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A STUDY OF THE EFFECTS OF DEREGULATION ON RADIO COMMERCIALIZATION: A DIRECT METHODOLOGY FOR DATA COLLECTION

A Thesis

Presented to the

Department of Communication

and the

Faculty of the Graduate College

University of Nebraska

In Partial Fulfillment

of the Requirements for the Degree

Master of Arts

University of Nebraska at Omaha

by

Thomas A. Birk

April 1990

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THESIS ACCEPTANCE

Acceptance for the faculty of the Graduate College, University of Nebraska, in partial fulfillment of the requirements for the degree Master of Arts, University of Nebraska at Omaha.

Committee

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Apr. 16, 1990
Date

Abstract

Nine years after deregulation became policy in commercial radio broadcasting, a study of the effects of the provision in the deregulatory position the Federal Communications Commission took in 1981 which eliminated any restrictions on the amount of commercial time a station could air in a given hour was conducted on 13 radio stations in five Nebraska markets.

Because the logging requirements to which broadcasters had to adhere were eliminated with deregulation, the data in this survey was collected by tape recording, then analyzing by 195 hours of actual radio broadcasts. Of the 13 stations surveyed during the peak hours of the day (drive times), the peak days of the week (Wednesday through Friday) and at different times of the year, two stations, both in small, non-competitive markets were found to have exceeded the previous limit of 18 minutes per hour.

The research found that the foundation of the marketplace model, upon which deregulation is based, is potentially flawed when projected on those markets which are not served by multiple radio properties. Further, the research advocates the direct methodology of monitoring not only the effects of deregulation on overcommercialization, but on any monitoring research conducted on broadcast content because the researcher has much more control over the data collection process. Finally, the research is meant

to stimulate more study of the effects of deregulation, particularly on the pervasive medium of radio.

ACKNOWLEDGEMENTS

I would like to thank the members of my committee for their encouragement and insightful advice during the 16 months spent conducting the research reported within this thesis, especially Dr. Hugh Cowdin who initially prodded me to consider this area of study. I must also recognize the assistance, as well as the patience, given me by my wife, Constance.

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Introduction

> Economic regulation is imposed because of perceived flaws in the operation of competition in a particular market. (Gellhorn and Pierce, 1982, p. 21)

For almost 50 years the nation's airwaves were regulated chiefly under the guidelines of a single instrument, the Communications Act of 1934, and the federal agency created by this act and mandated by Congress to insure compliance, the Federal Communications Commission. In April of 1981, a new era in radio broadcasting began, the age of deregulation.

It has been nine years since deregulation has been a fait accompli. Where is the industry today? In what was the most comprehensive change in regulatory authority of the radio broadcast industry since 1934, deregulation was to have changed the very nature of what the public was to expect from the licensees of the now more than 10,000 radio stations in existence in the United States. Has it? And more importantly, what mechanisms are in place to monitor the state of radio broadcasting and its obligations to serve the populace?

Historical Perspective: 1912-1981

To understand the development of deregulation in the communications industry of the United States, it is essential to understand the history of regulation. Tunstall (1986) sets the stage for this discussion:

> Deregulation is as many sided a phenomenon as regulation. Since the Interstate Commerce Commission took on the regulation of the railroad natural monopoly in the 1880's, Congress has entrusted to a variety of federal agencies the regulation of various industries. The range of industries has been vast, and the dangers to be protected against have also been numerous. (p. 22)

The first attempt in the United States toward regulation of radio was The Act to Regulate Radio Communication, passed on August 13, 1912 (Davis, 1929). It was originally written to "encourage the development of the radiotelephone art" (as cited in Davis, 1929, p.48), and the licensing of stations fell to the Secretary of Commerce. The Radio Act of 1912, as it is usually referred to, was the first domestic law for the general control of radio (Ginsburg, 1979, p. 10). This initial attempt at regulation of the radio led to chaos. Stations were signing on the air with little or no forethought and interference between stations was dramatic, with the net effect of the radio listener being bombarded with a cacophony of often indiscernible noise

(e.g. see Davis, 1929, Fowler and Brenner, 1982, p. 213-214).

The Act was proven to be an ineffective way to deal with regulation as court decisions held that the Secretary of Commerce had no power to limit power of stations, broadcast time or licenses themselves (e.g. United States v. Zenith Radio Corporation (1926); Hoover v. Intercity Radio Company (1923); and Chicago Tribune v. Oak Leaves Broadcasting Station (1926)) (Ginsburg, 1979, p. 10, and Davis, 1929, p. 32).

Finally, Congress deemed the 1912 statute inadequate for the growing industry, and determined the only way the situation could be dealt with was to limit the number of licenses, since the listening public could best be served with fewer stations and a minimum amount of interference (Davis, 1929).

