, Positioning Statements
- Other Media
- Cross-Promote Sister Station
- Trivia Show
- Separate Promotions
- Gain Attention
- Top Of Things
- Community Image, Mood Does Not Change

Programming:
- Arbitron Controls
- Always Modify, Fine Tune
- Major Changes Twice Per Year
- More Local Talent
- Steady Durable Format
- Feed News, Sports To Both Stations
- Full Live Service
- Biggest Market Sound

Competition:
- Against Each Other, Do Not Shoot
- Grab It All, No Holds Barred
- Aggressive
- Creative People, Unique Talent

Research:
- Perceptual Understanding Of Changes
- Use National Service
- Music Tests
- Focus Groups
- Keep In Touch
- Call Out

Resources:
- Have The Dollars
- Find Game Plan
- Maintain Focus

Participants 8

Question Group 1: Audience/Listeners

5.1c

How do you see this duopoly reacting (what strategies) to the (changing) dynamics (needs) of the target audience(s)?

Image Management

Present Promotions:
- Keep Hot, Keep Excitement
- Bells, Whistles, Contests
- Merchandise Purchased
- Engine Slower On Buyer
- Shift As Audience, Format Focus Changes
- Keep Informed Of New Sound
- Cross-Over Voices Where Appropriate

Future Promotions:
- Surprises
- Unpredictable
- Bombard Community
- In Your Face
- Two Vans
- Secret, Equal Ratings Promotions
- More Cross-Promotions
- Whole Station Instead Of Four
- Better Strategy For Programming Flow
- Long-Term Committed Ownership

Results:
- Stronger Company
- Specific Audience Targeted

Participants 5

Question Group 1: Audience/Listeners

6.1c

How do you see this duopoly reacting (what strategies) to the (changing) dynamics (needs) of the target audience(s)?

Process Management

Research:
- Ad Information For Client
- Stay On Top Of Needs
- Follow Through From Survey To On-air Promotion

Programming:
- Returned Shows Listeners Wanted
- Have The Right Music
- Ongoing Competition Between Stations
- Flexibility

Participants 6

Question Group 1: Audience/Listeners

1.2a

What does this duopoly offer for advertisers?

Ownership

Value:
- More Coverage For Same Effort
- Multiple Station Concept, Purchase
- Consistent Quality Of Sales, Production Staff
- Combo Buy Not Forced
- Priced Attractively
- Sell On Own Merits
- Strong Stations
- Economical
- Higher Rates

Time:
- Deal With One Account Executive (AE)
- Separate Sales Staffs

Service:
- Ease, Convenience
- Coordinated Production
- Higher Level Of Professionalism
- Better Resources

Opportunities:
- Frequency
- Two For One
- Unique Audience

Participants 7

Question Group 2: Advertisers

2.2a

What does this duopoly offer for advertisers?

General Management

Value:
- Better Investment
- Fair Rates
- Rate Break, Budget Help
- No Combo Sells Or Discounts
- Do More Without More Cost
- Shared Promotions
- Cost Efficiency

Audience:
- Intermingling Demographics
- Added Population Segment
- Diversity Of Target
- Three Diverse, Unique Formats
- 18-64 Year Olds

Time:
- Convenience
- Same Number Of AEs, More Stations
- AE Advise Of Partner Station
- One Company, One AE, One Team

Service:
- Choose Among Competitors
- In For Long Haul
- Economically Viable Entity
- More Professionalism, Resources
- Strength In Multiples
- Flexible Employees
- Trained, Well-Rounded Sellers
- Well-Known Operator

Opportunities:
- Shared Promotions
- Marketing Partner
- Tri-Event Marketing

Participants 10

Question Group 2: Advertisers

3.2a

What does this duopoly offer for advertisers?

Sales Management

Value:
- Two Better Stations, Same Format
- More Time For Effective Job
- Market Clout
- Inexpensive As Combo Buy
- An Additional 25-54 Year Old Demographic Buy
- One Rate For All Stations, Frequency Discount
- Choose Commercial Use
- Format, Audience Variety

Time:
- Build Close Relationship With One AE
- Not Any Easier, Still Separate Properties

Service:
- Move Products Better
- Develop Win/Win Situation
- Channel Ads In Two Successful Directions
- Deal With Same Production Department
- Professional Announcers, On Air Correctly
- Split Sales Staffs, Maintain Strong Personal Relationships With Buyers

Opportunities:
- Tie Into Projects, Special Events

Participants 9

Question Group 2: Advertisers

4.2a

What does this duopoly offer for advertisers?

Operations Management

Value:
- Trombo Buy Not Really An Advantage Yet
- Company Does Radio Right Way
- Multiple Rate Structure
- Huge Audience On Buyer's AM
- Buying Price, Numbers, Cost Per Point Covered
- Saturate Market Demographics
- More Exposure

Time:
- One Less AE, Represents All Properties

Service:
- Commercials Sound Good
- Multiple Formats
- Package All Stations For Message
- Same Management
- Peace Of Mind

Opportunities:
- Covering, Blanketing Metro Area
- More Good Stations
- Very Powerful In Adults, Men And Women
- Double Barreled Shot At Audience

Participants 6

Question Group 2: Advertisers

5.2a

What does this duopoly offer for advertisers?

Image Management

Value:
- A Media Mix, Less Confusing
- Complement Each Other
- Nobody Has Better Advantage, Lower Rate
- Choosing Best Format For Product
- Niche Advertisers Get More Impact
- Mass Advertisers Get Production In One Place
- Commercial Continuity Without Extra Talent Fee
- Ad Diversity, Stands Out
- Less Fighting For Rates
- Cover Huge Share Of Market

Time:
- Work With Same People
- AEs Make Joint Presentations

Service:
- Service From Owner
- Fit Needs
- Use Different Approaches
- More Creative, Larger Staff

Opportunities:
- Wider Selection
- Expanded Coverage, Reaching More People

Participants 6

Question Group 2: Advertisers

6.2a

What does this duopoly offer for advertisers?

Process Management

Value:
- Quite A Listenership
- Reaching Larger, Wider Demographics
- Better Coverage
- More Than Their Dollars' Worth Because Of Owner
- Network Rate For Agencies
- Birth To Death Listeners

Time:
- One Stop Shopping

Service:
- Bodies Pitched Over To Purchased Station In A Sellout
- On Buyer
- Stations Talk About Sister Stations
- Joint Ownership
- Target Part Of Product At Particular Market
- Much Better Selling Tool
- Treated Separately

Opportunities:
- Exposure Where May Not Have Normally Thought
- Reach Variety Of Adults
- Pick Of Two Top Radio Stations
- Target Whole Market

Inconsequential:
- Does Not Offer Or Take Away, Owner Went And Bought
- Another Station
- Local Accounts Will Not Get A Deal

Participants 12

Question Group 2: Advertisers

1.2b

What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) advertisers?

Ownership

Initial Concerns:
- Additional Station(s) May Not Help
- Control Of Market By Owner
- Skeptical, Fear, Suspicions
- Money Grabber
- Rate Aggressive
- Forced Buys, Cramming

Present Attitudes:
- Use Freely
- Delighted
- Proven No Over-Concentration
- No Concern

Strategies:
- Focus Groups
- More Coverage, No More Cost
- Serve Separate Audiences

Results:
- Success
- Professionalism
- Better Program, Research Tools, Information

Participants 8

Question Group 2: Advertisers

2.2b

What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) advertisers?

General Management

Initial Concerns:
- Advertiser Did Not Know
- Advertisers Do Not Care
- Save Money? Cheaper?
- Have A Monopoly, Ramming Down Throat
- Force The Issue
- Unhappy, Unrealistic
- Gouged
- Want Extra Product For No Or Little Increase
- Additional Station Is A "Toss-In"
- Agency Assumed Combo Buy
- Resisted Forced Combo Buy

Present Attitudes:
- Sensitive, Fair
- Do Not Care Who Or How Many AEs See Them
- Nothing Negative, Accustomed, No Change
- Good Reception
- Noticed Duopoly, Mover And Shaker

Strategies:
- Need A Beneficial Product For Advertiser
- AEs Sell Both But Separately Without Combo Packages
- Create Awareness For Purchased
- New Advertisers Familiar, Confident With Buyer
- Serving An Unserved Market
- Explain Forced Buys, More Cost Efficient
- Offer Niche, General Market Format

Results:
- Helps Advertising Perception
- Luck In Selling
- Broadcaster Wants To Be Paid
- Toss-In Limits Advertising Dollars
- Increased Level Of Credibility

Participants 10

Question Group 2: Advertisers

3.2b

What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) advertisers?

Sales Management

Initial Concerns:
- Some Think OK, Others Petrified
- They Do Not Have Control
- Lose Ability To Pressure
- National Buyers Say It's A Monopoly
- Very Nervous
- Big Old Bat, Raise Rates In Forced Combo
- Complained About Separate Staffs
- Owner Controlling All County Radio,
- Controlling What Advertiser Can Afford
- Escalate Rates
- Feel Bad Giving One AE Majority Of Budget
- Confusing, Did Not Understand
- Which Stations For What Rate?
- Positive, No Negative

Present Attitudes:
- Later They Are Buying
- Relieved, Pleased
- Very Good Response
- Local Advertisers Like Choice Without Higher Rates
- Glad To See Someone Caring For Them
- More Accustomed To Duopolies
- Wait And See
- Do Not Think About It Anymore
- Do Not Have To Call Three Places
- Nickname "Radio Mall"
- National Level Feels Put Out With Separate Staffs
- Local People Like It Better

Strategies:
- Inform Advertiser Of Signals In Market
- Have Not Raised Rates
- Forced Combo, Lower Combo Rate
- Make Advertiser Aware
- Have Different AEs Or Keep Same AE
- Will Get Same Service As Buyer Station

Participants

Question Group 2: Advertisers

3.2b (continued)

What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) advertisers?

Sales Management

Results:
- AE Loses But Company Wins With Separate Staffs
- Advertiser Has Twice The Impact
- Lot Of Annual Contracts
- Paying The Rates
- (Stations With Combo Staffs Think Advantages
- Are For Advertiser, Stations With Separate Staffs
- See Advantages Also For Stations)

Participants 10

Question Group 2: Advertisers

4.2b

What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) advertisers?

Operations Management

Initial Concerns:
- Lot Of Questions
- Did Not Understand What Is Going On
- Some Concern Of A Monopoly, Quickly Quelled
- One Company Owns Three, Will I Have A Choice?
- Power Move
- Two Big Stations Joining Forces
- Heard Only Positive Things

Present Attitudes:
- Knowledgeable Advertisers Realize Strength

Strategies:
- Better Economics On Radio
- Buyers Need To Be Educated
- Downtown Triplecast
- Male/Female, Same Demographic Mix

Results:
- Advertisers Saw Different Audiences

Participants 3

Question Group 2: Advertisers

5.2b

What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) advertisers?

Image Management

Initial Concerns:
- "Competition Gave Me Free Spots On The AM, Do I Get Free Ones On Your New Duopoly?"
- Wool Being Pulled Over Their Eyes
- Local People Scared Of New Things

Present Attitudes:
- Getting Used To Duopoly
- Not Totally Comfortable Or Sure
- Major Advertisers Understand Strength
- Do Not Understand Duopoly
- Still Look For Best Rate, Extra Added Value
- Want To See Numbers

Strategies:
- Not In Hair Everyday
- Cautious

Results:
- Have Not Had Trombo Bite As Anticipated
- Pretty Slow Start
- Purchased FM Blew Everybody Out Of Water, Advertisers Finally Woke Up

Participants 4

Question Group 2: Advertisers

6.2b

What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) advertisers?

Process Management

Initial Concerns:
- Demand For Efficiency, Return On Investment
- No Control
- If Anybody Could Do It, Owner Could
- All Had High Hopes, All For It, Pull It Off
- Nothing Negative
- Not Real Sure
- Set Back And See Station Come Alive
- Kind Of Leery
- Caution

Present Attitudes:
- Now Have A Choice For A Competitor That Did Not Exist
- More Encouraged, Comfortable
- Excited About Format, Caters To Them

Strategies:
- Know Which Station They Are Calling For
- More Of What We Can Do For Advertiser
- Practically No One That Would Not Benefit By Advertising On Either Station
- Something New To Listen To, Play In Businesses

Results:
- Started Sending In Checks For Both Companies
- Spending More Money

Participants 8

Question Group 2: Advertisers

1.2c

How do you see this duopoly reacting (what strategies) to the (changing) dynamics (needs) of the advertiser?

Ownership

Enhance Revenue:
- Other Advertising Sources
- More Agency Calls
- Combo Selling
- Double Attack, Separate And Combined Staffs
- Use Databases

Rate Structure:
- Keep Local People Happy
- One Stop, The Place To Shop For Broadcast Needs

Marketing Duopoly:
- Advertiser Frequency To Right Audience
- Correct Audience For Product, Service
- Gender Balance
- Maximum Return

Product Enhancement:
- Invest In Equipment, People
- Improve Professionalism
- Work With Needs
- Stretching
- Evaluating

Participants 7

Question Group 2: Advertisers

2.2c

How do you see this duopoly reacting (what strategies) to the (changing) dynamics (needs) of the advertiser?

General Management

Enhance Revenue:
- Bought Sign-Pro Franchise
- Advertising Planner, Co-op Opportunities
- Use All Stations To Spread Investment Cost
- Absolutely Not Gouging Them
- Educate On Combo Buys
- Pitch Both Stations In Complementary Fashion
- Direct Mail
- Field Marketing Department, New Co-op Dollars

Rate Structure:
- Getting Away From Ratings, Rates
- More Added Value
- Take Away First Reaction, "You're Stealing From Me"
- Half-Price Discount Strategy

Marketing Duopoly:
- Aggressively, Be Number One
- Constant Market Research, Networking In Company, In Community
- Marketers, Not Spot Peddlers
- All Stations To Promote An Event
- Qualitative Research
- External Promotions, Television
- Bumper Sticker Campaigns
- Car Give-Away

Product Enhancement:
- More Share Points
- Find Training-Oriented General Sales Manager
- Better Equipment
- Use Same Marketing, Creative, Production Teams
- Promotional Bang When Combined
- Event Marketing
- Customer To Client's Front Door

Participants 10

Question Group 2: Advertisers

3.2c

How do you see this duopoly reacting (what strategies) to the (changing) dynamics (needs) of the advertiser?

Sales Management

Enhance Revenue:
- Needs Analysis
- Answer Agency Needs, Requests
- Do Not Say No To Dollars
- Split Combo Buys 50/50
- Direct Mail
- Financial Expo
- Fringe Market Advertisers
- More Long-Term Business
- Value Added To Meet Demand

Rate Structure:
- Three Sales Attack Plans
  - Agencies, Non-Traditional, Direct Retailers
- Cross-Over Promotional Deals
- Continue Inventory Supply And Demand
- Develop Consistent Sell-Out Patterns
- Force Advertiser To Book Ahead Of Time
- Increase Average Unit Rate

Marketing Duopoly:
- Stay On Street, Marketplace Pulse
- Come Here First For Creativity
- Combine External, Internal Promotions
- Know Clients, Know Station, Sales Strengths
- Keep Combo Or Trombo Buys At National Level
- So Purchased Station Stays On Buys

Product Enhancement:
- Automate Sales Research
- Train AEs On Job Variety
- Discuss Street Talk
- Stay On Top Of Dominant Moves Around Country
- Big Market Advantage In Small Towns
- Sell Qualitative Information

Participants 10

Question Group 2: Advertisers

4.2c

How do you see this duopoly reacting (what strategies) to the (changing) dynamics (needs) of the advertiser?

Operations Management

Enhance Revenue:
- Find Ways To Keep Little And Big Advertisers Happy Without Always Using Added Value Promotions

Rate Structure:
- Advertiser Picks And Chooses

Marketing Duopoly:
- Maximize Audience
- Hire AE For Outside Rural Area
- Full Time Person For Metro Area
- More Involved In Community
- Show Commitment And Dedication
- Become More Regional

Product Enhancement:
- Provide Numbers For AEs
- Run It Clean
- Best First Impressions, Sparkling Sound
- Play Lots Of Music
- Do Not Over-Commercialize
- Have Promotions Director Work With Client From Ground Up

Participants 4

Question Group 2: Advertisers

5.2c

How do you see this duopoly reacting (what strategies) to the (changing) dynamics (needs) of the advertiser?

Image Management

Enhance Revenue:
- Win/Win For Client And Station
- Turning Things Around Quickly

Marketing Duopoly:
- Use Promotions Department To Help Clients Work To Their Full Advantage

Product Enhancement:
- Give Client A Benefit
- Make It Fun
- No Loose Ends

Participants 3

Question Group 2: Advertisers

6.2c

How do you see this duopoly reacting (what strategies) to the (changing) dynamics (needs) of the advertiser?

Process Management

Enhance Revenue:
- Bill Correct, Payments Posted, Ads Right, Sound Good
- Positive Impact In Business Community

Rate Structure:
- Package Deals At National Level

Marketing Duopoly:
- Always Cater To Advertisers
- Depend Upon Quality Of Organization
- Grow Stations, Listenership

Product Enhancement:
- Not Married To Format, Ability To Change
- Now Two Significant Community Stations

Participants 3

Question Group 2: Advertisers

1.3a

What can the duopoly offer for the employee?

Ownership

Additions:
- More Profitable
- Money
  - Not Right Away
  - Successful Billing
  - More In Paycheck
  - Pay Raises
- Wider Audience Energizes Announcers, Sharper
- Competitors Listening
- Security
- Satisfaction
- More Team Effort
- Closer Unit
- Offered A Job, Positions
- Training
- Benefits
- Research And Promotion Funds

Directions:
- Opportunity To Make Another Great Station
- Path Of Advancement
- Look Good On Vita
- Improved Professional Ability
- Being A Major Station Instead Of Underdog
- Attract Or Keep Existing People
- Get Legs Under Station
- Stable Environment
- Larger Sales Departments

Subtractions:
- One Receptionist
- Some Salaries
- Loss Of Jobs

Participants 6

Question Group 3: Employees

2.3a

What can the duopoly offer for the employee?

General Management

Additions:
- No Paycheck Worries, Well-Funded, Security
- Profit Sharing, Stock Options
- Resources To Solve Problems
- Economically Viable Media Entity
- More Income, 10%-25%
- Unique Bookkeeping, Traffic Problems
- Sales Managers Sell All Stations
- Pride, Elite Group
- Organization With Act Together
- Good Training Ground, Retraining, Cross-training
- Additional Work, Overtime
- Latitude For Generous Raises
- Morale Crisis
- Greater Strength, Stability
- Indirect Benefits
- Jobs
- Equipment
- Idea Exchanges, Educates
- Better Leadership

Directions:
- Work For Big Company
- Upward Or Lateral Management Mobility
- Work Hard, Good Things Happen, Better People Keep Jobs
- Good Long-Term
- On The Cutting Edge
- Head Start On Career, Vita, Easier Transition
- Duopoly, Start-Up Experience, Cut Your Teeth
- In Demand For Skills
- Company Growth Instead Of Shrinking, Solidify
- Overwork Will Not Last
- Synergy

Subtractions:
- Some Short-Term Displacements, Jobs

Participants 10

Question Group 3: Employees

3.3a

What can the duopoly offer for the employee?

Sales Management

Additions:
- Outstanding Company
- Awesome Format
- Make Money
- Increased Profit Margin
- Twice The Opportunity
- Two Separate Advertising Budgets, Audiences, Advertisers
- Knowledge Growth
- Jobs
- Stability In Community
- Increased Work, Responsibilities
- Traffic Literally Doubled
- Selling Units Doubled
- Copy, Production Up 50%
- Income Potential For AEs, Up 40%-80%
- Understanding
- Creativity
- Revenue To Do More Things

Direction:
- Did Not Go In Blind
- Make History
- Management Team Helps People Blossom
- Service To Community
- Generate More New Business, Co-op, Vendor
- Increase Market Share Out Of Every Buy

Subtractions:
- Economies Of Scale
- Minimal Staff, More Manageable

Participants 10

Question Group 3: Employees

4.3a

What can the duopoly offer for the employee?

Operations Management

Additions:
- Exposure
- Experience
- Ministry To More People
- Listener Response From Places Did Not Know Signal Went
- World Of Freedom Or Incredible Straight Jacket
- Dabbling In Other Areas
- Expand, Broaden Horizons
- Pride, Prestige
- Cross-Pollination
- Stability
- Income, Double Earnings
- More Free Time, Vacation Time
- More Work
- Promotion, More Responsibility
- More Stature, Clout

Direction:
- Double Up Part-Timers
- Automate Some Dayparts
- Cutting Edge Of New Broadcasting Trends

Subtractions:
- Shrinking, Contraction Of Employees
- Less Production People, Part-Timers
- Economies Of Scale

Participants 8

Question Group 3: Employees

5.3a

What can the duopoly offer for the employee?

Image Management

Additions:
- Stronger Station
- Consolidation Of Material, Ideas, Talents
- Knowledge Of Satellite Technology
- Another Format For Production Skills
- Multiple Station Experience
- Greater Worth
- Increased Workload
- Other Functions To Do Besides Own
- Satisfaction
- Income Potential
- Profit Sharing Plan
- Prestige Of Being Heard On More Outlets
- Wealth Of Opportunity

Direction:
- Cannibalize Competition Or Create
- Co-Conspirator
- More Confidence Equals More Revenue Equals Better Stability
- Environment, Pressure Experience Great For Advancement, Different Job
- Different Atmosphere, No Obvious Competition
- Collect Ideas For Two Totally Different Stations

Participants 8

Question Group 3: Employees

6.3a

What can the duopoly offer for the employee?

Process Management

Additions:
- Challenges
- Advancement
- Experience
- Knowledge Of Three Different Formats
- Personal Satisfaction
- Competition, Egging Each Other On
- Offer More Products
- Exposure To Different Listeners
- More Work
- Increased Benefits
- Bigger Station
- Have A Job, Created Position
- More Compensation
- Demand For Services
- Higher Interest Level
- Promotion
- More Jobs
- Use Talents In Different Ways
- Security, Stability

Direction:
- Build Up Morale, Camaraderie
- Team With Same Goals
- Family-Like Operations
- Tremendous Growth In Sales, Traffic
- Keeps You On Toes

Subtractions:
- Eliminate Some Jobs

Participants 19

Question Group 3: Employees

1.3b

What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) employees?

Ownership

Purchased Staff Attitudes:
- Did Not Like Rules, Guidelines, Some Problems
- Come Over In Any Position
- Leery, Really Concerned
- Touch-Me/Feel-Me
- Squaring Off Like Dogs In A Circle
- Insecurity
- Turnover
- Sales: Other Station Is Enemy, Still Competing
- Am I Going To Lose My Job?

Buyer Staff Attitudes:
- Positive
- Logical Step
- Class A To Triple A, Team With Major League
- Capabilities

Changes In Staff Attitudes:
- OK Now
- Appreciate Care
- Win Attitude
- Need More Belief From Sales People

Tools Of Change:
- More Research
- Gave A Direction, A Focus, A Chance
- Created New Fire In Belly
- LMA, No Lingering Employees, People Know Where They Are

Participants 7

Question Group 3: Employees

2.3b

What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) employees?

General Management

Purchased Staff Attitudes:
- No Trust
- Heard Bad Things
- Difficult For Personnel, On-Air Staff
- Extremely Unsure
- Afraid
- Disheartened
- Concerned For Jobs
- Egos Damaged
- Wished For More
- No Allegiance
- People Walking Out Door
- Lost Up To Half Of Staff
- Manager Left First
- Air Staff Gone
- Opportunity To Apply At Buyer
- Years Of Competing, Did Not Want To Come Over
- Came On As Part Of Duopoly Without Questions, Doubts, Concerns, Started From Scratch

Buyer Staff Attitudes:
- Take Over Competition
- Conquering Heroes
- Little Too Cocky
- Nice To Beat Competitor
- Satisfaction
- War Within Realm Of Good
- Take It Passionately
- Difficult To Hold Back Horses
- Patience
- Right Vision Will Win
- They Are Damaged, We Are Stronger
- Difficult To Recruit, Motivate, Retain Good Sales, Programming Management People
- Lot To Offer
- Became Suspicious

Participants

2.3b (continued)

What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) employees?

General Management

- Know Management Is Interviewing
- Crowded, Put Off By New Staff Coming In
- Owner, Manager Gets Rich, We Share Our Toys
- Increased Responsibilities

Change In Staff Attitudes:
- We Are We, Not We And They
- People On Fire
- Internal Non-Adapters Have Toughest Time
- Most Making Curve
- Pretty Good Understanding Why Done, "Radio In The 1990s"
- Proud To Be First
- Part Of Team
- Happy About Relationship
- Growing Pains
- Good Deal
- Sing By Ourselves

Tools Of Change:
- Different Business Operation
- Maintain People
- Have Game Plan
- Added Jobs
- Insiders See More Change Than Outsiders
- People In Right Places Most Important Assets
- Adapt Your Goals
- New Ownership
- Different Place
- Department Heads Involved In Process
- Expanded Building
- Explained Benefits

Participants 9

3.3b

What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) employees?

Sales Management

Purchased Staff Attitudes:
- Tension Between Separate Sales Staffs Because In Same Location, Fighting, Attacking, Arguing
- Fired All AEs When LMA Took Over, Buyer Hired One Person
- Pleased To Come In
- Fear Of Unknown
- Some Left
- Not Use To Regimented Policy

Buyer Staff Attitudes:
- Competition Between AEs
- Initial Tension, Competing For Ratings
- Understood
- Scary Initially
- Did Not Know Much About It
- Wait And See
- All Cooperated When Extra Work Came
- Positive, Increased Income
- More Team Atmosphere Than Expected
- Not Much Guarding Information

Changes In Staff Attitudes:
- Made Enormous Progress
- Duopolies Like Childbirth, Forget Bad Stuff
- Terrific One-Two Punch
- Accepted Each Other As Competition
- Excited About Purchased Becoming Stable
- Very Happy

Tools Of Change:
- Continue With Move Into Single Location
- Weed Out No-Changers
- Leader Personality Penetrates All
- Management Looked At Finances, Whole Picture
- Management Should Listen To Both Sales, On-Air
- Change From Separate Sales To Combo Sales

Participants 10

Question Group 3: Employees

4.3b

What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) employees?

Operations Management

Purchased Staff Attitudes:
- Lot Of Trepidation, Fear, Uncertainty
- Brainwashing From Old Owners
- Lost Jobs Because Of Attitude
- Could Not Handle Structure
- Knew Answers, Could Not Reveal
- Petrified Of Being Fired
- Bad Feelings About Losing Jobs
- Who Would Move

Buyer Staff Attitudes:
- We Ate Them, We Got Them Now
- Felt Like Nazis Marching Into Paris, Just Worry About French Resistance
- Was Not Worried, Not Going To Hurt Station
- Workload Not Increased Much
- Excitement
- Reinforced Stability
- Expand Talents
- Taking On More Work Without More Help
- Sharing In Increased Company Income
- Mixed Feelings

Changes In Staff Attitudes:
- Months To Get Over
- Cannot Miss A Day At Either Location, Awkward From Both Sides

Tools Of Change:
- Single Location Will Help
- Growing Company
- LMA Precedes Duopoly
- Lost Duplicate Administrative Positions
- Periodic Meetings
- Open-Minded To All Suggestions
- Owner Assures Positions

Participants 8

Question Group 3: Employees

5.3b

What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) employees?

Image Management

Purchased Staff Attitudes:
- Not Too Happy About It

Buyer Staff Attitudes:
- Owner: "Knew You'd Be Excited About It"
- Really Enthusiastic, Especially Sales Team
- Gagged By Previous Owners

Changes In Staff Attitudes:
- Stay Out Of Middle Unless You Need To
- Really Do Want To Hear Ideas
- Everybody Works Well Together
- Some Competition For Ratings
- Breaking Out Of Silence Habit
- Starting To Voice Opinion
- Management Reluctant To Hand Over Power
- Competing Amongst Selves
- Trying To Be Best

Tools Of Change:
- Employee Empowerment

Participants 6

Question Group 3: Employees

6.3b

What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) employees?

Process Management

Purchased Staff Attitudes:
- Took Another Job
- Hurt, Some Left, Could Not Deal With It
- Announcers Worried
- AEs Cutbacks
- Resigned Their Owner Was Not Going To Make It
- Felt Like A Stepchild, Kind Of Left Hanging

Buyer Staff Attitudes:
- Complete Turnover In Department
- Felt We Were Sinking
- Stretched With One Station, No Way With Two
- Bad, How Am I Going To Pull This Off?
- Did Not Want Additional Responsibilities
- Not Knowing What To Expect
- Some Wary, Excited
- "Oh No, Do I Have A Job?"
- Apprehension
- Felt Secure
- What Added Duties Will There Be
- Expect All To Help More
- Going To Be Double
- Talk In Market, Staff Did Not Know
- Happy And Sad

Changes In Staff Attitudes:
- Three Great Employees, Going Much Better
- Conformed To The Way Things Are Now,
- Look Forward To Keep On Growing
- Not That Hard Once Into It
- Weathered Storm Real Well
- Not A Bad Transition
- Still Have Purchased Employees Here
- In Limbo After Purchase, Not Sure If Can Keep Purchased
- Hard To Make Changes, Less Pressure, Mistakes

Participants

Question Group 3: Employees

6.3b (continued)

What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) employees?

Process Management

Tools Of Change:
- Hiring Good People With Ideas
- Good Communication Of Ideas For More Efficiency
- Bring On More People
- Work Out Kinks As You Go
- Met New Manager Before Sale Finalized
- Employees Encouraged To Participate

Participants 19

Question Group 3: Employees

1.3c

What kind of control is exerted over the duopoly by the location?

Ownership

Separate:
- Maintain Offices In Other Towns
- Maintain Large Market Presence, Perception Difficult

Combined:
- Control Production Better
- Get Everything Here
- Enough Space, Tower On Property
- Moving Into One Building
- Building Is Comfortable, Purchased Towers, Transmitters Nearby
- Not A Requirement Or Mandatory
- Better For Engineering, Employee Chemistry
- Work Flow Is Better

Participants 5

Question Group 3: Employees

2.3c

What kind of control is exerted over the duopoly by the location?

General Management

Separate:
- Separate Studios, Announcer Lounges,
- Sales Departments In One Building
- Separate Buildings Feel Less Part Of Team
- Acquisition Threw Me Out Of Kilter
- No Office, Desk, Phone At Purchased
- There More Than Here
- Not Comfortable, Like Moving Into New House
- Roaming, Irritating People
- Painful Figuring Best Way To Manage Three
- Properties In Two Locations, Only 10 Minute Drive,
- Always In Wrong Place

Combined:
- Deal With Little Problems
- Makes A Difference
- Proper Place To Be
- Moving To Purchased Location, Added To Building,
- Towers Already There
- Constructed New Studio In Empty Space
- Shared Office Equipment
- Share In-House Printing, Film House, Marketing, Get
- Better Rates

Growth Process:
- Became One Entity, People Assimilated, Took Measure
- Coming Together As Team
- Evaluate Workload Issues Under One Roof
- Big Win
- New Building For Sales, Administrative,
- Old Building For Programming, Production
- Better Layout Of Space

Participants 7

Question Group 3: Employees

3.3c

What kind of control is exerted over the duopoly by the location?

Sales Management

Separate:
- Real Bear Being Separated
- Two Different Cities
- Use Fax Machine
- Established Courier Service For Agency Tapes
- Broadcasting From Two Places, Selling From A Third
- Place
- Spiraled Out Of Control, Tempers Flying
- Having To Use Phone
- No Hands-On Control
- Like A Cat Watching Kittens
- Begging To Get Over Here
- Will Be Babysat

Combined:
- Information Sharing
- Logistics Cleaned Up
- Life A Lot Easier
- Want AEs To Communicate, Scoop, Catch A Vibe
- On-Air Have Own Camaraderie
- All Sales Located In Main Area Next To Traffic
- Helped Some
- Gets Hectic
- Building Not Designed For Four Stations
- All Sales In Large Room, Bull Pen, Zoo

Growth Process:
- Exasperating But Exciting
- Closer Understanding For Each Other
- Suffered Growing Pains
- New FM Sales Office, Third Production Studio Being
- Built

Participants 8

Question Group 3: Employees

4.3c

What kind of control is exerted over the duopoly by the location?

Operations Management

Separate:
- Inconvenience, Not Big Deal
- Must Be Under One Roof
- Separate During LMA, Awful

Combined:
- Buyer Announcers Trained On Paperless Studio
- Simulcasting Locally Better Than Nationally
- Make Lives Easier
- Eliminates Driving Time
- Can Touch Other Station, React Immediately
- Close Quarters
- Building Built For Radio Station

Growth Process:
- Control Room Put Up In 30 Days
- Getting Small, Expand A Wall Or Two
- Challenge For Engineering Staff To Combine

Participants 7

Question Group 3: Employees

5.3c

What kind of control is exerted over the duopoly by the location?

Image Management

Separate:
- Pit For Office
- Nightmare For Two-Hatters
- Each Station Lost Tool When On Road, Call Or Fax

Combined:
- Things Do Not Get Lost
- Utility Bills Cheaper
- Questions Answered Logistically
- Modifications In Studio
- Less Confusion With Paperwork, Dubs
- All Studios In One Place Of Building
- New Phone System Helps
- Programming, Announcers Working Together

Growth Process:
- Time Is Biggest Enemy
- Everybody On Same System
- Gain Two To Three Hours Back In Day
- Forces People To Interact

Participants 5

Question Group 3: Employees

6.3c

What kind of control is exerted over the duopoly by the location?

Process Management

Separate:
- One Employee Goes To Purchased Every Day
- A Pain To Track Down People
- Developed Loyal Streak For Purchased
- Purchased Chance To Develop, Establish Before Moving In With Buyer (Being Separate At First May Be Good, All Those Who Are Separate Gave Different Thoughts On Combined Benefits)
- Cannot Notarize Own Work
- Might Have Required More Engineering Personnel
- Some Effect On Managing Purchased Staff
- Can Be One-Half To Two Days Before Communication Takes Place
- On Phone 20-25 Times A Day To Purchased
- Get Me To Single Location First, Two Desks, Two This
- Everybody Else Likes To Go To Different Place

Combined:
- Cut Down On Travel Time, Gas Costs
- Split Loyalties
- Back Each Other Up
- Cannot Imagine It Any Other Way
- Paperwork All In One Area, Separate Baskets
- Walk Instead Of Drive
- Three People In Same Office Stacked On Top Of Each Other
- Maxed Out Old Building, Storage Problems
- Looking At Broom Closets For New AEs
- Went From Separate Announcer Offices To One Big Announcer's Lounge
- Kept In One Location, Saved Expenses

Participants

6.3c (continued)

What kind of control is exerted over the duopoly by the location?

Process Management

Growth Process:
- Keep Separate Computer Systems After Single Location, Still Competing
- Going To Be Fair
- Startling When We Move, Used To Being Cramped, Sitting On Each Other, Yelling
- Thrilled, Amazed Of People Caring About You
- Some Growing Pains
- Looking For Larger Area Downtown
- Change Some Purchased Routines

Participants 15

1.3d

What kind of control is exerted over the duopoly by the organizational culture?

Ownership

Compatibility:
- Real Good
- Terrific
- No Resentment
- Team Effort, Spirit

Conflict:
- Announcers Isolate Themselves

Reasons:
- Satellite Format Benefits
- Less People To Worry About
- Bigness Is Positive
- More People, More Going On
- (Owner Thinks Highly Of General Manager)

Participants 3

Question Group 3: Employees

2.3d

What kind of control is exerted over the duopoly by the organizational culture?

General Management

Conflict:
- Yes And No On Cross-Promotions
- Sibling Rivalry
- New Babies Getting More Attention
- Some Growing Pains, For Weeks
- Competition Between Two FMs
- Buyer: "Why Aren't We Getting Resources?"
- Advertising Budget Larger For Purchased
- Twice As Many People In Building, Watch Space
- Went From Own Office To Shared Offices
- Corporate Culture Changes
- Real Friction, Tension, Personality Clashes
- Go From Honeymoon Period To Divorce Lawyer
- Start Losing People, Commitment
- Employees Notice Different Manager Styles

Compatibility:
- Comfortable With Other People
- Working Relationship Dramatically Improved
- Did Not Mind Helping AM, Despised Each Other
- Evolution, Now Open, Call Other Managers
- Professionals Meshed Real Well
- No Problems
- Less Combative Nature On Street
- No Bashing Competitor
- Still Compete As Sisters, Do Not Hit, Slam Sister
- Do Share Information, Pending Reports

Reasons:
- On-Air Loyalty To Existing Stations
- No New Hires Caused Faster Success
- New Culture For Purchased Staff
- First Born Has Less Attention
- Like New Marriage, Family Situation
- Like Family With Second Child
- Only Child Took On Two Sisters
- Older Child Up And Running Well

Participants

Question Group 3: Employees

2.3d (continued)

What kind of control is exerted over the duopoly by the organizational culture?

General Management

Competing For Dollars
Just Like Raising Kids
Did Not Want To Share Secrets
Part Of Big Company With Benefits
Positive Transaction
Healthy Selling Environment
Brand New "Out Of The Box Cutting Edge Technology" For New Station,
Existing Stations Use Older Equipment

Remedies:

Be Sensitive
Understand Reality
Manage Conflict With Open Discussions, Addressed On Continuous Basis
Same Amount Of Toys, Attention As Sister
Time Heals
New Purchased Needs More Promotional Powers
Hired Promotion Director To Keep Balance

Participants 8

Question Group 3: Employees

3.3d

What kind of control is exerted over the duopoly by the organizational culture?

Sales Management

Conflict:

AEs Need More Time From Me, Answers More Quickly
Not The Top Dog But The Stepchild
The Other One Is More Important
Jealousy, Mixed Feelings, Animosity, Yelling Matches
People Are Restrained

Compatibility:

Interaction Of Morning Announcers After Move Into Single Location
Closer Knit Sales Staff
Share With No Fear Of Giving Away Valuable Information
Cannot Have Sales Meeting Or Carry On Private Conversation, Leave Desk For Private Call
Training Other Staff Like Pulling Nails With Teeth
Real Team Players At First, Now Not That Way, Competition Between AEs Has Developed Since Went To Separate Staffs

Reasons:

Easier To Get Along With One Boss
Competition Sitting Next To You
Family, But Can Take Your Money
Just Growing Pains
New People Coming Into Company Culture

Remedies:

Upper Management Caught Attitude
Whole Process Simplified
Combo Staff Takes Dilemma Away
Sister Station Bonus Program
Staggered Sales Meetings In Conference Room
Encourage Sharing Of Leads, Positive Team Work

Results:

Stress, Problems Gone, No More Morale Problems
More Camaraderie, Willingness To Help Other Guy
Sale Creates Enthusiasm, Motivation

Participants 8

Question Group 3: Employees

4.3d

What kind of control is exerted over the duopoly by the organizational culture?

Operations Management

Conflict:
- Bumpy, Rough At First
- Not Much In Common

Reasons:
- Apples And Oranges With Format Differences
- Big Difference In Average Staff Ages

Remedies:
- Option To Share Talent
- Weekly Staff Meeting
- Individual Critique Sessions
- Assigned Partner To Share Job Insights

Results:
- Fun Knowing New People
- Do Not See Lot Of Sharing
- Develop Better Communication Skills
- Learn To Like Them Longer Together

Participants 3

Question Group 3: Employees

5.3d

What kind of control is exerted over the duopoly by the organizational culture?

Image Management

Conflict:
- Very Spirited, Tight
- Crowded In Sales Office
- Initial Competition
- Buyer Staff Felt Slighted For Attention Paid To Purchased Station
- Broke Up Sales Staff, Huge Conflict
- Pouted Around, "Dog Eat Dog" Within Own Building

Compatibility:
- Competing Program Directors Share Some Information
- Enhanced Competition Between Sales Staffs
- Very Friendly, Like One Family, Magical Feeling
- Intermixing, Idea Exchanges All The Time
- Work Real Close With Traffic, Assign Some Production To Announcers

Reasons:
- Always Will Be Three In Mind
- Formatically Different Stations
- Taking Money From Each Other, Purchased FM Versus Buyer FM

Remedies:
- Go Out To Lunch
- Big Daddy (GM) Will Not Allow Egos To Get Out Of Hand
- Be Responsible
- More Sharing In Face To Face Climate
- Reassurance That Startup Needs More Money On Capital, Marketing, Promotions
- Worked Out Amongst Selves, Try Not To Step On Toes
- Maybe Management Told Them To "Cool Out"

Results:
- General Manager's Management Style Softened
- No Seating Arrangement At Second Christmas Party
- More Joint Things, Things Starting To Even Out
- Some Still Protective Of Privacy
- Learned To Live With Conflict, No Longer Conflict

Participants 8

Question Group 3: Employees

6.3d

What kind of control is exerted over the duopoly by the organizational culture?

Process Management

Conflict:
- Lot Of "Them And Us"
- Jealousy
- Competition Among Staff
- Tension Over Buys With Separate Sales Staffs, "Did You Take All Of Their Budget?"
- Protect Certain Accounts
- Healthy Competition

Compatibility:
- More Of A Team
- Like A Family
- Interact Pretty Good
- Do Not Knock Each Other Around
- No Interacting, Separate Stations
- Programming Interaction Real Well, Surprised Thought More Competition
- Walking Around With Smiles, Telling Jokes, Blending Well

Reasons:
- Departments Hold Each Other Together
- Fear Of Unknown?
- Purchased Downtown, Never Even Heard Of Us

Remedies:
- Work For One Company With Four Stations
- Loyalty Is With Work, Not A Particular Station
- Straddle Fence A Lot, Extra Careful About Feelings, Attitudes
- Move In Together, Mystique Gone

Results:
- Some Experimentation Between Program Directors

Participants 12

Question Group 3: Employees

1.3e

How do you see this duopoly reacting (what strategies) to the (changing) dynamics (needs) of the station interaction within the duopoly?

Ownership

Events:
- Acted As One Station At Christmas Party

Compensation:
- Compensate Fairly
- Golden Opportunity
- Reward Lower Level Employees

Motivation:
- Year-End Bonus Goal
- Competitive Atmosphere
- Smaller Account Lists
- Greed
- Fear Taken Away
- Keep Separate Plans Confidential
- Get To One Million Dollars Annual Billing

Positions:
- Separate Program Directors
- Founded New Employee Advisory Board
- Reassess Employee Needs When In One Location
- Separate Sales Staffs
- Same Support Staff
- Hire Production/Sales Assistant
- Possible Live Local Morning Show
- Help For Business Manager
- Beef Up News Coverage

Participants 5

Question Group 3: Employees

2.3e

How do you see this duopoly reacting (what strategies) to the (changing) dynamics (needs) of the station interaction within the duopoly?

General Management

Compensation:
- With Salary, Bonus
- Production Incentives For Demo Tapes

Events:
- No Fights At Holiday Party, Morning Announcers Did Not Sit Together

Motivation:
- Aggressive, Commando Type War Still Evident But Toned Down
- Younger Versus Adult, Bad Kid Yelling At Parent
- Tough To Writer Liners Against Self
- Hitting Goals
- Have Mutual Respect
- Improved Sales Training
- More Knowledge, Tools Than Competition
- New Recording Studio, Digitized
- Enough Space

Positions:
- Merging Positions
- Increase Sales Department
- Keep Separate Sales Department
- Add One Management Person
- Management Makes Win/Win In Programming, Sales
- General Sales Manager With Training Skills
- Eliminate One Office Manager, One Receptionist When In Single Building
- Full Utilization Of All Talents
- No Equipment Duplication, Economies Of Scale

Responsibilities:
- More Headaches For Business Manager
- How Much More To Spend
- Brainstorm With Managers For Direction
- Make Sure Staff Understands
- Be Entirely Flexible

Participants 9

Question Group 3: Employees

3.3e

How do you see this duopoly reacting (what strategies) to the (changing) dynamics (needs) of the station interaction within the duopoly?