The result of the efforts of Congress was An Act for the Regulation of Radio Communications and for Other Purposes, approved by the President of the United States on February 27, 1927. This Radio Act of 1927 created the Federal Radio Commission, and empowered the Commission to classify radio stations, "prescribe the nature of service to be rendered by each class of licensed stations," and to assign "bands of frequency to the classes of radio stations and individual stations" as well as determine the power and times they could operate. Furthermore, they were to do so as "public convenience, interest or necessity requires" (as cited in Davis, 1929; Kahn, 1984). This standard of public interest, convenience or necessity is a construct whose exact

definition is vehemently debated to this day, and will be discussed later in this paper. At the time of the signing of the Act, 732 broadcast stations were in operation. The new regulations caused some 150 to surrender their licenses (Ginsburg, 1979).

As the United States entered the decade of the 1930's, a new era of regulation was about to begin. According to Tunstall (1986):

> Regulation has also tended to ebb and flow, giving each decade its particular regulatory character. The 1930's, for instance, saw the setting up of regulatory agencies which reflected such New Deal concerns as stabilizing prices. The FCC, established in 1934, and other agencies of this era were given significant independence and rather vague terms of reference. (22)

The Federal Communications Commission (FCC) was created by The Communications Act of 1934 and was the product of an interdepartmental committee appointed by President Franklin D. Roosevelt to study electronic communication. The purpose of the Act was to regulate all "interstate and foreign communication by wire and radio" (Ginsburg, 1979, p. 11) and, just as the Radio Act of 1927 which it replaced, it was to provide for the "administrative allocation of the spectrum and licensure of would-be broadcast users" (Ginsburg, 1979, p. 36). Further, the FCC was to ensure that licensees strictly adhered to rules and regulations under threat of revocation or imposition of forfeiture

of up to $20,000 (LeDuc, 1987).

LeDuc addresses the breadth of these regulations:

> The FCC compelled each applicant seeking a broadcast license to establish not only its technical, legal, and financial qualifications to operate a station in the public interest, but also its commitment, as evidenced by its programming proposal, to serve specific local-audience needs that its community surveys had isolated and defined. (5)

LeDuc's analysis clearly shows how the 1934 Act embodied the standard of public "interest, convenience and necessity" first outlined in the Radio Act of 1927.

In real terms, the Acts of 1927 and 1934 were nearly the same, with terminology and minor administrative details the only changes of significance (especially Sections 316 and 325 covering the prohibition of lotteries and those who maintained studios for the development of programming to foreign stations which could be heard in the United States). While there were subsequent amendments to the Communications Act of 1934, it remained reasonably intact for nearly fifty years (Coase, 1959, and LeDuc, 1987).

Tunstall (1986) states that deregulation began in communications earlier than in the other industries:

> It really began with the 1968 Supreme Court 'Carterfone' decision which permitted non-AT&T telephones and customer equipment to be connected to the AT&T system. And in 1969 MCI won its original FCC permission to hook into the AT&T

system. But despite these 1968-69 competitive beginnings, communications deregulation took well over a decade to arrive even partially. (24)

Deregulation of the radio broadcast industry began in earnest during the Carter administration. The Communications Subcommittee chaired by California House Democrat Lionel Van Deerlin, shortly after Carter was inaugurated, set out to, as Tunstall (1986) describes it, "comprehensively rewrite the charter Communications Act of 1934" (29). Further, after years of resisting deregulatory efforts, the FCC began "wholeheartedly pursuing deregulation" (Tunstall, 1986, p. 29).

In 1979, the FCC, then chaired by Commissioner Charles Ferris, issued "In the Matter of Deregulation of Radio, Notice of Inquiry and Proposed Rulemaking" (1979):

> We are today initiating a proceeding looking toward the substantial deregulation of commercial broadcast radio. The Commission is proposing rule and policy changes that would remove current requirements in nontechnical areas including nonentertainment programming, ascertainment, and commercialization. This represents a clear departure from our present involvement in such matters and we therefore solicit comments on the proposed changes. (457)

Less than eighteen months later, the FCC, still under the chairmanship of Charles Ferris, adopted and released "In the Matter of Deregulation of Radio, Report and Order (Proceeding

Terminated)" (1981), which opened:

> Today, having received and analyzed the numerous comments, and having held panel discussions at which the questions raised by this proceeding were energetically debated, we are prepared to resolve the issues. We believe that our resolution of those issues assures that service in the public interest will continue without unnecessarily burdensome regulations of uniform applicability that fail to take into account local conditions, tastes or desires. (968-69)

In the "Report and Order", the FCC took action in four principal subject areas: nonentertainment programming guidelines; ascertainments; commercial guidelines; and program logs. What this meant was that broadcasters now only had a general obligation to offer programming responsive to public issues and could focus upon those issues of concern to their individual audiences rather than to the community as a whole. Further, formal ascertainment guidelines were eliminated, and broadcasters could use any reasonable means they wished to determine issues facing their audiences. Commercial guidelines were eliminated. No longer was there an eighteen-minute-per-hour maximum on the total number of commercial minutes; this was now to be determined by the marketplace. Finally, programming logging requirements were eliminated. Stations now were required to keep only an annual listing of five to ten issues (and examples of programs they aired to respond to those issues) covered by the licensee in

their public file (971).