Sales Management

Compensation:
- Not Used To Selling Low Rate With Competition
- Salary Increase, Not Doubled!

Motivation:
- Purchased Helped Buyer To Meet Financial Goals
- Ahead Of Budget Several Hundred Thousand Dollars
- Role Playing, Practicing To Relieve Intimidation
- Sharing Ideas Among Management
- Worst Is Over
- Morale Boost In New Location
- Weekly Training Sessions

Positions:
- Evaluation, Trial Period, More Help
- Competitive Within Own Walls
- Purchased Employees Know What To Expect

Responsibilities:
- Handled Two Products Pretty Good
- Know Product Better
- Prepared For Clients At Any Moment
- In Tune With All Stations
- Assist Each Other

Participants 6

Question Group 3: Employees

4.3e

How do you see this duopoly reacting (what strategies) to the (changing) dynamics (needs) of the station interaction within the duopoly?

Operations Management

Compensation:
- Cut Down Wasted Manhours

Events:
- Like Starting Over
- Polite, Friendly At Christmas Party
- Do Not Want Real "Palsy Walsy"

Motivation:
- Keep Competitive
- Respect Each Other
- Computerizing Newsroom
- Better Communication System In News Cars
- Dabbled With Industrial Psychologist

Positions:
- Opposite Ends Of Sound Envelope
- Ultimately Two Separate Staffs

No Firm Plans

Participants 4

Question Group 3: Employees

5.3e

How do you see this duopoly reacting (what strategies) to the (changing) dynamics (needs) of the station interaction within the duopoly?

Image Management

Motivation:
- Increase Giveaway Budget On Buyer,
- Merchandise Purchased Extensively
- Appease Conflicting Program Directors
- Announcer Photos Jumbled
- Exchange Station Newsletters
- Expect, Demand Integrity
- Upgraded Both Studios To Digital, Twice The Production Power
- More Room, Space To Work
- Company Provides Tools

Positions:
- Delegate, Spread It Around
- Need More Announcers, Producers

Responsibilities:
- Tend To Get Close To It And Not Thinking Of All Stations
- (Supports Operations Assertion Of An Overall Marketing Director)
- Really Good With Equipment
- Workload Will Only Get Bigger

Participants 5

Question Group 3: Employees

6.3e

How do you see this duopoly reacting (what strategies) to the (changing) dynamics (needs) of the station interaction within the duopoly?

Process Management

Compensation:
- Not A Team Player, Left For A Job With More Money
- Individual Department Budgets For Each Station

Events:
- Met With Production Director, Talked About Efficiencies

Motivation:
- Great Attention Paid To Employees
- Extra Person, Getting Easier
- More Computer Programs To Network Stations
- Eliminate Paper Between Traffic And Control Room
- Bigger Shop, More Test Equipment, Engineering
- Using More Computer Software
- Feel More A Part Of Group Once Together
- Need To Have Good Attitude, Adjustments Each Quarter
- Suggestion Boxes, Communication Is Strong Point
- Go To Paperless Studio

Positions:
- Trained, Jobs Redistributed
- Having Traffic Assistants, One Person To Oversee Traffic, Backup Traffic People
- Only One Receptionist
- More Office Support Staff

Responsibilities:
- Looking For Ways To Improve Procedures
- Combining Operation Methods
- Script Processing Goals
- Clients With Same Numbers For All Stations
- Trimlining Billing Process

Participants 15

Question Group 3: Employees

1.4a

What can the duopoly offer for the owner?

Ownership

Personal:
- Satisfaction Of Success
- Accomplished More
- Former Competitors Part Of You
- Stronger Legs, Foundation

Community:
- Serve Needs
- Image

Economies Of Scale:
- Everything's Combined
- Very Real Savings In Operating Expenses
- Non-Duplication Of Some Positions
- One And One Could Equal More Than Two
- Lot Of Synergies

Return On Investment:
- More Money
- Make A Profit
- Performing Asset
- Enhances Investment
- Bottom Line Increases
- Cash Flow Margins Grow To Respectable Levels

Participants 5

Question Group 4: Ownership

2.4a

What can the duopoly offer for the owner?

General Management

Economies Of Scale:
- Utilities, Rent Cut In Half
- Tremendous Day To Day Cost Savings

Return On Investment:
- Not A Dime In Year One
- Long-Term Bonus On Bottom Line
- Better Profit Margin
- Two Revenues Return More To Bottom Line

Participants 2

Question Group 4: Ownership

3.4a

What can the duopoly offer for the owner?

Sales Management

Economies Of Scale:
- Only Pays For One Person In National Sales

Return On Investment:
- Increasing Profit Line

Participants 1

Question Group 4: Ownership

6.4a

What can the duopoly offer for the owner?

Process Management

Personal:
- Thrives On Challenge

Community:
- Gives Small-Town Business Opportunity To Expand, Enlarge

Economies Of Scale:
- Bigger Purchaser
- Suppliers Easier To Work With
- One Receptionist, Bookkeeper
- All In One Building, Not Heating Multiple Buildings, One Phone, Rent
- Go To Computers To Cut Corners
- Cost Efficiency
- Help Sister Station Financially

Return On Investment:
- More Revenue
- Bottom Line Money

Participants 5

Question Group 4: Ownership

1.4b

What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) owner?

Ownership

Public Service:
- Right Thing To Do
- No Over-Concentration
- Separate Audiences Served With High Quality
- Do Not Be Kind To A Sick Radio Station
- Fear Of Less Diversity Not Realistic
- Duopoly Allowed More Diversity In Formats
- Create Diversity That Did Not Exist

Expectations:
- Combine Top Positions, Sales
- Save Expenses, Enhance Revenue
- Spread Operating Expenses
- Program Complimentary, Do Not Eat Young
- Get Bigger Share Of Advertising Pool

Reality:
- Tough Row To Hoe
- No Automatic Turn Around
- Like Large Ocean Liner With A Paddle
- Get In, Research, Get Product On, Promote
- Manage Collaboratively

Participants 4

Question Group 4: Ownership

2.4b

What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) owner?

General Management

Public Service:
- Serving Advertisers, Listeners, Employees

Expectations:
- Profits Will Be There
- Immediate Significant Cash Flow Increases
- Twice As Much Revenue
- Does Not Want To Spend As Much Money
- Combines All Staff, Expects Delight From All
- Increase Expenses 20%-30%, Double Cash Flow
- Year Two (1994) A Great Year
- Structured So Staff Handles Day To Day Operations
- Set Up Strong Management Criteria, Guidelines, Policies

Reality:
- Not Every Marketplace
- Paid To Make Decisions On Stockholder's Money
- No Money To Promote As Separate Unit
- Motivates By What He Says, Cannot Shock Him
- Just As Many Headaches For Owner
- Allows Staff To Manage
- Met Expectations First Year
- Hit First Year Cash Flow Goal, Not Revenue Goals
- Expenses Well Below Projections

Participants 6

Question Group 4: Ownership

3.4b

What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) owner?

Sales Management

Public Service:
- Quality Broadcaster
- Good Forecaster Of Business Needs
- Character
- City And Dozens Of Citizens Rallied Behind
- Duopoly, Knew What He Would Do

Expectations:
- Growth Potential
- Make A Profit
- Highest Rate, Best Value, Win/Win

Reality:
- Gets Better Response
- Deals With Less People
- Staff That Communicates With His Thinking
- Efficient In Two Stations Without Creating Two Staffs
- Aggressive

Participants 4

Question Group 4: Ownership

4.4b

What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) owner?

Operations Management

Public Service:
- Wears Different Hats

Reality:
- Consults With Other Managers Before Making Decision
- Fair, Open-Minded
- Has Unilateral Control

Participants 1

Question Group 4: Ownership

5.4b

What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) owner?

Image Management

Public Service:
- Well Respected

Expectations:
- People Stay In Jobs They Want To Be In
- Continuity With Employees

Reality:
- Great Deal Of Control
- Lot Of Day To Day Impact
- Speaks Directly To Sales Managers
- Responsibility For Remodeling
- Certifiable Radio Geek
- Fairly Hands Off
- Service Quality Philosophy

Participants 2

Question Group 4: Ownership

6.4b

What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) owner?

Process Management

Public Service:
- Service Quality-Oriented Person

Expectations:
- Best Profit Available
- Efficiency
- Modernizing Equipment, Staff

Reality:
- Main Influence In Goal Setting
- Gives Certain Directions
- Not A Lot Of Influence At My Level
- Gets Opinions, Ideas, Input From All Departments
- Thumb On Everything
- Hands Off Day To Day Management Of Stations
- Works With One Station Manager At A Time
- Lessons Learned Do Not Flow Back And Forth
- No Rash Decisions Without Consultation With Owner
- He Is In Office

Participants 6

Question Group 4: Ownership

1.5a

What does each manager (your position) offer to the duopoly?

Ownership

Company:
- Quite A Bit From Taking Out Trash To Some Engineering
- Thinking Different Formats
- Overall Decisions
- Acquisitions, Future Growth
- Better Run Stations, Established Company
- Run Two For Less Than Cost Of One
- Answer To Board Of Directors
- Rotary Club President
- Make Station Successful
- Long-Range Planning
- Accounting, Engineering, Legal Support

Staff:
- Cheerleader
- Direct Information Flow To All Departments
- Guidance
- Operated Purchased For Two Months, Arms Around It,
- Knew How It Ticked
- President, General Manager, Sales Manager
- Local Sportscaster
- Do A Remote, Produce A Commercial

Personal:
- Vision
- Accuracy
- No Problems
- Idea Creator
- Bigger Picture
- Thinking Time

Participants 8

Question Group 5: Individual Analysis

2.5a

What does each manager (your position) offer to the duopoly?

General Management

Company:
- Experience
- Like New Ideas
- Putting Together Teams
- Building Successful Station
- Visible In Community
- Sales Strength
- Serve Public
- Generate Revenue
- One Person Managing Two Jobs, One Salary
- Reinventing Processes, Do Not Have A Book
- Same Direction Of Thinking, Understands Mission

Staff:
- Half Time At Each Station
- Challenging But Achievable Goals
- Helping People Work Together, Help Them Manage Plans
- Resource To Management
- Leadership
- Discover New Problems, Changes
- Reliance On Other Managers
- Set Directions
- Training, Education, Development
- Monitor Accounts Closer
- Handle Jealousies
- Smooth Decision Process
- No Competing Management Styles

Personal:
- Earn Respect Both Ways
- Great Management Style (MBO)
- Single, Clear Vision
- Not Afraid To Make A Mistake, Firm But Fair
- Organizational Skills, Juggle A Lot At Same Time
- Open-Minded
- More Sophistication
- Like Managing Children

Participants 10

Question Group 5: Individual Analysis

3.5a

What does each manager (your position) offer to the duopoly?

Sales Management

Company:
- Revenue Can Be Achieved
- Variety Of Sales Experiences
- Good Sense Of Direction
- Not Going To Blow It Up
- Cover All Stations Equally
- Help With Acquisitions
- Interact With Agencies
- Different Programs To Serve Community
- Create Sales, Seek, Cultivate New Business
- Convenience, Did Not Have To Train Someone
- Saved Time
- Call-In Accounts

Staff:
- Set Up Sales Teams, Structure
- Coach Growth In People
- Stress Taken From GM
- Motivate Sales Staff
- Work On Successful Promotions
- Help With Traffic, Computer Problems, Promotions, Programming Input

Personal:
- Continues To Evolve
- Set The Vision, Pace
- Energy, Enthusiasm, Focus
- Referee
- Get Along With People
- Troubleshoot
- Level Headed
- Organized
- Credibility

Participants 10

Question Group 5: Individual Analysis

4.5a

What does each manager (your position) offer to the duopoly?

Operations Management

Company:
- Talk Radio Background
- Appreciation For What We Do
- Consistency
- Variety
- Expertise Of News Department, Professional
- Building Proper Rapport With Audience
- Think In Operational Capacity
- Staging Expertise
- Input Into Sales Oriented Organization
- Knowledgeable Representative Of Listeners
- Double Team Community Events

Staff:
- Knows Area, People
- Overall View Of Day To Day
- Consultant Role, Listen, Watch, Critique
- Interact With Whole Staff
- Motivate People

Personal:
- Chess Game Playing With Myself
- Know What It Takes
- Self-Reliance
- Versatility
- Rough To Draw Line Between Stations
- Part Of Same Team But Keep Separate, Tag Team

Participants 8

Question Group 5: Individual Analysis

5.5a

What does each manager (your position) offer to the duopoly?

Image Management

Company:
- One Person Looking Out For Both Stations
- Immense Marketing Image
- One Station With Two Outlets
- Wall Full Of Awards
- Knowledge Of Area
- Chance To Get The Word Out

Staff:
- Work With Both Operations Managers, Department Heads
- Key Is Communications
- Cannot Operate On Own
- Design, Implement Marketing Campaigns
- Keep Client Satisfied
- Full Case Load
- Creative Ideas
- On-Air Promotions
- Getting Staff On Street, In Peoples' Faces
- Relieve AEs Of Getting Promotion Details
- Assigning Cart Numbers For Traffic
- Coach, Director Of Talent

Personal:
- Nothing Is Really Different, Just More Of Same
- Adequate Production Skills, Know Digital Audio
- Drive, Spirit, Optimistic, Positive
- Go All Out To Make It Work
- Look At Whole Picture
- Love To Write, Produce
- Consistent Commercial Writing

Participants 8

Question Group 5: Individual Analysis

6.5a

What does each manager (your position) offer to the duopoly?

Process Management

Company:
- Efficiency, Accounting Ease
- Experience Working With Multiple Properties
- Know When To Treat Stations Separately Or As Whole
- Keep Client Current On All Stations
- Engineering Expertise To All Three
- Same Forms, Procedure
- What I Do For One, I Can Do For All Three
- Know Where To Cut Cost, Save Money
- Best Quality Audio, Good Technical Signal
- Synergy, Know What Owners Want, Need, Expect
- Access To Both Station's Accounts
- General Financial Oversight
- Two Stations Joined At Hip
- Could Have Been Blown To Bits
- Show Which Part Of Duopoly Is Profitable
- Up To Me To Decide Allocations
- Experience With Other Company's Stations

Staff:
- Handle Lot Of Business, Working On Better System
- Training Other Employees, Computer Training, Backup
- Talk Through Problems, Mediator
- Available For Computer Knowledge
- Understand Everybody's Job To Make Paperwork Flow

Personal:
- Dedication To Turning Out Correct Information
- Spreading Myself Out More
- Growing Over Past Year
- Keep Stations Separate In Mind, Careful Not To Divulge Information To Competing Stations (JY Works For All Three But Thinks She Does Not Because Of Separateness Issue; Assumes Other Employees Do Not Have That Problem)
- Accepted Workload Doubled In Many Areas
- Competent, Confident

Participants 19

Question Group 5: Individual Analysis

1.5b

How has the range in which a particular manager functions, changed since the duopoly was formed?

Ownership

Time:
- Busier
- Fewer People To Talk To

Mental:
- Thinking In Three Different Formats
- Bring In Higher Level Of Employees
- Preparation For Doubling, New Terms, New Legal Applications, New Strategies To Learn

Physical:
- Separate Promotions
- Less Travel
- Less People In Less Places

Financial:
- Creating, Generating More Revenue Through Fewer Managers

Participants 3

Question Group 5: Individual Analysis

2.5b

How has the range in which a particular manager functions, changed since the duopoly was formed?

General Management

Time:
- Getting Vision Focused
- Two Sets Of Separate Meetings In Each Department,
- Two Sets Of Separate Issues
- Become More Efficient, Manage Better
- Shared Between Two Sales Staffs
- Consulting To Full Time General Manager
- Less Time On Day To Day Things
- Very Open Door
- Reluctant To Leave, Less Travel
- Technical Distractions
- Increased Hours As Single GM, Split GMs, Now
- More Sane Hours, More Focused

Mental:
- More Sensitive To Purchased Staff, "Can't Call My Children Ugly"
- Maintain Objectivity Between Competitive Ranks
- Better Business Manager
- Always Looking For New Opportunities
- Think Broader
- Shifting Gears, Management Style Changed,
- More Latitude From Corporation, To Department Heads, Helped Push Decisions Down
- Rely On Heads More, More Brain Power
- Never Managed Three Stations Simultaneously
- Tested, Challenged Every Day
- Facilitate Different Activities, Goals
- Torn Between Programming, Sales Issues

Physical:
- Playing Construction Foreman
- Constantly Changing Hats
- Could Not Handle National Sales Business
- Learned More About Engineering
- More Administrative Responsibilities
- More Involved With Programming Of Startup

Participants 9

Question Group 5: Individual Analysis

3.5b

How has the range in which a particular manager functions, changed since the duopoly was formed?

Sales Management

Time:
- More Organization Operationally
- More Hours
- Babysit A Lot
- Increased Hours Putting Into Motion
- More Manageable

Mental:
- Rethink Everything Times Two
- Look At Broader Picture
- Two Different Budgets
- Learn Computer Aspect Of Programming
- Cultivated To Sales Manager
- Lot Of Adjustments In Daily Routine
- Getting Paid The Same
- Keeping Track Of More Things

Physical:
- Three Sets Of Materials, Three Meetings,
- Like Having Triplets
- Help AE With Direction Rather Than On Street
- Re-Allocated Accounts
- Combined Staffs
- Promoted, Only Work With Regional Or National Agency Accounts
- More To Do At Home
- Coordinate More AEs Plus Maintain List
- Responsibility Reduced From Three To Two Stations
- Work Doubled
- Has Not Changed Much
- Changed A Lot
- More Responsibility

Participants 10

Question Group 5: Individual Analysis

4.5b

How has the range in which a particular manager functions, changed since the duopoly was formed?

Operations Management

Time:
- Delegate More
- Prioritize Duties
- Focus On More Essentials
- Much Busier
- More Time Consuming
- Do More In Same Time, More Efficient

Mental:
- Be Sure Both Have Same Vision
- Could Not Start Over Now
- Less Of Hands-On, Do Not Want To Lose It All
- Get People Happy
- More People Involved In Think Process
- Stretched In Responsibilities
- Anxious About Added Duties
- Not Stretched Very Far
- Buyer Relegated To Poor Sister Status
- Great Deal More Frustration, Consternation
- Advantage Of Knowing What One Is Doing,
- Being Consistent On Each Station

Physical:
- Reliant On Assistants
- Working With Air Talent Rather Than
- Looking Over Shoulders
- Same News Department For All Stations
- Increased Workload, Not Much Of Added Burden
- Four Times As Many People To Deal With
- More Attention To New Kid On Block
- Duties Doubled Almost Overnight
- More Running Back And Forth
- More Prepared And Pre-Written Stories
- Wear You Thin Sometimes

Participants 10

Question Group 5: Individual Analysis

5.5b

How has the range in which a particular manager functions, changed since the duopoly was formed?

Image Management

Time:
- Very Manageable

Mental:
- Learning Basic Duopoly Reality
- Liaison Between Stations
- Keeper Of Marketing
- Placate Big Brother Or Little Sister
- Stop A Bad Feeling, Smooth Ruffled Feathers
- Confusion Where Spots Run
- Job Changed Radically
- Look At How Things Affect All Stations
- Determine Suitability For Each Station
- Think In Threes
- Look At Big Picture
- Sister Stations Competing Against Own Ideas
- Changing Gears Every Second
- Creates Some Road Blocks
- Biggest Career Challenge

Physical:
- Touch Every Person Times Two
- All In Same Family, Fighting Different Battles
- Not Too Bad Work Load
- Double Pools Of Voices For Production Delegation
- Commercial Loads Increased
- Promotions, Copywriting For All Stations, Assist Managers
- Find Ideas That Do Not Sound Alike
- First Time Produced A Budget
- Added Live Morning Show, Have An Assistant

Participants 8

Question Group 5: Individual Analysis

6.5b

How has the range in which a particular manager functions, changed since the duopoly was formed?

Process Management

Time:

More Difficult, Slower Getting Mail, Bills,
Checks From Purchased Location
Little Things Get Left Undone
More Time Teaching, Showing
Billing Takes Five Days Longer
Put Out Hottest Fire First
Duties Have Not Changed, Taken More Time
Larger Range Of Accounts
Busy, Never Stops
Working Overload Long Before Duopoly
Working Many Extra Hours

Mental:

Overloaded, Behind
Overwhelmed
Goal To Have One Office, Not Two Desks, Staplers
Trying To Get A Handle On It
May Be At Same Location, Mind Is Always
Working For Two Stations
Confusion At First Who Would Pay Bills

Participants

Question Group 5: Individual Analysis

6.5b (continued)

How has the range in which a particular manager functions, changed since the duopoly was formed?

Process Management

Physical:

Added One Employee, Help With Workload
Different Reports For Different Sales Managers
Workload Decreased, Distributed To More People
Receptionist Just Answers Phone, Distributes
Messages, Eliminated Clerical Duties
All Steps For All Stations
Three Transmitter Sites In Separate Locations,
Three Studios In One Location
Duty Shifting Between Office Workers
Always Something To Check
Added Two Administrative Employees
Workload Doubled, Cannot Take On Other Duties
Changed Cash Flow From Consolidated To Three
Separate Plus Consolidated
Everything Got Larger
Increased In Volume, Have Equipment
To Accomplish Work
Not Possible For Three People To Run An Entire
Business Office For Three Stations (How About
One Person-Gainesville Duopoly)
Just Snowballed
Numerable Technical Problems With New Purchased
Sudden Increase In Employee Numbers
Has Not Changed A Whole Lot
Adding More Names To Payroll

Participants 19

Question Group 5: Individual Analysis

1.5c

What perceptions did you bring to the duopoly?

Ownership

Concerns:
- Scared, Never Done It, Was Not Sure
- Careful Not To Upset People
- Do Not Take Advantage Of Advertisers
- Perceived Correctly In Community

Expectations:
- Easier To Get More Money Out Of Clients
- More Air Time To Sell
- Challenged More
- Learn More Of Business
- Excited About Additional Responsibility
- Community Opportunity For Good Programming
- Make Lots And Lots Of Money
- Handle Higher Volume Of Business Without Problems

Reality:
- Did Not Realize People Would Turn Against It
- Thought Lot Bigger Than What It Is
- We Were Wrong, One And One Does Not Equal Three
- Thought Could Do It With Fewer AEs
- Expense Savings Were Greater
- Technology In Place Of People,
- Worked Better Than Thought

Participants 4

Question Group 5: Individual Analysis

2.5c

What perceptions did you bring to the duopoly?

General Management

Concerns:
- Did Not Understand What It Was
- Full Of Challenges Because Of Newness
- No Idea Where Going To Put Everybody
- Did Not Think I Could Run Two
- Somebody Else Would Get Frequency
- Strange, Everything New Again
- Did Not Know What Was Going To Happen
- Full Range Of Thoughts On Operations

Expectations:
- Delighted With Idea
- Scary, Eyes Big As Saucers
- Tremendous Advantage Protecting Buyer's Interest
- Always Planned For Duopoly, Not Just LMA
- Reading About It In Trades, In Middle Of One
- Excited
- Look For Next Level To Survive
- Pioneers
- Doubling Up Priority Of Year
- Had A Game Plan
- Only Way Stations Could Survive

Reality:
- Now Positioned For Market Dominance Secure
- Happened So Fast, First In Company To Double
- Hire Extra People
- Evident Made Sense
- Only Way Big Guys Get Bigger, Eat Up Smaller People

Participants 5

Question Group 5: Individual Analysis

3.5c

What perceptions did you bring to the duopoly?

Sales Management

Concerns:
- Everything Times Two
- New Person In Loop
- Apprehensive, Lot Of Competition
- Scary, Did Not Know Much
- None
- Disagreed With Owner On National Sales Under Purchased Manager

Expectations:
- Believed Press
- Excited
- Power Hungry, Now We Are Taking Over
- Intense Feeling
- Envisioned Success
- Cleaner To Have Combo Sales Staff With Parallel Formats, Most Buys Will Be Combo
- Positive Perception
- Frustrated Had To Sell Purchased Station
- Quotas To Meet, Nobody In My Playhouse, Leave My Toys Alone
- Focused On What I Wanted
- Opportunity To Come Into Market, Good Company
- Sold Separately Initially, Combined, Split Again

Reality:
- More Challenging
- Agreed After Explained And Understood
- Love It, Do It Again
- Jury Still Out On Combo Sales Staff
- Still Somewhat Confused
- Pleased We Did It
- Good Move From Business Standpoint
- Surprised There Are Not More Duopolies
- Purchased Manager On Phone More Than Local Calls, National Sales Switched Back To National Sales Manager

Participants 9

Question Group 5: Individual Analysis

4.5c

What perceptions did you bring to the duopoly?

Operations Management

Concerns:
- Not Sure If Things Are Not Going To Change For Worse
- Did Not Want To Compete, Split Ad Dollars
- Difficult To Drive Two Trains At One Time

Expectations:
- Recognition We Could Win
- Opportunity, Excitement
- Find Niche One-On-One Format
- Serve Unserved People, Attract Listeners, Numbers, Ad Dollars
- Viable Option, Not Duplicating
- Being Bought By Buyer A Real Strength

Reality:
- Shock To Me
- Reinforced Success In Market For Company
- Some Moments Of Misgiving
- Eliminated Competition
- Peace Of Mind
- Lot Of Hard Work
- Backed Up With Consultant Support

Participants 6

Question Group 5: Individual Analysis

5.5c

What perceptions did you bring to the duopoly?

Image Management

Concerns:
- Oh My, This Is Going To Be A Big Mess
- Workload Nearly Doubled And Tripled, Could I Keep Up
- Did Not Understand How It All Worked
- Rich Get Richer, Poor Get Poorer
- Apprehensive About Extra Duties
- So Many Rumors

Expectations:
- Exciting
- Extra Competition Is Nice
- Different Philosophies Will Come Together
- Work It Out, Act As Team, Family, Close Operation
- Respect, Look Out For Each Other
- New Promotions Department, Wide Open
- Playing Field To Go After, Will Be Fun
- I Will Believe It When I See It
- New Format Energized Me

Reality:
- Market Is Growing
- Actually Was Not That Bad
- Miscommunication In Beginning
- Pretty Easy, Organized, Good Feel For It
- Know What Managers Want
- No Qualms Walking In Either Building
- Settled Down, Pretty Happy
- Something I Can Live With
- Challenge, Rewarding

Participants 7

Question Group 5: Individual Analysis

6.5c

What perceptions did you bring to the duopoly?

Process Management

Concerns:
- Really Afraid, Do I Have A Job?
- Going To Have Twice The Work
- What Am I Supposed To Be Doing Now?
- Lot Of Questions, Little Leery
- Afraid Two AEs Could Not Get Purchased AM Off Ground
- Did Not Know If Purchased Staff Would Keep Jobs
- Work Volume
- Against It, Did Not Want This In My Husband's (Owner) Life, Extra Loan, Pressure

Expectations:
- Going To Be A Challenge, Great
- Did Not Think I Could Handle It
- Professional Organization, Quality People
- Did Not Want To Fail
- Make Some Money
- Lot Of Talent
- Knew What Was Going On

Reality:
- Did Not Have Time To Think About It
- Regrouped, Restarted
- Long Process To Build
- Not Big Dividends At First
- Learned As You Go
- Did Not Realize Work It Would Take
- Fear, Frustration, Stepchild Syndrome
- Really Tired At End Of Year "I Don't Need This"
- A Doable Situation
- Working Some Long Hours, "Whatever You Do Don't Understaff; Bring In Temps Until Under Control"
- Did Not Anticipate All The Problems, Growing Pains
- Felt Good About Embracing Change
- Quite A Bit Of Adjustment
- Worked Out Wonderfully, See Benefits
- Surprised At Necessities Of Running Duopoly

Participants 15

Question Group 5: Individual Analysis

1.6a

What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) partner station?

Ownership

Financial:
- Allowed To Basically Die
- Station Had No Cash Flow

Programming:
- Sitting, Vegetating With FM
- Did Not Put Anything Into It

Purchased Attitude:
- Word Started Floating Around Market
- Lot Of Fear
- Winner-Loser Syndrome

Buyer Attitude:
- Took Competitor Out
- Only Bought AM, FM Not A Benefit
- More Emotional Than Pre-Duopoly Buyouts
- People Across Street, The Enemy

Participants 6

Question Group 6: Competition

2.6a

What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) partner station?

General Management

Financial:
- Told They Would Get Raise, Did Not Happen, Felt
- We Let Them Down

Programming:
- Buying Unsuccessful Format, Have Game Plan
- AM Worthless, Put On Back Burner

Personnel:
- Turnover
- Discontent Expressed Through Grapevine

Purchased Attitude:
- Had The Advantage, Knew It Was Coming
- Unwilling To Run It
- Get As Much As Can, Wants Best Dollar Amount, Under Best Conditions
- Valuable Input, No Control, Demands
- Nothing To Do With It After LMA Took Effect

Participants 4

Question Group 6: Competition

3.6a

What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) partner station?

Sales Management

Purchased Attitude:
- Cooperated Fully
- Let Buyer Do Everything
- Some Feeling Of Protectiveness

Buyer Attitude:
- Constant Phone Conversations, Meetings, Informing, Asking Advice
- Want A Good Relationship, Co-Dependent On Each Other
- Nurtured
- Team Effort On Design
- Protecting Purchased Owner's Interests

Participants 2

Question Group 6: Competition

4.6a

What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) partner station?

Operations Management

Financial:
- Bleeding To Death

Programming:
- Tried Every Format

Personnel:
- Two Employees Came Over

Purchased Attitude:
- Some Feedback

Buyer Attitude:
- Not To Get Back In Same Routine

Participants 2

Question Group 6: Competition

6.6a

What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) partner station?

Process Management

Financial:
- High Equipment Quality
- A Stepchild In Bankruptcy, Only Seven Accounts

Personnel:
- Lost Year Of Growth Being Separated

Purchased Attitude:
- Additional FM Was Of No Benefit

Participants 4

Question Group 6: Competition

1.6b

What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) competition?

Ownership

Purchased Situation:
- Did Not Know Situation, Needed Money

Buyer Situation:
- We Are Little Specks In Eyes Of Big Boys
- Took Out Top Competitor
- Right Place, Right Time
- More Even With Television
- Tougher To Compete With Stand-Alone
- Need More Effective Combo
- Only Two FMs, Only Urban Station
- Lot Of Muscle
- Get Fair Share, Should Be Bulk Of Market Revenue, Audience

Other Competition:
- Hoped Local People Would Not Like It
- Will Need To Do Same Thing
- Not Much Feedback
- Only Five Money Stations
- Talking Us Down To Advertisers, Showing Extremes
- Other Duopoly Combo Power Over Us, Took CBS Network, Hockey Broadcast Rights
- Intimidated
- No Evidence Of Share Loss Because Of Duopolies
- Not Closed Out

Participants 7

Question Group 6: Competition

2.6b

What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) competition?

General Management

Buyer Situation:
- Positive Influence Through Being A Rate Leader
- Have Resource, Talent Pool To Compete
- Flexibility For Budget Movement To Help One Under Attack
- Cautious But Optimistic
- Changed Game Plan When Competitor Went Country
- Moving In Marketplace, Perceived As Unique,
- Mushroomed Perceptions Of Company

Other Competition:
- Do Not Associate With Them
- Country Outlet Was Not Local
- Cable Is Biggest Competition
- Other Owners Forming Duopoly
- Some Complaints
- Now Accepted
- Made Them Sharper
- Like Chess Pieces, Two Pair Up Constantly
- Country Competitor Enormous Success
- Urban Competitor Reacted To Us
- Cannot Financially Compete Without Duopoly

Participants 9

Question Group 6: Competition

3.6b

What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) competition?

Sales Management

Purchased Situation:
- Went After Missing Audience Segment With New Format

Buyer Situation:
- Our AEs More Fair, Better, Workable
- Duopoly Minimized With Twice As Powerful Speech
- Draw Away Attention
- Focus On Ad Effectiveness, Not Cost Emphasis
- Influenced Dramatically
- We Control Market
- None, Exclusive Format
- Starting To Feel We Are Taking Market Shares
- Surpassed Someone Had Not Beaten In Two Years

Other Competition:
- Jealous
- Very Encouraging
- Hesitant, Fretful
- Do Not Know Our Strategy, Do Not Know Me
- Not Each Other, The Newspaper
- Cut Us Off At Knees With Rate
- Changed Advertiser's Mental Perception Of Station Worth
- Getting Beat By Their Attitude
- Some Fat Cats In Market, Biggest Scent In Pockets
- Not Fond Of What We Have Done To Market
- Whole Sales Staff Of One Station Inquired About
- Working At Duopoly, Enamored
- Gone Through Same Things
- "Sounds Great, Tough Getting Started"
- Patting On Back, Discouraging At Same Time
- Dropped Part Of Audience Segment
- Complained, Monopoly, Told Advertisers, "Buying This To Make Them Look Good, Won't Give You Service"
- Most Reaction From Purchased Competitor, Wrecked Competition, Friendship Suffered, Like Football Game With No Whistle, Everything Is Personal

Participants 10

Question Group 6: Competition

4.6b

What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) competition?

Operations Management

Purchased Situation:
- Compete In Same Arena For Same Dollars
- Can Grab Lot Of Dollars
- Fired Flanking Shot At Competitor's Audience
- Fragment Their Success

Buyer Situation:
- Some Jealousy From Sales End
- Unique In Market
- Less Competition For Rates, Set Rates For Two
- Acted As If No Other Stations
- Did Not Change Our Approach
- Not A Cut-Throat Market, All Know Each Other
- Not A Profound Effect

Other Competitors:
- Never Really Caught A Drift
- Stations Bought, Sold All The Time
- We Were Pretty Bright
- Some Concern Or Feedback, Did Not Reach Me
- Behind Scenes Saying: "Wow! A Powerful Duopoly"
- Telling Advertisers: "Awful For You, Hold Feet To Fire On Rates"
- Smart To Finding Negatives
- Started Trashing Us On Streets Quickly
- Now They Are All Consolidating
- Little Anxious, Surprised
- Nothing Different

Participants 7

Question Group 6: Competition

5.6b

What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) competition?

Image Management

Purchased Situation:
- Dog Fight Between AM/FM Combo And Buyer FM

Buyer Situation:
- Whether Or Not To Maintain Sticker Dominance
- Playing Chess With Yourself
- Want To Be Pro-Active, Not Re-Active
- Cognitive Of Competition
- Do Best Job We Can
- Creative With Commercials
- Do Not Talk A Lot With Competition
- Big Dog For Long Time
- Maintain Product Quality
- Advertising, Promoting, Affected Other Station's Marketing
- No Competition After Format Change, Boomed On

Other Competition:
- Direct Results On Action
- Other Stations About To Consolidate
- Seeing It Working
- Combating With Lower Rates, Undersell Us
- Jokes: "How Many More You Going To Take Over"
- Did Not See It Coming, Did Not Make Moves, Blown Away, Then Started To Make Moves

Participants 6

Question Group 6: Competition

6.6b

What kind of control is exerted over the duopoly by the (what perceptions/feedback about the duopoly were received from the) competition?

Process Management

Purchased Situation:
- Strength Is Identifiable On-Air Personalities
- Took Over Buyer's Format
- Stays Away From Competition

Buyer Situation:
- All Within Duopoly
- Never Try To Spread Rumors
- Rely On Own Numbers
- Became Dominant Station By Putting Together Little Portions Of 22 Other Regional Country Stations
- Very Intimidating, Especially To Smaller, Struggling Stations
- Hard Hitting Promotions
- Always Consider Competition's Effect
- Lead The Way Or Be Lost
- Cannot Gain Back Where We Were Or Would Be
- Competing Against Selves
- Racing To Get Our Vans There First
- Appeals To Adults

Other Competition:
- Another New Country Station, Canned
- Do Not Have Same Technical Quality, Efficiency, Relationship With Audience, Advertisers
- Not A Threat, Not Powerful Enough To Influence
- No Animosity
- Major Competitor Does Not Share Information At Market-Wide Business Manager Meeting
- All Excited, Little Nervous
- Have Not Created Any Problems
- Tune Us In To See What We Are Doing
- Other Stations Copy Our Ideas Or Promotions
- Threat To Other Urban Station, Beat Them At War

Participants 10

Question Group 6: Competition

1.6c

What kind of control is exerted over the duopoly by the market?

Ownership

Advantages:
- Bigger Advertisers Support Duopoly Better
- Growing, Bright Future
- Close To Major Market, Allows A Fourth Station
- Made Opportunity, Hub Of Area
- Controlled Selection For Duopoly, Two Regional FMs
- Perceived Now As Larger Market Entity
- Perpetuate Myth Of Former TV Association
- Reach Out To More Communities, More Potential Business

Disadvantages:
- Nearby Major Market Hinders Because Of Better Formats, Station Sounds

Participants 5

Question Group 6: Competition

2.6c

What kind of control is exerted over the duopoly by the market?

General Management

Advantages:

Conservative, Product Reflective Of Community
Ethnic, Age Makeup
Good Work Ethic
Duopoly Not Just Anywhere, Growing
Excellent Company Reputation, Add Another
Information, Entertainment Choice To Market

Disadvantages:

Not Unique, Duopolies In Many Markets
Hyphenated Market With Secondary Players,
Difficult To Garner Numbers For Revenues,
Forced Sale Of Properties

Participants 6

Question Group 6: Competition

3.6c

What kind of control is exerted over the duopoly by the market?

Sales Management

Advantages:

Healthy, Intense Demand
Underrated
Eliminate Weaker Stations
Size (Small)
Demand For Music
Target Primed, Catered, Babied, Sold
Servicing Whole Area
Condition People To Right Format

Disadvantages:

Cannot Absorb All Signals And Be Viable

Participants 5

Question Group 6: Competition

4.6c

What kind of control is exerted over the duopoly by the market?

Operations Management

Advantages:
- Strong Country Base
- Extremely Viable Format
- Good Economy, Supports Owning More Than One
- Circumstances Just Right
- Advertising Dollars Coming Back
- More Money In Market
- Both Sold Out Lot Of Time
- Took Opportunity
- Good Broadcasters With Market Success

Participants 6

Question Group 6: Competition

5.6c

What kind of control is exerted over the duopoly by the market?

Image Management

Advantages:
- Always Involved In Area, Good Business To Do
- Public Service
- Room For Purchased Station
- Capably Serve Both Interests
- Designed It Where It Does Not Affect Duopoly
- Seek Business All Year
- Consistency With Local Retailers
- Big Engineering Projects Easier Due To Terrain
- Filling Void Left By Competitor

Disadvantages:
- Gone Through Growing Pains

Participants 5

Question Group 6: Competition

6.6c

What kind of control is exerted over the duopoly by the market?

Process Management

Advantages:
- Community Oriented Stations
- Reflects What Is Going On In Community
- Good Solid Economy
- Made Duopoly Possible
- No Other Choice Than Urban, Predominately Black Adults

Disadvantages:
- If Region Is Not Strong, Cannot Support Two Powerful Stations
- Economic Factors Really Important
- Need Outlying Areas Of People To Support A Lot Of Stations

Participants 6

Question Group 6: Competition

1.6d

How do you see this duopoly reacting (what strategies) to the (changing) dynamics (needs) of the competition?

Ownership

Duopoly Action:
- Do Not Wait For The Other Guy, Let Them React To Us
- Market Strong Position, Competition Will Not Attack Hill
- Positioned, Able To Move, Not Under Financial Gun
- Produce Community Events
- Challenge Market Leader In Advertising
- Community, Like General Schwartzkopf, Would Not Want Competition To Know Game Plan, Very Strategic
- Tough To Compete With Larger Combos, Gobble Up Good Vehicles, Rest Left To Scramble
- Competing With Unlimited Deep Pockets, Do Your Best, Be A Gorilla, Achieve Niche, Massage Niche, Serve Niche

Competitor Action:
- Might Take Offensive Tactic To Reduce Duopoly Shares
- Ought To Combine, Give Them More Clout, Muscle
- More Fun If They Got Active, Competitive Juices Flow, Excite Me
- Stand-Alones Will Be Viable
- Some Duopoly Deals Could Drag One Down
- Stay Healthy
- Do Duopolies Only When Sensible

Participants 7

Question Group 6: Competition

2.6d

How do you see this duopoly reacting (what strategies) to the (changing) dynamics (needs) of the competition?

General Management

Duopoly Action:
- Made Other Stations Better
- Kept Us Sharper
- First Real Challenge
- Cut Into Leader's Shares Considerably
- Avoid Looking At Them
- Winners Act, Not React
- Competition Cannot Obstruct View Of Goal
- Competitor's Duopoly Not A Factor, Different Strategies, Dynamics
- Knocked Leading AC Station Off Buys, Unexpected Benefit From Strategy To Build New Country Station
- Make Our Properties Look Better
- Compress Shares, Reduce Margin Of Shares
- Force Them To Leave Format, Intimidate
- Weed Out Weak
- More Control Or Dominance
- Adjust Strategies To Cast For New Listeners
- Avoid Audience Erosion, Market Product
- Secured Network Morning Show

Competitor Action:
- Copied Us After Sign-On In Format, Promotions, Billboards, Marketing
- Came Out Of Stations Into Community
- Owned Market, Fat, Complacent
- They Will Get A Few Dollars

Participants 6

Question Group 6: Competition

3.6d

How do you see this duopoly reacting (what strategies) to the (changing) dynamics (needs) of the competition?

Sales Management

Duopoly Action:
- None, Nobody Has What We Have
- Do Not Think About Any Other Radio
- Give People What They Want
- Promotions To React, Nothing Planned Now
- Less Aware Of Competition When Doing Well

Participants 2

Question Group 6: Competition

4.6d

How do you see this duopoly reacting (what strategies) to the (changing) dynamics (needs) of the competition?

Operations Management

Duopoly Action:
- Each Station Defined For Real Choice
- Program Against Each Other On Higher Level
- Getting Major Promotions For Both
- Acquiring More Stations
- We Are The Competition Now
- Anticipate Through Gut
- Research, Test Formats Before They Are Used
- Formulate Plan To Combat Competitor Potential Plans
- Find Out Everything About New Owner
- No Allegiance To A Format
- Buy An Opportunity To Make Money, Figure Out Format To Do It
- Two Professional Stations
- Duopoly Helped Acquire Sports Network Rights

Competitor Action:
- Changed Their Format
- Not At Each Other's Throat
- Competition For Business Faded

Participants 5

Question Group 6: Competition

5.6d

How do you see this duopoly reacting (what strategies) to the (changing) dynamics (needs) of the competition?

Image Management

Duopoly Action:
- Stepped Up Sticker Patrols
- Put Billboard Across Street From Their Building
- Diluted Their Promotions
- Maintaining Dominance
- Smiling, Shaking Hands
- Fun Between Two Stations, Do Not Attack Each Other
- Very Visible
- First Stations To Have Large Tent
- Interact At Remote Breaks
- Provide Better Product
- Excel With What You Are Doing
- Strive For Improvement

Competitor Action:
- Do Not See Them Doing Promotions Like Us
- Caught With Their Pants Down

Participants 3

Question Group 6: Competition

6.6d

How do you see this duopoly reacting (what strategies) to the (changing) dynamics (needs) of the competition?

Process Management

Duopoly Action:
- Two Managers Who Know How To Act Defensively, Get Audience Back
- More Than A Car Radio Station, Involved
- Purchased Feed Off Of Buyer's Community Events
- Strong, Planned, Organized Promotional Schedule For Coming Year
- Offering Them Real Run For Money
- Move Ahead With Stronger Marketing Plan
- Commitment To Provide Quality Product
- Could Try And Get Another FM Station

Competitor Action:
- Always Changing
- No Powerhouses To Impact Us
- Come In And Get What Drops Off Wagon
- Complacent
- Pushing Them To Edge
- Changed Commercials After Years Of Use
- Views Us As Real Challenge
- LMA'd 3KW To Get Back Younger Audience
- Squeeze Us From Middle, Above And Below Us With Formats
- Will Not Be Able To Match Promotions Over Extended Period Of Time

Participants 4

Question Group 6: Competition

1.7a

What conditions or requirements are necessary to put together a duopoly?