After 50 years of regulation predicated on the general standard of public "interest, convenience or necessity," a new era had dawned. Like much of the previously heavily regulated American industrial environment, radio broadcasting had entered the age of deregulation, or at least, reregulation.

Competing Models

The literature concerning the deregulation of the broadcast industry is best characterized by the construct of two competing models or paradigms. The first is the public trusteeship model as conceived by the previously discussed Radio Act of 1927 and, ultimately, the Communications Act of 1934. The second is the marketplace model, embodied by the "Report and Order" in 1981, and upon which the current notion of deregulation was built.

To best analyze these competing paradigms it would be beneficial to break them down to those elements most contradictory. Bonder (1984) articulates two competing notions which will serve this review of literature most effectively:

> Allocation through the licensing process and content regulation seems to have emerged from this analysis as two distinct spheres of broadcast regulation. As such they are more often than not thought of as separate, independent variables within the broadcasting regulatory framework, with regulatory determinations as to one having but marginal implications for appropriate regulatory determinations as to the other. (27-28)

It is the intent of the following to detail the arguments by each school of thought in relation to these "two distinct spheres of broadcast regulation," and to assess whether they can truly be considered independently.

In what became a judicial review of the regulatory authority of the FCC, the National Broadcasting Company v. the United States (1943), Justice Frankfurter stated:

> The facilities of radio are not large enough to accommodate all who wish to use them. Methods must be devised for choosing from among the many who apply. And since Congress itself could not do this, it committed the task to the Commission! The Commission was, however, not left at large in performing this duty. The touchstone provided by Congress was the "public interest, convenience or necessity" (as cited in Coase, 1959, p. 13).

The 1943 Supreme Court decision in N.B.C. v. the United States gave broad approval to "the licensing scheme, with its inquiries into program service" (Fowler and Brenner, 1982, p. 214). This decision complemented and further articulated a decision rendered by the Supreme Court three years earlier in FCC v. Pottsville Broadcasting Company (1940), in which the Court described the "public convenience, interest or necessity" standard as a "supple instrument for the exercise of discretion by the expert body which Congress has charged to carry out its legislative policy" (as cited in Fowler and Brenner, 1982, p. 214).

Congress, the Federal Communications Commission and the Supreme Court agreed on each of two notions: there was a need for selecting licensees due to the finite nature of the radio spectrum, and the "touchstone" was to be the public "interest,

convenience or necessity." Again quoting Justice Frankfurter:

> The facilities of radio are limited and therefore precious; they cannot be left to wasteful use without detriment to the public interest...Since the very inception of federal regulation of radio, comparative considerations as to the services to be rendered have governed the application of the standard of "public interest, convenience or necessity." (as cited in Coase, 1959, p.13)

Proponents of the marketplace model, however, attack the spectrum scarcity justification of the public trusteeship model on two fronts. First, they argue that all goods in a free market society are scarce, be it labor, raw materials or capital (e.g. Coase, 1959, and Fowler and Brenner, 1982). Fowler and Brenner (1982) elaborate:

> In most sectors of the economy, the interplay of supply and demand regulates the distribution of goods. If a good becomes especially scarce, its price is bid up. Ideally the highest bidder will make the best use of the resource. (221)

The second argument against spectrum scarcity deals with the rapid development of new and increasingly efficient technologies in communications. With the increased public and private utilization of such information sources as cable television and satellite communications, the marketplace of ideas and the public's choices of where to seek out information and entertainment have

actually changed the nature of the concept of scarcity in the broadcast spectrum. Fowler and Brenner (1982) argue that scarcity is a relative concept:

> Additional channels can be added without increasing the portion reserved for broadcast, by decreasing the bandwidth of each channel. Technology is an independent variable that makes scarcity a relative concept. (222)

Advocates of the public trusteeship model argue that this new attitude toward scarcity "collides with the technical, legal, and political grounds for maintaining previous FCC policy because it is designed to protect the public interest in the use of public property" (Smythe, 1982, p. 198). The notion of the airwaves being owned by the public, and the public having the proper and legal right to expect those airwaves to be utilized by licensees dedicated to serving the "public convenience, interest or necessity," lies at the heart of the public trusteeship model. Secretary of Commerce Herbert Hoover (Secretary during the initial Radio Act of 1912) opened the fourth radio conference in 1925 with these thoughts:

> The decision that the public, through the government, must retain the ownership of the channels through the air with just as zealous a care for open competition as we retain public ownership of our navigation channels has given freedom and development in service that would have otherwise been lost in public monopolies. (as cited in Smythe, 1982, p.