Ownership

Staff:
- Good Engineer
- Competent, Qualified
- Known In Community
- Knowledgeable Leader
- Sales Compatibility
- Separate Sales Staffs

Buyer Viability:
- Stable Operation, Good Billings
- Survivability
- Achieve Cost Efficiencies
- Own All Facilities
- Low Debt Ratios
- Local Financing, Cost Of Funds

Purchased Viability:
- Merger Of Two Weak Stations Can Be Successful
- Both Need Some Horsepower
- Water Pistol And Uzi Do Not Mix

Market Viability:
- New Price Structures, Industry Competitiveness

Location:
- Tower Height Above Average Terrain (HAAT),
- Power Very Important
- Technical Ability
- Construction Project To Move Together

Audience Match:
- Larger Percentage Of Target Audience
- Franchise Within Format
- Strong Stations With Individual Formats,
- Certain Demographic

Participants 9

Question Group 7: Pre-Duopoly

2.7a

What conditions or requirements are necessary to put together a duopoly?

General Management

Staff:
- Strong Management
- Buyer Staff To Continue Duties, Take On Others
- Involved Department Heads
- Strong Selling Staff
- Upgrade Sales Management
- Run Separately
- Another Frequency Will Not Solve Staff Struggles

Buyer Viability:
- Add Mutually Compatible Format
- Strong Property
- Willing Buyer
- Sensible Deal
- Good Conscientious Broadcasters
- Good Game Plan

Purchased Viability:
- Equal In Promotions
- LMA From Start
- Long Negotiations
- Know What Is In Building
- Know How It Is Operated
- Willing Seller
- Good Signal, Class B Or C FMs
- Established Format
- Hole In Market Formats

Market Viability:
- Toughest Duopoly Is Two Very Viable Properties
- Imagine Coming Into Market
- Window Of Opportunity Is Closing
- Current Or Future Growth

Location:
- Unexpected Situations
- Understand Situation Dynamics

Participants

2.7a (continued)

What conditions or requirements are necessary to put together a duopoly?

General Management

Audience Match:
- Fills Need Or Matches Demographically Or
- Owning Format Franchise
- More Risk With Formats Further Apart In Target
- No Right Or Wrong Way

Attitude:
- Flexible, Sensitive
- No Textbook, Feel Our Way
- Duopoly Strategy Is Misguided Term, First
- Business Plan, "Not Working, Make Changes"

Participants 10

3.7a

What conditions or requirements are necessary to put together a duopoly?

Sales Management

Staff:
- Duopoly Easier For Client And AE
- Separate Staff Created Jealousy, Animosity
- Double Work
- Committed Up Front On Management Style

Buyer Viability:
- Corporate Resources
- Financial Situation Makes Sense
- Long Range Plans

Purchased Viability:
- Running Two Entities, Not Combining Everything

Market Viability:
- Economics, Format, Competition All Blend Together
- Small Town Needs Combo Sales
- Network Rate Card
- Gain Trust Of Agencies

Location:
- Where Are Stations Located

Audience Match:
- Enhance

Attitude:
- Top Vision Acceptable At Local Level
- Set A Structure, Goal, Do Not Look Back, Knew Our Plan From Start

Participants 9

Question Group 7: Pre-Duopoly

4.7a

What conditions or requirements are necessary to put together a duopoly?

Operations Management

Staff:
- Economies Of Scale Can Double Billing
- Management With Diverse Background
- Hire To Fill Skills Lacking
- Commitment, Understand Station Mission
- Enough Staff To Meet Time Constraints
- Tools And Right People

Buyer Viability:
- Money
- Use Your Mind
- Structured, Organized, Motivated, Ownership
- With Depth Of Knowledge Of Broadcasting
- Good Company Direction, Ownership Vision
- Able To Give Resources

Market Viability:
- Standalones Will Be A Buyer Or Seller
- Format Niche Or Hole Unserved

Audience Match:
- Promotions To Carry Out Separate Philosophies
- Complementary Demographic Stations

Attitude:
- Opportunity To Compete Against Yourself,
- Same Pair Of Pants, Different Pockets

Participants 8

Question Group 7: Pre-Duopoly

5.7a

What conditions or requirements are necessary to put together a duopoly?

Image Management

Staff:
- Lot Of Communication
- Know What Is Happening At Each Phase
- Responsibilities Increase
- Knowledge, Experienced

Buyer Viability:
- Money For Tower
- See Both Sides
- Provide Materials, Support
- Do More With Group Owner

Purchased Viability:
- Decide If Flanker Or Partner

Market Viability:
- Room For Another Station, Obvious Niche
- Research Of Market Needs For Complimentary Station

Location:
- If Separate Need Fax, Computer System

Audience Match:
- Continuity In Advertising, Cover Demos 12-65
- Formatically Different
- Different Core Audiences

Attitude:
- Think Through Ethical Issues
- Growing Pains, Like Bring New Child Into Household
- Competing Against Each Other For Years, The Enemy, Leery, Walking On Egg Shells, Livelihoods At Stake
- Big Fish Gobble Up Little Fish

Participants 7

Question Group 7: Pre-Duopoly

6.7a

What conditions or requirements are necessary to put together a duopoly?

Process Management

Staff:
- Strong Backup People
- Help From GM, GSM, AEs
- Able To Access Anything, Anytime
- Work Well With Other Staff, Mesh, No Friction On Responsibilities
- Good Bunch Of People, Lot Of Work
- Knowledgeable Of What Is Going On
- Sharing Responsibilities
- Sales Understands Needs Of All Stations, Teamwork

Buyer Viability:
- Commercial, Business Volume Up
- Installed New Microwave Link
- Successful Track Record Of Running First One
- Know Market
- Decide On Financial Reports
- Running Several Different Stations Under One Roof, Cost Savings

Purchased Viability:
- Research On How Can Make It Better
- Keep Equipment Working
- Work Out Deal For Equipment Before Deal Is Finalized

Market Viability:
- Two Powerful Stations Owned By Same Person

Location:
- One Site, Hard Going Back And Forth

Audience Match:
- Sound Quality People Want To Listen To

Attitude:
- Two Mind Sets For Doing Traffic
- Being Crazy
- Accommodate Everyone's Feelings
- Do Not Step On Toes
- Kind Of Like A Siamese Twin

Participants 12

Question Group 7: Pre-Duopoly

1.7b

What experiences are necessary to put together a duopoly?

Ownership

Same:
- Had Frequency Profitable Earlier
- Like Running AM/FM Combos, Now FM/FM
- None
- Duopoly Will Not Make You Successful If You Have Not Been
- Principles, Philosophy, Methods Of Operations
- Another Vehicle To Generate Income
- Good Track Record
- Similar To Group Operations

Different:
- Operating Multiple Operations Independently
- Creating More Management Problems
- Prepare For More Work
- Asking People To Double Up

Participants 6

Question Group 7: Pre-Duopoly

2.7b

What experiences are necessary to put together a duopoly?

General Management

Same:
- Managed, Changed Formats
- Fired Staffs
- People Skills
- Been Through Company Takeover
- Long Time In Market, Understand, Hard To Let Go, Tunnel Vision
- Know Product
- Committed To Game Plan
- Worked At Several Start-Ups
- Enhance Position In Marketplace, Another FM

Different:
- Never Managed Previous Competitor
- Not A Lot Of Books, No Workbook, We Are Writing Rule Books
- Every Day Is Different Story
- Managing Multiple Properties
- Function Separate But Equal As A Team
- Look At Pre-Existing Cross-Over In Accounts
- Not Working, Fix Or Change It, Adapt Quickly
- Competitive Environments
- More Focused On Financial Management

Participants 8

Question Group 7: Pre-Duopoly

3.7b

What experiences are necessary to put together a duopoly?

Sales Management

Same:
- Different Markets, Formats, People, Environments, Structures, Demands, Expectations
- Same As If Not A Duopoly
- Willing To Negotiate
- Through A Startup
- Confidence
- Selling Experiences

Different:
- More Work, Confusion
- No Book, Making History, Making It Up As We Go
- No Experience Can Help
- Station Atmosphere
- Continuing To Evolve, Still Learning
- Easier To Start Station From Ground Up, Then Take Over
- Change Format, Image To Fight, Marketing, Program Expenses, No History Of Numbers, Tough
- Not Many People With Experience

Participants 10

Question Group 7: Pre-Duopoly

4.7b

What experiences are necessary to put together a duopoly?

Operations Management

Same:
- Acquisition Of AM In 1985, Only Competitor
- Same As Operating One
- Knowing Owner Commitment To Community
- Operational Experience
- Announcing, Sales, Copywriting, Production
- Expertise To Stations
- People Skills, Knowledge Of Time Management

Different:
- Hard To Remember All Call Letters
- Selling Different Programs
- Insiders But Still Friendly Competition
- Different People, Formats, Stations, Philosophies
- More People
- Two Additional Stations With Same Support Staff
- Stretch People Without More Compensation
- Competing With Myself, Look For Things Another Radio Station Could Attack

Participants 8

Question Group 7: Pre-Duopoly

5.7b

What experiences are necessary to put together a duopoly?

Image Management

Same:

Working For AM/FM Combo
Aware Of Two Stations In Building
People Skills, Communication, Understanding Both Sides Of Glass, Announcers, Sales
Being In Programming, All Formats
Know Area, Familiar With Businesses, Adapting To Increased Work Load Not A Problem
Automation System

Different:

Schizophrenia, Wild, Separate Yourself Sometimes, Playing Chess With Yourself
Gorilla Warfare, Ego Of Station, Get Dirty
Different Format, Ninety Degree Angle Between AC, Young Country, Different Mind Frame
Keep Open Mind What Will, Will Not Work
Reformulate Department, Delegate
Heavier Production Load, Copywriting For Three Stations Overwhelming

Participants 7

6.7b

What experiences are necessary to put together a duopoly?

Process Management

Same:

Work At Multiple Property Location
Internal Auditing, Public Accounting Background
Helped To Set Up Internal Controls
Organizational Skills, Background In Juggling Lot Of Things
Same Account Numbers, Modified Software
Successful Owner
Last Year A Learning Experience
Role Model At Previous Job

Different:

Only One Financial Setup, Twice The Work To Get There
Nothing Like What I Was Accustomed To
Keep Track Of Various Paper Trails, Approach It Like A Jigsaw Puzzle, Sometimes Hard To Remember To Fit In Last Pieces
Infinite Patience
Takes More Time
Changed Methods After Starting, Just Deciding What To Do
Computer Logistics
Fishing As We Go Along, Finding Our Way
Ability To Put Up With Chaos, Doubled Staff To Integrate Into System

Participants 12

1.7c

Why was this duopoly put together?

Ownership

Economies Of Scale:
- Cut Staff, Utilities
- Utilize Better Staff For Purchased
- Same Overhead With Three Stations
- Compensate People Better
- Spread Cost Over Two Stations

Building Strategy:
- Increase Billings
- Attract, Retain Better Personnel
- Provide Enhanced Competition For Buyer Staff
- Changes Market Dynamics

Protection Strategy:
- Billing Decreased Since 1989
- Kept Clients
- Took Out Competitor
- Preemptive Move
- Stability
- Superior Tower, Signal, Have Two Dominant Signals
- Trying To Compete With Larger Combos
- Economic Survival
- Buy Them Or They Buy Me
- Younger Operator Might Come Along And Compete

Just Do It Strategy:
- Thought It Would Work
- Saw Challenge
- Bankrupt, Good Price
- Roll The Dice
- Low Price, Buy Of Decade
- Slid So Far, Saw Opportunity
- Fun Of Doing It

Public Service Strategy:
- Benefit Community, Listener
- Overcome Coverage Complaint

Participants: 9

Question Group 7: Pre-Duopoly

2.7c

Why was this duopoly put together?

General Management

Economies Of Scale:
- Remain Economically Viable After Move-Ins, Drop-Ins
- Lot Of Economy
- Operate Facility In Same Building With Low Operating Costs

Building Strategy:
- Thirteen Viable Share Points
- Presence In Advertising Community
- Strategic Move By Owner
- Opportunity To Expand, Proven Market Format
- Best Option To Grow In 1990s
- Under-Radioed, Attractive Market
- Format Niche
- Underperforming On Sales, Marketing
- FM To Market With Urban AM
- Appeal To Unreached Market Segment

Protection Strategy:
- Take Over Lifestyle
- Hard Competitors
- Somebody Was Going To Get Drop-In
- Solidified Position In Market
- Defensive, Tactical Move To Secure Frequency
- Two Competitors Now In Bed Together
- Assure Investment Remains Strong
- Control Of Programming, Revenue
- Owners In Jeopardy Of Losing CP

Just Do It Strategy:
- It Was There
- Unique Deal

Public Service Strategy:
- Would Have Seen Dark Licenses
- Added Jobs To Market

Participants: 8

Question Group 7: Pre-Duopoly

3.7c

Why was this duopoly put together?

Sales Management

Building Strategy:
- Keep More Marbles
- Something New, Different
- Expand, Grow Company

Protection Strategy:
- Competitor For Years, Gobbled Up, Control Format
- Prevent Competition From Getting It
- Locked Up 25-54 Year Old Demographic
- Changing Format On Purchased To Reduce Competition On Buyer, Take Audience From A Major Buyer Competitor

Just Do It Strategy:
- License Available
- Opportune Time, Convenient Situation

Public Service Strategy:
- Void In Market
- Need In City, Region Single Station Could Not Fill
- Listeners Not Getting Quality Service
- Give Area Something Back

Participants 5

Question Group 7: Pre-Duopoly

4.7c

Why was this duopoly put together?

Operations Management

Economies Of Scale:
- Need Two Or More Stations In Small, Medium Markets To Be Viable

Building Strategy:
- Saw Niches In Community, Had Signals To Fill Niches, Make A Profitable Station
- Keep Company Growing
- Owner Goal Of Having More Stations

Protection Strategy:
- Own The Franchise, Buying A Different Format Would Leave Station Vulnerable On Both Fronts, Double Problems, Now In Cat Bird Seat
- Eliminates Competitor, You Own It

Just Do It Strategy:
- Always Wanted To Pair Up With Competitor
- Door Opened, Stepped In
- Convenience In Same Market
- Have A Good Time In Programming Department

Public Service Strategy:
- Buyer Always Active In Community, Purchased In Limbo, Keep Station On Air
- Purchased Had Countless Formats, Financial Problems, Salvage, Rescue Failing Station
- Super Serve Community

Participants 7

Question Group 7: Pre-Duopoly

5.7c

Why was this duopoly put together?

Image Management

Economies Of Scale:
- Better Efficiency
- Minimal Staff Take On Another Station

Building Strategy:
- Fill Gaps In Format, Talent
- Ability To Generate Lot Of Revenue
- Combining A Format In Demand With Established Personality

Protection Strategy:
- Dominate Force In Market
- Cover All Demographics
- Create Competition For Market Leaders

Public Service Strategy:
- Room For Another Voice In Market
- More Personalities Involved In Community

Participants 5

Question Group 7: Pre-Duopoly

6.7c

Why was this duopoly put together?

Process Management

Building Strategy:
- Success Potential In Missing Market Segment
- Combine Forces, Use Knowledge To Get More Audience
- Lot Of Money To Be Made
- Was Not A Lot Of Competition

Protection Strategy:
- Identified Over-Radioed Market With A Need For Station To Capture Huge Share
- Getting Ready For Rules Change
- Going To Do Duopolies, Capitalize Or Be Lost

Just Do It Strategy:
- Purchased Tower, Transmitter On Buyer Site, Easier To Operate Technically
- Major Facility Sitting There, Underutilized
- Marriage Is Exceptional
- Available, Worth Something
- Ego

Public Service Strategy:
- Filled A Gap, Two Different Needs
- Help Business Community, Listener Needs

Participants 12

Question Group 7: Pre-Duopoly

1.7d

Who was involved in the creation of this duopoly?

Ownership

Middle Management:
- Engineering
- Operations
- Sales

Lower Management:
- News

Other:
- Lawyers
- Accountants

Participants 2

Question Group 7: Pre-Duopoly

2.7d

Who was involved in the creation of this duopoly?

General Management

Upper Management:
- General Manager
- Corporate President Of Radio
- Corporate Financial Analysts
- Corporate Bosses
- Chief Executive Officer
- Chief Financial Officer
- Vice-President Of Programming
- Owner(s)

Middle Management:
- Department Heads

Lower Management:
- All Managers

Other:
- Managers From Other Markets In Company
- Father Of Buyer Owner Buys Purchased, LMAs With Buyer, Buyer Then Buys Purchased From Father

Discussion:
- Disagreements On Logo, Marketing, Rates, Studio Location, Staff Structure, Programming
- Brainstorming Sessions, Kept Close Mouthed

Participants 7

Question Group 7: Pre-Duopoly

3.7d

Who was involved in the creation of this duopoly?

Sales Management

Upper Management:
- President
- General Manager
- Group Owners

Other:
- The Norman Culture

Participants 2

Question Group 7: Pre-Duopoly

4.7d

Who was involved in the creation of this duopoly?

Operations Management

Upper Management:
- Both Owners
- Engineer

Middle Management:
- Operations Manager

Other:
- Everybody In Building

Discussion:
- Talked About It, Encouraged It, Owner Could Not Hurt Himself
- Brainstormed On Formatics For Six Months

Participants 2

Question Group 7: Pre-Duopoly

6.7d

Who was involved in the creation of this duopoly?

Process Management

Upper Management:
- Owner(s)
- Two General Managers

Discussion:
- Owner Kept Under Hat For Long Time
- How Will We Handle It
- Came In After Combined Operations Was Two Weeks Old

Participants 3

Question Group 7: Pre-Duopoly

1.7e

Describe the design of this duopoly.

Ownership

Combined (Responsible For Two Or More Stations):
- General Manager
- Production
- Location
- Operations Manager
- Chief Engineer
- Sales Manager
- News Director
- Sales Staff
- Technical, Administrative (In Separate Building From Stations)
- Business Manager
- Engineer Team
- Traffic Director
- Board Operators
- Receptionist
- Live Morning Show, Satellite Format Also

Separated (One Position For Each Station):
- Original Air Talent
- Program Directors
- Location (Simulcast)
- News, Air Announcers
- All Station Operations
- Local Sales Managers
- News Approaches
- Sales (After Starting Combined)

Participants

Question Group 7: Pre-Duopoly

1.7e (continued)

Describe the design of this duopoly.

Ownership

Other Purposes:
- Satellite Programming Used
- Designed For Regional Coverage
- Purchased Format Changed To Male Orientation To Match With Buyer Female Oriented Format
- Not Concerned With AM (simulcasts Buyer FM)
- Complimentary Stations
- Maximize Combo Selling When Makes Sense
- Greater Presence In Advertising Community While Holding Operating Costs
- Real Savings While No Loss In Product Quality
- No Sales Rules, Figure Out Who Can Sell Both Or One, Let People Grow Or Limit Them

Participants 7

2.7e

Describe the design of this duopoly.

General Management

Combined (see 1.7e Note):
- General Manager
- General Sales Manager
- Operations Manager
- Business Manager, Team Concept Of Three BMs, Each With Specialty Area
- Traffic Director
- New Facility Being Built
- Sell Nationally
- Can Make Local Calls Together, But Compete For All Clients
- Marketing Director
- Production Director
- News Director (May Split Later)
- Location
- Office Manager
- Contract Engineer
- Chief Engineer (Three Specialists Assistants)
- Station Manager
- National AE
- Receptionist/Sales Assistant

Separated (see 1.7e Note):
- Sell Locally
- Sales Staffs
- General Manager, General Sales Manager (At One Duopoly, Three)
- Local Sales Manager
- Program Director
- Production Director
- Controller
- Traffic Director
- Sales Assistant
- Chief Engineer
- News People
- AM In Different Town With Own Manager

Participants

2.7e (continued)

Describe the design of this duopoly.

General Management

Announcers
Office Manager
Buildings (Temporarily)
AM Operations Manager

Other Purposes:

AM Is Satellite Format, Do Not Bother It
Most Difficult Decision Is Combo Or Separate Sales
Create Big Market Share Of 18-54 Year Old Listeners
Compatible Formats, Mirror Each Other
FMs Compete For Ad Dollars, Not Audience, Not A Lot Of Crossover
Share Certain Information
Went From Separate To Combo Sales Staff, Company Not Willing To Hire Separate Sales Manager
Potential For More Sales, Problems With Separate Sales Staffs
Growing Pains, Tried Combo Sales, Went To Separate Staffs, Lack Of Focus On One Property
Shift Gears More Than Once, Went From Separate, To Combined, To Separate Sales Staffs All In One Year, Difficult To Tell Complete Story To Buyer When Combined
AM Overlaps In Middle Of Two FMs
Stations Complement, Younger Males, Older Females, On-Air Cross-Promote, Other Programming, Promotions Separate
Multiple GMs, GSMs, Need Allegiance To One When Have Two Strong Stations, Started 1994

Participants 10

3.7e

Describe the design of this duopoly.

Sales Management

Combined (see 1.7e Note):

General Sales Manager, Local Sales Manager
Regional Sales Manager (Position Created)
Sales Staff (Started 1994 After Separate Staffs)
General Manager/President
Non-Traditional AE
AM Programming
Production Department, Copywriter, Building

Separated (see 1.7e Note):

Local Sales Manager
Sales Staff

Other Purposes:

Local Buyers Wanted Combo But Pricing Would Be Outlandish, Continue To Evolve, Unravel
Smart Financial Move, Combine Equipment, Eliminate Friction
Hard For Purchased To Follow In Buyer's Footsteps, Not A Distant Relative, Felt Like Stepchild
Filled A Void
Different Products, Different Staffs
Similar Products, Combo Staffs
Pit One Against The Other If We Split, More Competition, Also In-Fighting
Tried To Force Combo Sell, Some Sharing Of Dollars
Sell AM/AM With Same Staff, Different Formats
Purchased FM Given To Buyer FM Sales Staff, Another Opportunity, No Focus, Lasted A Year
No More Hard Rock, Rap, More Hot AC, Consistent Programming
Went To Split Sales Staff After Tried Combo, AEs Were Not Increasing Budgets For Buyer FM
Two Distinctive Formats, Different Age Demographic Profile Targets
No On-Air Cross Promotions
All Stations Will Share In External Promotions

Participants 10

4.7e

Describe the design of this duopoly.

Operations Management

Combined (see 1.7e Note):
- Air Shift, Production Work, Sales, All A Team Effort
- Owner/General Manager
- Bookkeeping
- Morning Show Host, Operations Manager For Purchased AM, Buyer FM
- Operations In Charge Of Programming
- News Director
- Team Promotions
- Sales
- Operations At Purchased And Buyer FM, Program Director For Purchased FM, Dual Job
- Engineer
- Program Director
- Share Ideas, Music Research
- Community Link Between Stations
- Replaced Both Program Directors

Separated (see 1.7e Note):
- Announcers, News, Promotions Under OM
- Production Director
- Core Audience
- Cross-Market Promotions
- Consultant For Each FM Station

Participants

4.7e (continued)

Describe the design of this duopoly.

Operations Management

Other Purposes:
- Grooming Purchased Assistant PD To Become More Responsible For Purchased Programming, Involved In Formatics, Chess Game, Repositioning Game, Good Compliment To Each Other, Dominate 18-55 Year Olds More Friendship Than Workplace Relationship Purchased FM, Young, Male; Buyer FM Women, 25-54; Purchased AM, Males 35+, Complimentary Commitment To News Quadrupled Distinct News Personalities, Some Overlap Satellite Used For Cost Efficient Startup, Quality Staff, Lose Promotional End, Localism, Build That Around Edges Run Internally By GSM, Buyer FM PD, OM/Purchased FM PD, President/GM More Involved Externally With Company

Participants 9

5.7e

Describe the design of this duopoly.

Image Management

Combined (see 1.7e Note):
- Air Staff For Talent Pool
- Production Director
- Marketing Director
- Promotions Director, Work In And Out All Departments, Utility Person
- Created Staff Of Producers

Other Purposes:
- Both Go Straight Ahead, No Second Cousin, No Red-Headed Stepchild
- Straight Ahead AC For Buyer FM, Hot/AC Country On Purchased FM
- Turn Images Into Sound
- Complimentary Formats, Not Stealing Audiences From Each Other
- Specializing More On Big Projects, Administrative Work, Changing From Four Copy To One Copy Form, Only One Person Interprets AEs Requests
- Highlighter System For Production Assignments
- Sales, Programming, Production All Work With Me (Production Director)
- Copywriter Needed, Overlooked By Duopolies

Participants 7

6.7e

Describe the design of this duopoly.

Process Management

Combined (see 1.7e Note):
- Business Manager (Three Staff Assistants)
- Business Manager Team (Traffic, Personnel/Bookkeeping, Accounting/Traffic)
- Traffic Director (Three Assistants)
- Overlap In Administration, Production
- Corporate Services
- Balance Sheets
- Continuity Director
- Promotions

Separated (see 1.7e Note):
- Two Distinct Sales Staffs
- Traffic Director, Receptionist, Secretary (Due To Separate Locations-Possibly Combined Later)
- Station Management Totally Separate
- Cutthroat In Promotions, Sales
- Programming
- Income Statements
- Anything Revenue Driven Is Split By Revenue, G&A Expenses Split Evenly

Other Purposes:
- Separate Funds
- Satellite Does Not Require Full Staff
- Increased Power On Purchased FM, Upgrade Transmitter, Exciter
- Separate Stations Protective Of Information, Do Not Let Them Monitor What Other Is Doing
- Model For Rest Of Company
- Need Two Traffic Directors, One Bookkeeper Can Catch A Mistake Faster Than Two

Participants 19

1.8a

What skills are necessary for the efficient operation of this duopoly?

Ownership

Relational:
- Communicate With Employees, Clients

Educational:
- FCC Rules Knowledge
- Consult With Other Operators
- Experience Of Father In Business

Practical:
- Learn To Drive On Interstate

Participants 2

Question Group 8: Post-Duopoly

2.8a

What skills are necessary for the efficient operation of this duopoly?

General Management

Relational:
- Realize Not Smartest Guy In Room
- Learn To Say No Positively
- Split Personalities, Think In Different Directions
- Diversity In People Skills

Leadership:
- Establish Proper Attitude
- Set Example
- Take More Risks
- Keep Faith
- Greater Level Of Decisiveness
- Facilitator, Conditioner To Change
- Delegating

Managerial:
- Great Business Sense
- Diversity In Operational Skills
- Unbelievably Well Organized
- Immediate Open Door Policy

Practical:
- Live Without Sleep

Participants 6

Question Group 8: Post-Duopoly

3.8a

What skills are necessary for the efficient operation of this duopoly?

Sales Management

Relational:
- Relate To AEs
- Patient

Educational:
- Authority On Formats Overnight
- Broader Scope Of Advertisers
- More Creative
- Information Handling Capacity

Leadership:
- Know Direction For Crew
- Old Staff Into New, New Staff Into Old
- Utilizing All Tools
- Prepared

Managerial:
- Answer Questions, Training
- Motivated

Practical:
- Information Available
- Good Management Team
- Staff For Delegation

Participants 7

Question Group 8: Post-Duopoly

4.8a

What skills are necessary for the efficient operation of this duopoly?

Operations Management

Relational:
- Dealing With Another Set Of People

Educational:
- Sell Promoters On Purchased Value
- Planning Ahead Further For Station Acquisition
- Knowledge Of Computers

Leadership:
- Find People's Strengths
- Let Them Focus

Managerial:
- Delegation

Practical:
- Does Not Take Any Additional Skills
- Juggling Skills
- Better Personal Organization
- Went From Desk Calendar To Weekly Managers' Meetings
- Use The Fax

Participants 6

Question Group 8: Post-Duopoly

5.8a

What skills are necessary for the efficient operation of this duopoly?

Image Management

Managerial:
- Efficiency, Time Management

Practical:
- Computer Skills

Participants 2

Question Group 8: Post-Duopoly

6.8a

What skills are necessary for the efficient operation of this duopoly?

Process Management

Relational:
- People Skills
- Communication Skills, A Lot More Communication
- Patience
- Open, Honest
- A Few More Names

Educational:
- Put Puzzle Together Everyday
- Learn What Radio Is All About

Leadership:
- Coordination
- Motivated
- Willingness To Take On Responsibility
- Deal With Problems Quickly

Managerial:
- Organized To Get Work Done
- Follow Things Through
- Time Management
- Versatility
- Knowing Who The Boss Is, Procedures
- Delegate
- Teach

Practical:
- Going Back To Old Skills, Like A New Job All Over Again
- Computer Skills
- Attention To Detail
- Common Sense
- Multi-Tasking With Multiple Computers
- Computerize Office Functions
- Nose To Grindstone, Work Long Hours
- Learn To Wear Tennis Shoes To Work

Participants 16

Question Group 8: Post-Duopoly

1.8b

Describe the rate of growth of the duopoly organization.

Ownership

Financial:
- Slow, Not Going Down
- Reach Different Clients, More Agency Buys
- Sales
- Financial Growth In Eight Months
- Sales On Purchased, Modest On Buyer, AM Going Down,
- New Format May Reverse Trend
- Cash Flow, Reduced Rent
- Emerging Related Revenue Areas

Personnel:
- Employees
- Cutbacks

Resources:
- Stable Format
- Not 100% Combined, Walking Instead Of Running
- Grown To Fit Building

Audience:
- Hopefully Ratings
- 50% Increase, 2nd In Adults 25-54 In Six Months

Participants 8

Question Group 8: Post-Duopoly

2.8b

Describe the rate of growth of the duopoly organization.

General Management

Financial:
- Buyer Fell First Nine Months, Combined Numbers Same
- Tremendous Growth After First Year Experiment
- Obliterate 1993 Numbers For Purchased, Match Or
- Exceed 1992 Numbers For Buyer
- New Revenue Streams
- 1+1 Does Equal 2, Costing Us, Want 1+1+1=4
- Losing Money When Sold Combo, Went Separate
- Great Turnaround In AM Revenue
- Biggest Growth From Purchased FM, Looking For Profit
- 1994 Or 1995
- Purchased Strong Growth Pattern, Buyer Remained
- Strong
- More Bottom Line Growth When In Single Facility
- Under Original Projection 10%-15% For Year, Monthly
- Plans Hit Goals By End Of 1993
- Revenue Share Up
- Payroll, Sales Increase
- Market Revenue Up 7%, Trombo Revenue Grew 29% 1993;
- Another 19% 1994; 25% Growth Due To New Station; AM
- Revenues Up 35%

Personnel:
- Cleaned Up Bad Selling Habits
- Increased Staff Size
- Internal Talent, Staff Development Cultivated To Its
- Potential
- Changed Sales Manager Position

Resources:
- Better Sound
- More Growth If Under One Roof At Start
- Added To Existing Building
- Find New Ways To Serve Clients

Participants

Question Group 8: Post-Duopoly

2.8b (continued)

Describe the rate of growth of the duopoly organization.

General Management

Audience:
- Ratings Without Changing Air Personalities
- Purchased Back In Top Ten
- Purchased Morning Announcer Beats Buyer Morning Announcer
- Purchased New To #1 Overall, Buyer Is #2
- More People Talking About Stations
- Purchased FM Debut At 15.5 Share 25-54
- Six Months Purchased FM Shot To #2, 25-54

Participants 10

Question Group 8: Post-Duopoly

3.8b

Describe the rate of growth of the duopoly organization.

Sales Management

Financial:
- Paid Attention To Risk
- Focus On Efficiency
- Sales Bounced Around, Rollercoaster Ride
- Purchased Did Not Grow Financially
- More Money Overall From Combo Staff
- Increased Dollars By 50%; More In Fourth Quarter
- Thirteen New Accounts Since First Of Year (1994)
- Sales Picked Up, More To Call On
- All Stations Have Grown
- Revenue
- Expenses
- Billing Three Times Over 1992, Other AE Billing
- Double To Triple
- Increased Rate On Buyer By Splitting Stations
- Introduced Inventory Supply And Demand Rate Strategy
- Broke Fourth Quarter Sales Records Each Month

Personnel:
- Fine Tune Weak Players
- Separate Staffs Hurt Purchased Budget
- Employee Number Up
- Grow Within Ourselves
- Learned To Present Beyond Numbers On Purchased FM
- Put Two Best AEs On Purchased FM, Hired Two More AEs

Resources:
- Smart Ways To Use Outside Suppliers
- Work Better, Smarter
- Introduced Unique Sales Techniques
- More Ideas, Creativity

Audience:
- Hot, Exciting On Air
- Potential For Buyer When New A Seven Share, Reached Thirteen, Leveled At Nine; Purchased Longer To Evolve, Eight Months
- Buyer Decline In Ratings, Offset By Purchased Growth

Participants 10

Question Group 8: Post-Duopoly

4.8b

Describe the rate of growth of the duopoly organization.

Operations Management

Financial:
- Another Revenue Outlet
- Overcame Negative Advertiser Feelings About Purchased AM
- Sales, Dollars
- Buyer AM, FM Busiest December (1993) Ever
- Rewarding
- Given Rebirth To One Station

Personnel:
- Personal Growth
- Get New Skills
- Moved Some People, Promotions
- Hired People With Purchased AM Format
- Employee Numbers
- Tighter Knit Family
- Knowledge Of Executing Duopolies
- Increased Morale

Resources:
- Finding Right People For Right Jobs
- Found Out Quickly If Square Peg Trying To Fit In Round Hole
- Cross-Pollination Of Ideas Between Stations
- Learning About Other Format, Contributing To It

Audience:
- Purchased FM Has Way To Go
- Listeners Grew
- Purchased AM Quadrupled Numbers

Participants 9

Question Group 8: Post-Duopoly

5.8b

Describe the rate of growth of the duopoly organization.

Image Management

Financial:
- Revenue
- New Business

Personnel:
- Almost Full Set Of Air Staff
- Knowing What Other Jobs Are About
- See Things In Different Ways
- Promotions
- Employee Numbers
- Employee Attitude
- Responsibilities
- Handling Crisis Situations, Plan, Not Manage
- Workload Increased
- Need More Personnel

Resources:
- Merchandising
- More Diverse Talents
- Need More Computers

Audience:
- Swallowing Up Country Listeners

Participants 5

Question Group 8: Post-Duopoly

6.8b

Describe the rate of growth of the duopoly organization.

Process Management

Financial:
- Sales
- Payroll
- Bills Increased Tremendously
- More Than Doubled Revenue
- Three Times As Many Orders On Purchased FM
- File Cabinets Were Not Nearly As Full
- Not As Lucrative Financially, Hooking With Lower Rates
- Buyer AM Starting To Sell Out Shows

Personnel:
- Employee Numbers In Department
- Working, Learning With People
- Attitude Changes, Attitudes To Make It Work
- Getting Right Kind Of People With Right Kind Of Play As A Team, Teamwork
- Paperwork Keeps Coming Quicker, Enter Things Faster
- Know Account Numbers In Head
- Additional Excitement
- Whole New Air Staff, AEs
- Growing Pains
- Additional Work, Not Enough Manpower
- More Caught Up Now Than Last Two Years

Resources:
- Exposure
- Building, Phone System, Parking Lot
- Parttimers, Fulltimers Increased Hours
- Opportunity To See How Other Station Works
- Outgrowing Space
- Community Involvement Helped Station Grow

Audience:
- Ratings, Reaching More People
- Constantly Growing, Force In Market
- Phenomenal Growth For Purchased, Buyer
- First Book, Purchased FM #1 In Market

Participants 19

Question Group 8: Post-Duopoly

1.8c

What are some possible negative outcomes to these strategies?

Ownership

Advertiser Perceptions:
- Pricing Too Hot
- Sees Dollars Going Into One Basket
- Advertiser Gets Monotonous
- Incorrect Perceptions Definite Hindrance

Financial:
- Some Stations Suffer Revenue Loss

Participants 4

Question Group 8: Post-Duopoly

2.8c

What are some possible negative outcomes to these strategies?

General Management

Advertiser Perceptions:
- Arrogant, Take Advantage Of Dominance, Over-Charge, Buyer And Seller Both Want Control
- Take An Adversarial Relationship, Make It Win/Win
- Wonder Why Rates Are High

Financial:
- One Station Becomes Weak Sister
- Sales Fall Off, Do Not Recognize Growth Needed Each Year
- 1+1 Does Not Equal 2 Immediately Or Soon After

Programming:
- Purchased Station Failed To Grow, Could Not Eclipse Competitor
- Misjudged Effort
- AC Failed To Grow As Format Or Became Non-Viable
- Right Decision On Morning Syndicated Show?
- Make A Change When Not Broken
- Jumped To Wrong Conclusion About Competitor

Personnel:
- Arguments When Under One Roof
- Do Not Keep Them Pumped Up
- AEs Without Proper Presentation Knowledge
- Cannot Give Full Attention, Time Split Between Projects, Formats, Stations
- Resistance From AEs Who Will Not Push Through To Other Sale On Combo Presentations
- Lose Money If Staff Put Together Without Forethought
- Willing, Wanting To Change, Make It Work Staff

Participants

Question Group 8: Post-Duopoly

2.8c (continued)

What are some possible negative outcomes to these strategies?

General Management

General:
- Something Will Go Wrong
- FCC Intervention
- Pressure To Do Better
- Feel Overwhelmed
- No Secret Formula
- You Are Target, Everyone Shooting At You
- Odd Market, Stations With Good Ratings Giving Away Product
- Operators With Canes Ahead Trying To Find Way
- Distraction While Moving

Participants 10

Question Group 8: Post-Duopoly

3.8c

What are some possible negative outcomes to these strategies?

Sales Management

Advertiser Perceptions:
- Pricing Structures Very High In Agency Area
- Cannot Meet Some Cost Per Points
- Time Consuming In Non-Traditional Area
- Agency Quit Radio For TV, Back To Duopoly After Value Explained
- Creating Station Value Through Advertising, Promotions Is Hardest
- Market Creates Demand

Financial:
- Too Much Time On Street Trying To Profit
- Smaller Retailer Cannot Afford Us
- How To Price Worth In First Quarter, Went By Gut Feeling

Personnel:
- Need To Know Different Language For Non-Traditional Area, May Lose Time, Sales
- Dropped Pants On Management Side
- Still Need To Motivate
- AEs May Not Equally Pitch Both Stations In Combo Sell
- Got So Big That Positions Will Change Again
- Need An Assistant

General:
- Cannot Think Of Any
- Tired, Frustration, Not Thinking Through
- Negative Does Not Register

Participants 8

Question Group 8: Post-Duopoly

4.8c

What are some possible negative outcomes to these strategies?

Operations Management

Financial:
- Standalones Either Buyer Or Seller Or Will Get Bulldozed
- If You Make Wrong Purchases, In Wrong Market, Economy Does Not Do Well, Bad Ratings
- Do Not Buy Stations To Lower Overhead

Personnel:
- People Out Of Work In Industry
- Traumatic For Those Tossed Out
- Kill A Staff, Out Of Work
- Less Places To Train New Announcers
- Resignations, Retirements
- In-fighting, Unknown How Staffs Will Clash Or Mesh
- Asking AEs To Sell To Same Clients, Want Results From Both
- Lot Of Hard Work, Someone May Get Mono

Programming:
- Make One Wrong Turn, If Went Hot AC On Buyer FM, Lost Core Audience
- If Lost National Syndication Show On Buyer AM
- Lack Of Local Talent
- Less Competition
- Serve Baby Boomer Bubble To Extent Forget Teens, Grow Generation Without Need For Product

Participants 8

Question Group 8: Post-Duopoly

5.8c

What are some possible negative outcomes to these strategies?

Image Management

Financial:
- Startup Cost Drain On First Year's Profit
- Majority Owners Might Want Station Back Now That It Is Successful

Personnel:
- Having Four AEs Come In From Same Client All Wanting Four Different Ads
- Some People Not Accommodating
- Lose Sight Of Working For All Stations

Programming:
- Risk Of Losing Upper End Of Audience On Buyer FM, Already Lost Lower End (On Purpose)
- All A Gamble
- Another Country Station Came Into Market Before Purchased Audience Is Set

General:
- Lot Of Things On Table, Plate Incredibly Full

Participants: 5

Question Group 8: Post-Duopoly

6.8c

What are some possible negative outcomes to these strategies?

Process Management

Advertiser Perceptions:
- Hurt Image Because Of Professional Jealousy
- Community Thinks Owner Will Force Stations Out, Overcome By Staying Competitive, Not Selling Combo Rates
- Rates Might Not Rise Enough To Maintain Position In Market

Financial:
- Stations Might Undercut Rates, Lose Advertiser On Both
- Cash Flow Might Not Grow As Strong As Popularity
- Decrease In Revenue Might Cause Cutbacks

Personnel:
- Work A Lot Better With Computer Network System
- Training In Computer Conversion, Lot Of Manual Key Punching
- Coordination Between Sales, Business Difficult
- Negative Vibes As People Realize More Office Help Is Needed

Programming:
- Listeners Might Cross Over Between Stations

General:
- Cannot Think Of Any
- None
- Do Not Want To Look At It That Way
- Outcomes Different Than You Thought
- FCC Does Not Give Exemption Or Change Rules
- Learn How To Survive Ups And Downs

Participants: 10

Question Group 8: Post-Duopoly

1.8d

What are some possible positive outcomes (if not already mentioned) to these strategies?

Ownership

Community Benefits:
- More Community Service
- Larger Area Employer, Economic Impact
- Make Another Station Hometown
- Serve Smaller Communities In Region

Duopoly Benefits:
- Badly Needed Recognition, Respect, Appreciation For Local Coverage
- Bigger Revenue Side
- Great Strategy, Complimentary Formats
- Get Revenue, Audience From Smaller Communities
- Some Growth
- Separated Sales Staff May Have Higher Billings

Industry Benefits:
- Healthier
- More Capital
- Decreased Number Of Owners
- Dedicated Owners Expanding, Others Sold Out
- Minority Companies Growing

Participants 7

Question Group 8: Post-Duopoly

2.8d

What are some possible positive outcomes (if not already mentioned) to these strategies?

General Management

Community Benefits:
- Bring Lot To Table
- Advertiser Talks To One Or Two AEs To Reach 1/2 To 2/3 Of County, More Efficient
- Serve City Better
- People Rely On Us
- Taken Failed Station, Picked It Up, Made Something

Duopoly Benefits:
- More Profitable
- Larger Audience, Revenue Shares
- No Risk In Keeping Separate, Every Risk In Combining Two High Billing, High Profile Stations
- Owners Allow Things To Happen, Become Better

Participants 6

Question Group 8: Post-Duopoly

3.8d

What are some possible positive outcomes (if not already mentioned) to these strategies?

Sales Management

Community Benefits:
- Keep Us Better In Touch, More People Involved

Duopoly Benefits:
- Checking More Pulses For Accurate Marketplace Reading
- Growth, Profit Potential
- Sell 100% Combo
- Add More Stations, Add Sales
- Increase Company Status

Personnel Benefits
- Take On More Work, Increase Salaries
- Management Positions Open Up

Industry Benefits:
- Other Stations Will Copy Us

Participants 5

Question Group 8: Post-Duopoly

4.8d

What are some possible positive outcomes (if not already mentioned) to these strategies?

Operations Management

Community Benefits:
- Can Triplecast
- Reaching More People With Local News, Sports

Duopoly Benefits:
- Competition Weakens, Better We Look
- Prepared For Competition Consolidating
- Maintain Strong Ratings
- Charge Competitive Rates
- Larger Revenues
- 2/3 Of Top Three Stations In Building

Participants 4

Question Group 8: Post-Duopoly

5.8d

What are some possible positive outcomes (if not already mentioned) to these strategies?

Image Management

Community Benefits:
- Stabilized Company With Audience Recognition
- Getting Out, Showing People You Are There
- Shaking Hands

Duopoly Benefits:
- Confident Of Strategy
- Format Shift Succeeded
- One, Two, Three Finish In Ratings
- Stronger Cume, Quarter Hour Ratings
- Greater Recognition Of All Stations
- Profit Increase Incidental
- Tremendous Growth Potential
- More Power On Buyer FM

Personnel Benefits:
- One Big Happy Family
- Big, Fat Bonuses
- Employee Growth

Participants 7

Question Group 8: Post-Duopoly

6.8d

What are some possible positive outcomes (if not already mentioned) to these strategies?

Process Management

Community Benefits:
- Get Away From Kid's Radio Reputation
- Positive Action To Market Changes
- More Participation In Community Activities
- Powerful Stations, Open To Community
- Established Stable Ownership

Duopoly Benefits:
- Number One In Revenue Share
- Use Computer Networking, Orders To Logs
- Shared Goals
- Able To Grow In Market
- Financially Secure Organization

Personnel Benefits:
- Most Work Planned Out, Do Not Be So Reactionary
- Run Smoother When Employees Have Better Feel For Both Stations In Single Location
- Paid What You Are Worth
- Work Quicker, Make Decisions Faster

Participants 12

Question Group 8: Post-Duopoly

1.9a

What direction does this duopoly go from here?

Ownership

Community Anchor:
- Do Better Things For Community
- More Information To Listener
- Become Area Anchor Media

Market Dominator:
- Maintain Dominant Marketplace Position
- Grow In Revenue
- Continue Success

Internal Strategies:
- Possible Split Sales
- Attract More Capital To Strengthen Company For Better Service To Customers, Advertisers, Listeners

External Strategies:
- Pressure FCC To Raise Ownership Limits

Participants 3

Question Group 9: Future

2.9a

What direction does this duopoly go from here?

General Management

Community Anchor:
- More Localization, Emphasis On Serving Community
- More Community Involvement
- Have Three Or Four Popular Personalities

Market Dominator:
- 50% Of Revenue, Audience Shares
- Becoming Stronger In Market
- Better Because I Am Part Of It
- May Add Another AM

Internal Strategies:
- Compete With Each Other, Not As Fierce
- $200,000 More In Revenue For Purchased FM
- More Agency Buys
- On-Going Sales Training
- More Combo Accounts, Not In A Hurry
- Separate AMs And FMs Into Two Locations, Two Divisions, Would Not Let Them Talk
- Separate GSM For Purchased
- Own 100% Of Purchased
- Searching For Ways To Make Stronger Duopoly, Ways To Integrate, Learn From Other People

External Strategies:
- Less Promotion, Some Savings
- More Outside Promotions
- Make Competitors Run
- Continue Perceptual, Music Research

Participants 9

Question Group 9: Future

3.9a

What direction does this duopoly go from here?

Sales Management

Market Dominator:
- Add Another Station
- Keep Numbers
- Make Purchased FM Solid Contender
- Come Up In Ratings

Internal Strategies:
- Try And Get It Right
- Each AE To Do What They Do Best
- Revving It Up
- Better Revenue, Resources, Rewards
- Develop, Grow New Business
- Adjustments Made With Time

External Strategies:
- Possible Live Programming
- Upgrading Station Signal

Participants 8

4.9a

What direction does this duopoly go from here?

Operations Management

Community Anchor:
- More Familiar With Business Community, Listeners, Build, Do More

Market Dominator:
- More Money Than We Can Take To Bank In One Day, Rating Success
- Room For All Of Market To Win

Internal Strategies:
- Work Out Kinks
- Keep Head Above Water
- Succeeding With Owner, A Profitable Operation
- Staff Both Stations 24 Hours
- New Digital Equipment
- Second Full Time News Person

External Strategies:
- Growth In Dollar, Rating Numbers
- Not Make Many Mistakes
- Strong Enough To Make Changes If Necessary
- Grow Demographic
- Do Not Know Where Trends Will Take Us

Participants 7

5.9a

What direction does this duopoly go from here?

Image Management

Community Anchor:
- Established Pair Of Stations, Think Of Purchased FM As One Of The Old Guard, On Everybody's Tongues
- Get Stations Active, Visible, Cover More Events

Market Dominator:
- Sticking To Guns, Going Full Forward

Internal Strategies:
- Adding People To Company

External Strategies:
- Made 3/4 Of A Jump, Get Product Right For Upper End Appeal
- On Right Track, Moving In Right Direction

Participants 5

Question Group 9: Future

6.9a

What direction does this duopoly go from here?

Process Management

Community Anchor:
- Serving Audience Well
- More Giveaways, More With Community

Market Dominator:
- Larger And Larger
- Hoping They Succeed
- Going Up, Up, Up
- Maintaining One, Two
- Hints Of Acquiring Another One
- Good As Long As Does Not Become Monopoly
- Beat Market Leader

Internal Strategies:
- Positive Financial Effects
- Lots And Lots Of Money
- Need Help
- Up So My Job Will Not Be Deleted
- Lower Accounts Payable

External Strategies:
- Develop Loyal Listeners
- Do Not Have To Divest One Of Stations
- Considering Selling Purchased AM
- Will Not Be Simulcasting AM In New Location
- Buying Properties In Other Cities

Participants 16

Question Group 9: Future

1.9b

Would there be anything you would do differently with this duopoly?

Ownership

Negotiating:
- Not Paid So Much
- Get Better Deal On Inherited Personnel

Planning:
- Planned Better, Done Everything At One Time
- Whether To Represent One Or More Stations In Sales Without Taking Audience From Others
- Started On Building Sooner, Avoid Additional Rent, Inconvenience

Staffing:
- Get A Manager For AM Talk Station Or Simulcast With An FM, Neither FM Staff Could Handle It

Waiting:
- Held Off Changing Format Until Simulcast Was Ready
- Not Switched Music Programming, Play Same Music On Both Stations To Attract Same Audience, Generation Domination
- Not Combo Sell Immediately
- More Profitability In Different Sales Teams Rather Than Combining A Few Departments, A Real Big "If" In Duopolies

Activist:
- Change The Stinking Rules
- Have Duopoly In Any Market
- Would Not Be A Standalone FM
- Change Rule So LMAs Are Not Necessary, No Awkward Period

Participants 9

Question Group 9: Future

2.9b

Would there be anything you would do differently with this duopoly?

General Management

Negotiating:
- LMA Immediately, Not Let It Go Several Months

Planning:
- Make It Up As You Go
- Look For More Space, Separate Location For Sales Staff
- Plan For Stronger Promotional Dollars
- Format Decision Still Clear
- Take Off Some Automation Hours
- Start With Ideal Structure, Takes Time To Evolve

Staffing:
- Demand Strong Management Person For Clear Direction In Sales, Promotions, On Air
- Better Job Handling Production Load
- Add More People On Purchased Programming Staff
- Start With Separate GMs

Waiting:
- Devote Full Time, Attention To Separate Sales Staffs
- Reduce Stress
- Wait A Year Before Deciding On Air Staff Instead Of Shooting From Hip
- Make It Happen Sooner
- Promote Stronger Out Of Box, Faster Start
- Sensed Morale Issue Sooner

Activist:
- Set Up Bonus Plan Between Competing Sales Staffs For Sharing Information
- Spoiler In Market, Competitor Arrogant, Would Not Do Promotions

Participants 8

Question Group 9: Future

3.9b

Would there be anything you would do differently with this duopoly?

Sales Management

Planning:
- Have Upper Management Let Employees Know Of Decisions, Better Informed Staff Creates Less Headaches
- AEs Had Positive Attitude, Not Pumped Up Since Could Not Sell Both
- Not A Whole Lot
- Hard To Switch Boats In Middle Of Stream
- Put Focused Sales Effort Into Purchased Immediately,
- Combo Sounds Great In Theory, Not Always More Money, Opportunities
- Prepared Quite A Few Months Earlier, No Room To Prepare Clients For Duopoly

Staffing:
- Two Separate Promotion Directors
- Separate Sales Staff, But May Not Be Answer Yet
- Focus Efforts, Do Not Just Add To Sales Staff

Waiting:
- Taken Staff Different Directions To Recoup Revenue Loss
- Go Combo From Day One
- Start Out With Combined Sales Force
- Look More Realistically When Staff Was Split, Took Longer For AEs To Build Personal Relationships, Stop Running

Activist:
- Got Promotion Quicker To Be Part Of Decision

Participants 9

Question Group 9: Future

4.9b

Would there be anything you would do differently with this duopoly?

Operations Management

Planning:
- Keep Local Flavor
- Nit Picking Things Handled Differently
- Do Not Duplicate Buyer AM On Purchased AM
- Not Have Put Talk Programs On Purchased AM, Stayed Music-Intensive
- Discussed More Viable Options For Purchased AM

Staffing:
- Let Me Off At Five
- Do Mornings Live On Purchased AM Instead Of Mid-Morning/Noon Hour
- Do Not Start Big, Have To Come Back
- Toyed With Idea Of One Marketing Person, Most Difficult Area To Control
- Hired A News Person Earlier
- Two Production Directors
- Necessary Personnel Resources To Make It Run

Waiting:
- Not Wait A Year Before Moving Into Single Facility
- Proceed More Slowly, People Were Not Prepared, Confusion With Listeners, Taken Time To Soften Blow

Activist:
- Something Different With The Mothership, Buyer FM Or Purchased FM

Participants 10

Question Group 9: Future

5.9b

Would there be anything you would do differently with this duopoly?

Image Management

Planning:
- Made Buyer FM Format Change Stages More Significant
- Change Buyer FM Logo Quicker Or Waited Until After Book
- Good Solid Equipment Ready To Run, Sound Phenomenal
- Change Certain Things About Programming
- They Have Done A Great Job

Staffing:
- Insisted On Assistant From Beginning
- Go With Individual Directors, Provide Tools
- Ask For Assistance In People Or Hours
- Hire More People

Waiting:
- Been In One Building To Start
- Waited To Put Purchased FM On Air Until Transmitter Had Been Moved

Activist:
- Market Sales As Whole, Other Stations To Back You Up, Cross-Promote Stations; Opposite Of Traditional PD Who Does Not Want To Send Listeners To Other Stations, Even If On Same Team
- Solidify To Meet Companies With Just As Much Power In Future

Participants 7

Question Group 9: Future

6.9b

Would there be anything you would do differently with this duopoly?

Process Management

Negotiating:
- Bought Several Thousand Dollars Of Junk Equipment, Better Prepared, More Planning

Planning:
- Get Into One Location
- More Efficient, Getting Things Done Faster
- Organized Paperwork, Not In A Shoebox
- Two AEs From One Radio Center Calling On Same Client Caused Confusion, Controversy, Now Changed, Reorganized
- Very Easy Transition
- Bringing Purchased Employees To Our Location
- Spent Money On What Is Really Important, Tools
- Better Prepared For Changeover, Unaware Of Enormous Task
- More Involved In Overall Transition From Start
- Lack Of Communication Between AEs And Advertisers, No Idea What Was Going On, Chaotic

Staffing:
- Network Computers
- Further Divisions Of Labor
- Requested Administrative Person Earlier
- Kept Purchased Business Manager Until Moved
- Somebody To Write Down What Will Or Will Not Work
- Add More People To Department For Professional, Thorough Job

Waiting:
- Not Have To Change All Financial Numbers
- Fine Tune As We Go Along
- Know Way To Do Accounting Allocations When Starting, Not Go Four Months, Then Change Mind, Another Year Of Pains

Participants

Question Group 9: Future

6.9b (continued)

Would there be anything you would do differently with this duopoly?

Process Management

Activist:

Implement Ideas, Trial And Error Type Position
Not Sure What Could Help Prepare, No One To Talk To On How To Do An Effective Job
Find Our Way As We Went Along
First Year Just Kind Of Going In Circles

Participants 16

APPENDIX E

PUBLIC FILE MATERIALS

Schedule [redacted] #18
Severance Agreements for Employees

Communications Inc
10 Middle Street
Bridgeport, CT 06604-4271
203-333-4800
FAX 203-367-9346

March 12, 1993

Ms. Sally Appel
Acting General Manager
Y106 / Y104
200 The Galleria
Suite 900
Atlanta, GA 30339

NewCity

Richard A. Ferguson
President

Dear Sally,

This letter will serve as written confirmation of your new compensation package while you are serving as acting General Manager of Y106/Y104FM. Effective February 1, 1993, you will be paid a salary of $5,833.33 per pay period which is an annual salary of $140,000. This will supersede the compensation plan you have been receiving as General Sales Manager. There will be no performance bonus as a part of this compensation plan.

Sally, you will also receive a "Stay Bonus" of $11,666 if you remain with NewCity up to the time ownership of Y106 is transferred. This is based on one month of the Acting General Manager salary. If you are not hired by the new owner or if you choose not to accept an offer from the new owner, you will receive up to six months severance from NewCity at the rate of $4,291.66 per pay period which is based on your General Sales Manager annual salary of $103,000 per year. NewCity will pay this severance plan in full if you remain unemployed or will pay the difference between what your new job pays and the severance rate. During this period, you will be able to remain on the NewCity Health Plan under the same financial arrangement that you enjoyed as a full time employee.

Sally, if this letter accurately reflects your understanding of our agreement, please initial a copy and return it to me.

Sincerely,

Rich Ferguson

RAF/lg

Sally Appel

WZZK AM/FM
Birmingham

WEZN (FM)
Bridgeport

WYAY (Y106FM)
Gainesville/
Atlanta

WYAI (Y104FM)
La Grange/
Atlanta

WDBO
WWKA (K92FM)
Orlando

KKYX
KCYY (Y100FM)
San Antonio

WSYR
WYYY (Y94FM)
Syracuse

KRMG
KWEN (K95FM)
Tulsa

American
Comedy
Network

Our Mission

It is the mission of WLRW and WIXY to be the most listened to stations in our market area by providing the best service possible to our listeners and clients. We will be the most sought after place to work in Champaign. We will hire only the best people who will treat our listeners, clients, and fellow workers with the utmost respect.



WWKY
TALKRADIO
AM ★ 790

Lite 106.9
W V E Z
Lite Favorites

LOUISVILLE PRISM GOALS

1994

The following lists goals, aspirations and areas we can improve at our radio stations during the new year. Please retain for the year your copy of this list as a constant reminder of what we are attempting to achieve each and every day. Additionally, share this information with new employees to help them join us in our efforts from the first day of their employment. You are encouraged to add items to the list that are specific to your department as well as goals that will benefit the entire operation.

1993 was a great beginning ... we are doing extremely well! Let's move ahead in 1994 to improve on a very "good" thing.

PRISM

GROW OUR CUMULATIVE AUDIENCE
EXCEED OUR REVENUE PLANS
ENHANCE COMMUNITY SERVICE ON AND OFF THE AIR
IMPROVE CUSTOMER FOCUS
CARE ABOUT LISTENERS
BE THE "BIG EVENT" STATIONS
CREATE TOP-OF-MIND AWARENESS OF OUR COMPANY WITH LISTENERS
QUALITY EMPLOYER - THE PLACE THAT PEOPLE WANT TO WORK
GREAT OPERATION - BE THE BENCHMARK FOR OTHER STATIONS
BECOME A SERVICE-QUALITY COMPANY
CUSTOMER FOCUS - INTERNALLY AND EXTERNALLY
CREATE FUN
MINIMIZE EMPLOYEE TURNOVER
IMPROVE ORGANIZATION
UTILIZE LONG-RANGE PLANNING
BEST PHYSICAL FACILITY
KEEP AN EYE ON THE FUTURE
BE INNOVATORS IN PROGRAMMING & SALES - MARKETING NEW IDEAS
ASPIRE TO TEAMWORK
3 AS 1 GIANT MARKETING TOOL
COMMIT TO BETTER INTERNAL COMMUNICATION
EMBELLISH THE SYNERGY OF THE TROMBO
CROSS-PROMOTION OF 3 FACILITIES
BEST MANAGEMENT OF RESOURCES
MINIMIZE WASTE

RadioCenter
UPDATE

HALL COUNTY'S MOST LISTENED TO RADIO STATION

1993 Arbitron County Survey
Monday-Friday, 6AM to 7PM
All radio stations, AM and FM,
Atlanta Metro included.

Northeast Georgia's Information and Talk Station
WDUN AM 55

HALL COUNTY'S NUMBER ONE FM NON-METRO STATION

1993 Arbitron County Survey
Monday-Sunday,
6AM to 12 Midnight
Includes all FM listening
outside of Atlanta Metro
stations.

MAJIC 102.9 FM
Continuous Soft Hits

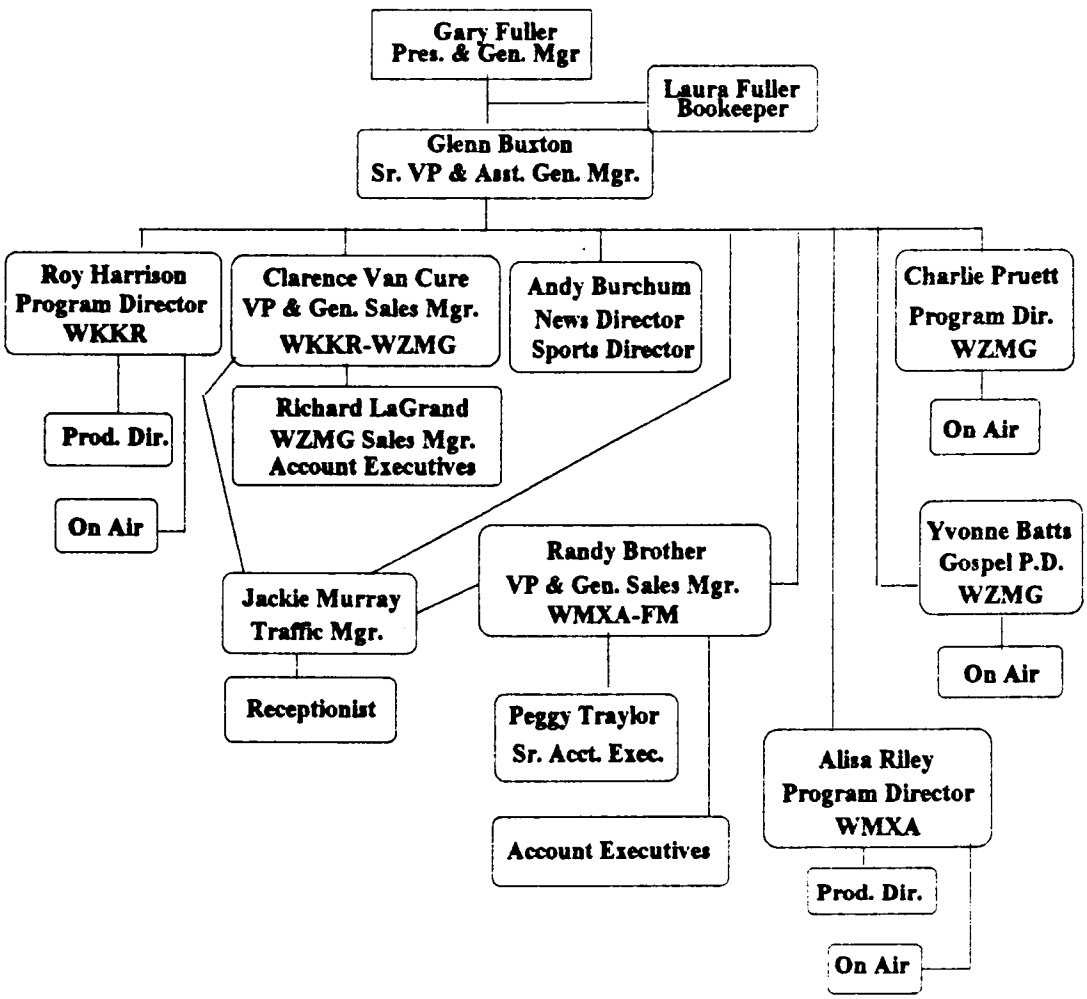
HALL COUNTY'S EXCITING NEW AM SOUTHERN GOSPEL

The airways for country and gospel music listening have been changed with the new full-service, 24-hour a day programming on Gainesville's oldest radio call letters.

WGGA 930

RadioCenter Offers Something For Everyone

Fuller Broadcasting
WKKR-WZMG-WMXA
Organizational Chart



ENGINEERING STATEMENT

This radio market analysis was prepared to determine the number of stations contributing to a local radio market under §73.3555. The market is defined to be the union of the principal community contours of the stations in question. For the purposes of this study, the principal community contour for FM stations is the predicted 70 dBμ (3.16 mV/m) contour and for AM stations the predicted or measured 5 mV/m contour. Market contributors are those commercial licensed stations whose principal community contours overlap, in whole or in part, with the principal community contours of the stations in question (i.e. the station for which an authorization is sought and any station in the same service that would be commonly owned whose principal community contour overlaps the principal community contour of that station).

I. FM 70 dBμ CONTOURS

Technical data for FM broadcast stations were obtained from the latest version of the FCC FM Engineering Database, made available monthly by the National Technical Information Service, U.S. Department of Commerce. The operational status of each station was based on information contained within the appropriate database records.

For each FM station, terrain elevation data from 3 to 16 kilometers on radials spaced at 5 degree azimuthal intervals starting with True North were extracted from the computerized 30-second point elevation database version of **Elevation Data For North America**, available from the Department of Commerce, National Geophysical Data Center, National Oceanic and Atmospheric Administration. A total of 261 points along each radial were linearly interpolated according to §73.312(d).

The height above average terrain along each of the 72 radials was computed by averaging the elevations between 3 and 16 kilometers below the antenna radiation center in accordance with §73.313(d)(3). In cases where a part of the 3 to 16 kilometers portion of a radial extends over seawater, only that part of the radial extending from the 3 kilometers sector to the outermost portion of land is used in the computation of antenna height above average terrain.

In the case of foreign licensed FM stations, the distances to the 70 dBμ contours in all directions are computed using the antenna height above average terrain specified in the FM Engineering Database.

The locations of the 70 dBμ F(50,50) principal community contours of all FM stations shown on the attached map were calculated according to the computer methods outlined in F.C.C. publication PB-249144, **Field Strength Calculations For TV And FM Broadcasting**. The computer methods use digitized data taken directly from the graph of §73.333 Figure 1. Intermediate values are obtained using bivariate interpolation techniques for surface fitting.

II. AM 5 MV/M CONTOURS

Technical data for AM broadcast stations were obtained from the latest version of the FCC AM Engineering Database, released monthly.

Soil conductivities used in the determination of distances to the 5 mV/m groundwave contours of domestic stations within the conterminous United States were derived from the computerized FCC M-3 soil conductivity database. For foreign and Alaskan stations, soil data were taken from the Region II soil conductivity database. Conductivity data were extracted for every 5 degrees of azimuth.

For stations employing directional antenna systems, the Standard Radiation using the theoretical operating parameters contained within the AM Engineering Database was computed and used for inverse field strength. In the case of nondirectional stations, the effective field strengths at one kilometer were employed.

In accordance with §73.183(e), the "equivalent-distance" (Kirke) method was used to determine the distances to the 5 mV/m groundwave contours where more than one conductivity zone exists over the path length.

Distances to contours along intermediate azimuths were obtained mathematically by third order piecewise polynomial approximations.

III. ANALYSIS OF COMBINED AUDIENCE SHARE

The radio market, as previously defined, is comprised of in excess of 14 stations so the provisions of §73.3555(a)(1)(ii) apply to this study. The attached radio market combined audience share analysis indicates the total combined audience share. Because the combined principal community contours either do not overlap a defined Arbitron Radio Metro Survey Area, or such overlap occurs within a minority of the overall coverage area, audience share data have been derived from the Arbitron County Coverage Database. The data contained within this database were derived from an average of the results of the four rating periods of the preceding calendar year.

The listeners contained within the county boundaries that fall within the principal community contours of the stations in question were summed to determine the total county radio listeners within the market. The listener contributions from each county are listed on page one of the analysis as are the county populations rounded to the nearest 100 persons.

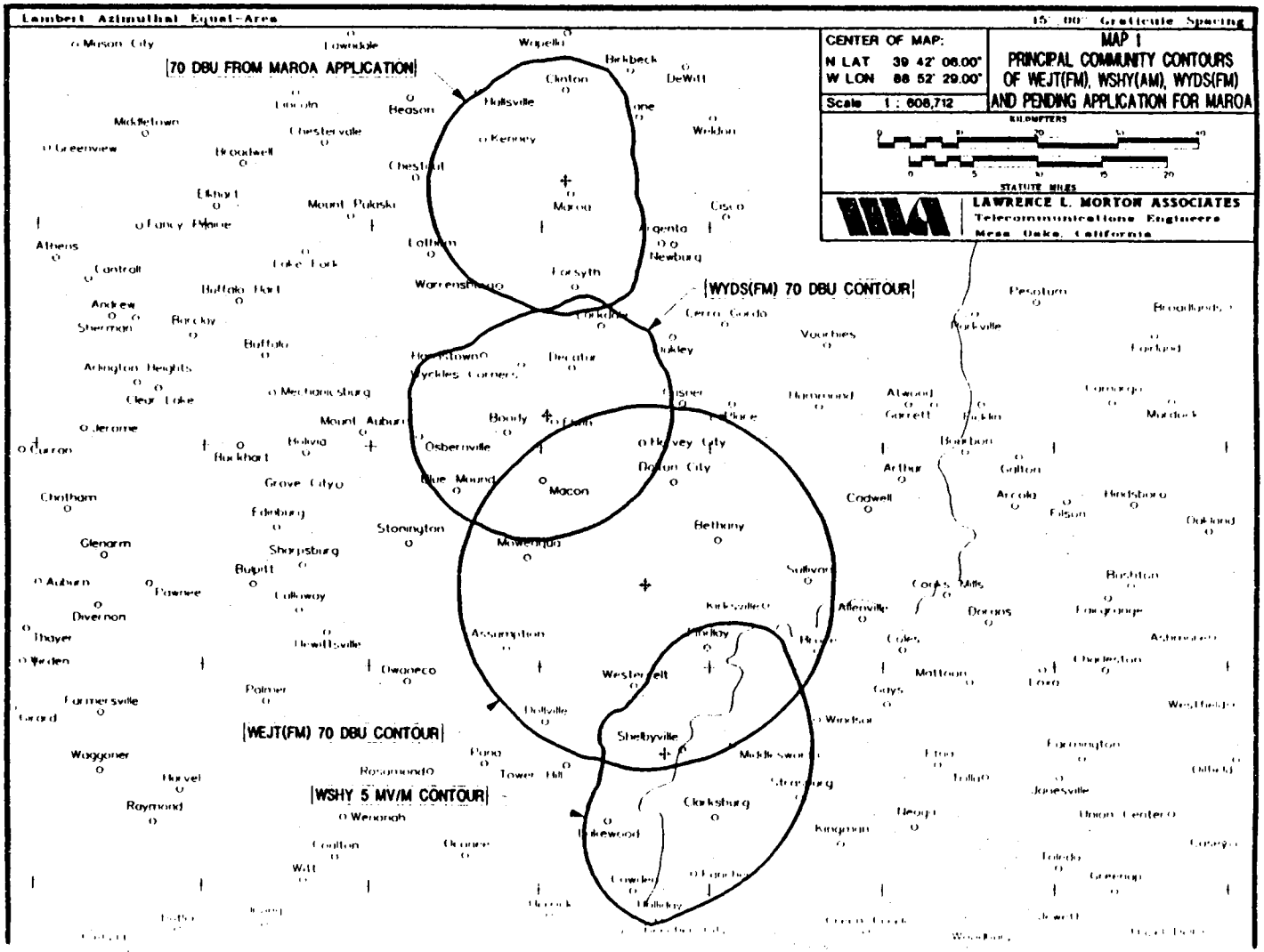
To determine the audience share of each station within each county, the number of average quarter-hour county listeners to each station is expressed as a percentage of the total county radio listeners. These ratings for each station within a county were summed to arrive at a combined market share for each county. The final audience share was computed according to the method of footnote 73, Memorandum Opinion And Order, MM Docket No. 91-140. The

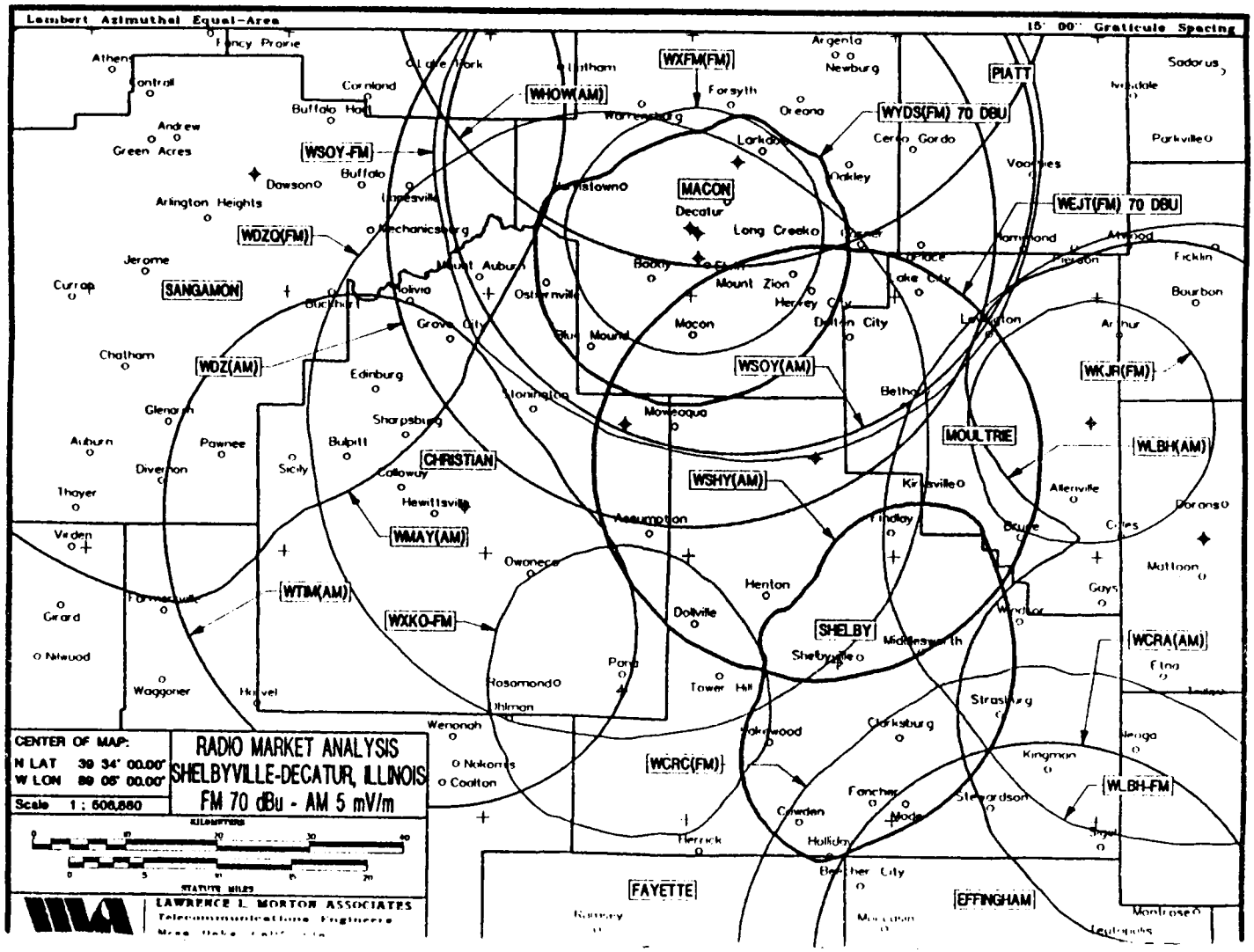
county share totals were weighted based upon the listening populations of the counties and totalled to arrive at the average audience share for applying the 25 percent guideline. The last page of the study shows that the combined audience share of the stations in question does not exceed the 25 percent threshold.

IV. CONCLUSION

It is believed that all methods employed in making the determinations contained within this market analysis are in accordance with applicable F.C.C. Rules and Regulations and Good Engineering Practice.

Lawrence L. Morton, P.E.
Consulting Telecommunications Engineer
Mesa Oaks, California


Lambert Azimuthal Equal-Area
15° 00' Graticule Spacing
CENTER OF MAP:
N LAT 39 42' 06.00"
W LON 88 52' 29.00"
Scale 1 : 608,712
MAP 1
PRINCIPAL COMMUNITY CONTOURS
OF WEJT(FM), WSHY(AM), WYDS(FM)
AND PENDING APPLICATION FOR MAROA
KILOMETERS
STATUTE MILES
LAWRENCE L. MORTON ASSOCIATES
Telecommunications Engineers
Mesa Oaks, California
|70 DBU FROM MAROA APPLICATION|
|WYDS(FM) 70 DBU CONTOUR|
|WEJT(FM) 70 DBU CONTOUR|
|WSHY 5 MV/M CONTOUR|
Mason City
Lowndale
Wapella
Bellbeck
Clinton
DeWitt
Lincoln
Heason
Hallsville
Middletown
Chestervale
Kenney
Weldon
Greenview
Brookwell
Chestnut
Elkhart
Mount Pulaski
Maroa
Cisco
Fancy Prairie
Argenta
Athens
Latham
Newburg
Centralia
Lake Fork
Forsyth
Buffalo Hart
Warrensburg
Andrew
Sherman
Barclay
Cerro Gordo
Oakley
Voorhies
Buffalo
Arlington Heights
Decatur
Clear Lake
Mechanicsburg
Mount Auburn
Bondy
Jerome
Osbornville
Harvey City
Buckhart
Dalton City
Blue Mound
Macon
Grove City
Chatham
Edinburg
Stonington
Bethany
Glenarm
Sharpsburg
Mowequa
Sullivan
Auburn
Pawnee
Buckley
Divernon
Kirkwood
Assumption
Thayer
Dewitt
Owaneco
Westervelt
Palmer
Dalville
Farmersville
Shelbyville
Waggoner
Pana
Tower Hill
Raymond
Rosamond
Clarksburg
Wenonah
Lakewood
Coulton
Witt
Cowden
Hillsboro
Pesotum
Broadlands
Paxton
Murdock
Atwood
Hammond
Garrett
Bourbon
Arthur
Gilton
Arcola
Hindsboro
Edson
Oakland
Cadwell
Bushton
Areola
Dacons
Effingham
Mattoon
Charleston
Lerna
Jonesville
Union Center
Kingman
Toledy
Greenup
Jewett


Lambert Azimuthal Equal-Area
15° 00' Graticule Spacing
WXFM(FM)
WHOW(AM)
WSOY-FM
WDZQ(FM)
WDZ(AM)
SANGAMON
CHRISTIAN
WMAY(AM)
WTIM(AM)
WXKO-FM
WCRC(FM)
MACON
WYDS(FM) 70 DBU
WEJT(FM) 70 DBU
WSOY(AM)
WSHY(AM)
PIATT
MOULTRIE
SHELBY
FAYETTE
EFFINGHAM
WKJR(FM)
WLBH(AM)
WCRA(AM)
WLBH-FM
Decatur
Mount Zion
Macon
Dalton City
Lake City
Sullivan
Shelbyville
Effingham
Newman
Champaign
Danville
Paris
Terre Haute
CENTER OF MAP:
N LAT 39 34' 00.00"
W LON 89 05' 00.00"
Scale 1 : 606,880
RADIO MARKET ANALYSIS
SHELBYVILLE-DECATUR, ILLINOIS
FM 70 dBu - AM 5 mV/m
KILOMETERS
STATUTE MILES
LAWRENCE L. MORTON ASSOCIATES
Telecommunications Engineers

RADIO MARKET ANALYSIS
01/20/93

STUDY MARKET

WEJT	105.1 MHz	SHELBYVILLE, IL
WSHY	1560 kHz	SHELBYVILLE, IL
WYDS	93.1 MHz	DECATUR, IL

FM CONTRIBUTORS

CUMULATIVE MARKET SIZE	STATION	CITY/STATE/COUNTRY		FREQ IN MHZ	CONTOUR OVERLAP IN KM TO: WEJT 70 dBu	WSHY 5 mV/m	WYDS 70 dBu
1	*WEJT	SHELBYVILLE	IL US	105.1	*****	20.5	12.8
2	*WYDS	DECATUR	IL US	93.1	12.7	*****	*****
3	WXKOFM	PANA	IL US	100.9	6.4	4.1	*****
4	WCRC	EFFINGHAM	IL US	95.7	*****	10.9	*****
5	WXFM	MOUNT ZION	IL US	99.3	8.0	*****	23.5
6	WDZQ	DECATUR	IL US	95.1	35.0	17.8	28.6
7	WKJR	SULLIVAN	IL US	106.3	7.5	*****	*****
8	WLBHFM	MATTOON	IL US	96.9	15.8	12.5	*****
9	WSOYFM	DECATUR	IL US	102.9	22.7	*****	36.8

AM CONTRIBUTORS

CUMULATIVE MARKET SIZE	STATION	CITY/STATE/COUNTRY		FREQ IN KHZ	CONTOUR OVERLAP IN KM TO: WEJT 70 dBu	WSHY 5 mV/m	WYDS 70 dBu
10	*WSHY	SHELBYVILLE	IL US	1560	15.2	*****	*****
11	WMAY	SPRINGFIELD	IL US	970	*****	*****	0.4
12	WDZ	DECATUR	IL US	1050	26.5	*****	41.7
13	WCRA	EFFINGHAM	IL US	1090	*****	3.6	*****
14	WLBH	MATTOON	IL US	1170	6.7	5.5	*****
15	WSOY	DECATUR	IL US	1340	21.3	*****	36.1
16	WTIM	TAYLORVILLE	IL US	1410	0.5	*****	*****
17	WMOV	CLINTON	IL US	1520	1.1	*****	14.7

306 Stations Studied
End of Report

RADIO MARKET ANALYSIS
ARBITRON COUNTY COVERAGE DATA
01/20/93

COUNTY DATA

COUNTY/STATE	RADIO METRO SURVEY AREA	POPULATION	LISTENEF
CHRISTIAN, IL	No Metro Market	28,400	3,90
FAYETTE, IL	No Metro Market	17,300	3,10
MACON, IL	No Metro Market	95,100	13,00
MOULTRIE, IL	No Metro Market	11,400	2,10
SHELBY, IL	No Metro Market	18,400	2,80
	TOTAL:	170,600	24,90

STATION DATA BY COUNTY

COUNTY: CHRISTIAN, IL

STATION		--- AVERAGE QUARTER-HOUR --- PERSONS	RATING
WEJT		400	10.3%
WYDS		0	0.0%
WSHY		0	0.0%
	TOTAL:	400	10.3%

COUNTY: FAYETTE, IL

STATION		--- AVERAGE QUARTER-HOUR --- PERSONS	RATING
WEJT		100	3.2%
WYDS		0	0.0%
WSHY		0	0.0%
	TOTAL:	100	3.2%

COUNTY: MACON, IL

STATION		--- AVERAGE QUARTER-HOUR --- PERSONS	RATING
WEJT		2,500	19.2%
WYDS		0	0.0%
WSHY		0	0.0%
	TOTAL:	2,500	19.2%

(Continued)

RADIO MARKET ANALYSIS
ARBITRON COUNTY COVERAGE DATA
01/20/93

STATION DATA BY COUNTY

COUNTY: MOULTRIE, IL

STATION		--- AVERAGE QUARTER-HOUR --- PERSONS	RATING
WEJT		300	14.3%
WYDS		0	0.0%
WSHY		0	0.0%
	TOTAL:	300	14.3%

COUNTY: SHELBY, IL

STATION		--- AVERAGE QUARTER-HOUR --- PERSONS	RATING
WEJT		500	17.9%
WYDS		0	0.0%
WSHY		100	3.6%
	TOTAL:	600	21.5%

COMBINED SHARE BY COUNTY

COUNTY/STATE	COMBINED SHARE		COUNTY LISTENERS		TOTAL LISTENERS		WEIGHTED AUDIENCE SHARE
CHRISTIAN, IL	10.3%	X	400	/	24,900	=	1.6%
FAYETTE, IL	3.2%	X	100	/	24,900	=	0.4%
MACON, IL	19.2%	X	2,500	/	24,900	=	10.0%
MOULTRIE, IL	14.3%	X	300	/	24,900	=	1.2%
SHELBY, IL	21.5%	X	600	/	24,900	=	2.4%

THE COMBINED AVERAGE AUDIENCE SHARE IS 15.7 %

The information contained herein was derived from copyrighted County Coverage Data produced by THE ARBITRON COMPANY. These data are furnished to the licensee for the sole purpose of preparing an audience share cap exhibit to be presented to the Federal Communications Commission.

End of Report

Assignee's Exhibit No. 1

Ownership Showing

Pursuant to Revision of Radio Rules and Policies, FCC 92-361, released September 4, 1992, footnote 105, the following information is submitted regarding the proposed transaction:

(1) Identification of the Location and Geographic Coverage of the Radio Market Involved:

Attached hereto is an engineering statement of Lawrence L. Morton and Associates identifying the location and geographic coverage of the radio market composed of WSHY(AM) and WEJT(FM), Shelbyville, Illinois and WYDS(FM), Decatur, Illinois. It should be noted that The Cromwell Group, Inc. of Illinois presently brokers more than 15% of the time on WYDS(FM).

(2) Number of Commercial AM and FM Stations in the Market:

As shown in the attached engineering statement, there are 17 stations in the market.

(3) Basis and Source of Material for the Combined Audience Share Figure:

As shown in the attached engineering statement, the combined average Arbitron audience share for the stations, computed in accord with footnote 73 of Revision of Radio Rules and Policies, is 15.7%. A county by county analysis was made as none of the overlap area encompasses a recognized Arbitron metro market.

(4) Call Letters and Locations of all Stations in the Market that are or Proposed to be Commonly Owned:

WSHY(AM)/WEJT(FM), Shelbyville, Illinois and WYDS(FM), Decatur, Illinois.

Assignee's Exhibit No. 2

Media Interests and Applications

Bayard H. Walters is president and 100% stockholder of the following: Lenk Broadcasting Company, Inc., the licensee of WHAL(AM)/WYCQ(FM), Shelbyville, Tennessee and WGLO(FM)/WVEL(AM), Pekin, Illinois; the Cromwell Group, Inc. of Illinois, the licensee of WMCI(FM), Mattoon, Illinois and WSHY(AM)/WEJT(FM) Shelbyville, Illinois, and an applicant for FM Channel 297A at Maroa, Illinois; Hancock Communications, Inc., licensee of WKCM-AM, Hawesville, Kentucky, permittee of WKCM-FM, Cannelton, Indiana, and licensee of WHRS-FM, Winchester, Kentucky[1/]; and Montgomery Broadcasting Company, the licensee of WQZQ-FM, Dickson, Tennessee. Bayard H. Walters individually is licensee of WCTZ(AM), Dickson, Tennessee. Bayard H. Walters is vice-president and a 1% stockholder of WYDS, Inc., the permittee of WYDS(FM), Decatur, Illinois.

Henderson Broadcasting Company, Inc., of which Bayard H. Walters was president, was a mutually exclusive applicant for an FM channel in Bloomington, Indiana from 1971 to 1977 (FCC File No. BPH-7946; Docket No. 19813). At the end of the hearing and appeal, the channel was awarded to a local resident with no broadcast ownership. The Cromwell Group, Inc., of which Bayard H. Walters was president and sole owner, filed an application for FM Channel 290A at Wilmore, Kentucky (FCC File No. BPH-880727MM; MM Docket No. 90-432). The Cromwell Group, Inc., pursuant to a settlement agreement, did not proceed into the hearing and its application was dismissed. Bayard H. Walters filed an application for FM Channel 229A at Dickson, Tennessee (FCC File No. BPH-890119MG; MM Docket No. 90-559). Bayard H. Walters, pursuant to a settlement agreement, did not proceed into the hearing and its application was dismissed.

1/ An application for consent to assign the license of WHRS-FM to Trumper Communications of Kentucky, Limited Partnership was granted on December 14, 1992. A closing of this transaction is expected to take place on February 16, 1993.