198)

Content regulation is certainly the more emotional of the two competing notions in the debate over deregulation. Mark Fowler (1982) stated in an address before a 1981 meeting of the International Radio and Television Society that the most compelling reason to do away with the trusteeship model comes from the First Amendment to the Constitution:

> As an agency of Congress the Federal Communications Commission too often has violated the spirit if not the letter of this important part of our Constitution. Each time we at the Commission insinuate our judgment into the editorial decisions of broadcasters, each time we try to tally how fair a documentary has been, each time we review a renewal application for this percentage of news or that percentage of public affairs, each time we clock the number of advertising minutes a station carries, we trample upon the freedom that broadcasting is guaranteed by the First Amendment. (54)

Coase (1959) states that the role of the FCC is comparable to the following hypothetical: "The situation in the American broadcasting industry is not essentially different in character from that which would be found if a commission appointed by the federal government had the task of selecting those who were to be allowed to publish newspapers and periodicals in each city, town and village of the United States" (7). He further cites Robert Hutchins, chairman of the Commission on Freedom of the

Press, who used the term "press" to include "all means of communicating to the public news and opinions, emotions and beliefs, whether by newspapers, magazines, or books, by radio broadcasts, by television, or by films" (as cited in Coase, 1959, p. 7). Coase also cites a seemingly contradictory view by the Court in United States v. Paramount Pictures, Inc. (1948):

> We have no doubt that moving pictures, like newspapers and radio, are included in the press whose freedom is guaranteed by the First Amendment. (8)

In addition to the First Amendment question, and in response to public trusteeship advocates who question what content the public should expect from a free marketplace model, market advocates argue that the open marketplace of ideas is critical to an informed populous. Geller (1987) argues:

> The electronic mass media can make a crucial contribution to informing the electorate on issues of public concern. To achieve that goal, to enhance the marketplace of ideas, we rely on widespread competition...The underlying assumption of the First Amendment is that American people will receive as much information as possible from diverse and antagonistic sources. (ix)

Advocates of the public trusteeship model are just as passionate in their argumentation. There are two critical elements to which the public trusteeship proponents point. The first is that if left strictly to the marketplace, programming of public

interest in such forms as news and public affairs will all but vanish. In an article published between the "Notice of Inquiry and Proposed Rulemaking" and the "Report and Order," Campbell (1980) questions the FCC's authority to deregulate. She states the F.C.C. has "latitude to determine policy so long as it complies with the mandate of the Communications Act" (243). Campbell states that deregulation (then proposed) violated the public interest standard of the Communications Act of 1934 in that there would be a reduction in public affairs programming, news, service to minorities, editorialization and a diversity in entertainment formats. Smythe (1982) concurs:

> If this FCC Decision survives future challenges (from the courts and the public), it appears that the public which owns the radio frequencies will be deprived of protection of its rights to receive radio service necessary for its educational, social, cultural, and political welfare - rights won in struggles in the Congress, the regulatory agency, and the courts over more than half a century. (200)

The second front of this battle over content regulation is more sociopolitical in nature. Those who favor the public trusteeship model over that of the marketplace are concerned with putting the power of the communications industry in the hands of the powerful, affluent few. Ingber (1984) suggests that the marketplace of ideas model is as flawed as the laissez-faire economic model:

> Due to developed legal doctrine and the inevitable effects of socialization processes, mass communication technology, and unequal allocations of resources, ideas that support the entrenched power structure or ideology are most likely to gain acceptance within our current market. Conversely those ideas that threaten such structures or ideologies are largely ignored in the marketplace. (17)

While the differences mentioned between the competing models are quite distinct, it should be noted that there is one convergence of thought. While not overtly presented as a consensus, the manifestation of this middle ground is a recommendation by the marketplace model to examine the arena of public broadcasting to serve as a hedge against the possibility of insufficient public interest programming. Geller (1987) offers the following scenario:

> The marketplace can and does achieve much, but there can be serious deficiencies that governmental policy must recognize and take into account...if there is a market deficiency (such as children's programming which informs and educates) (clarification added), as is true today, the government should adequately support public television in order to make such programming available. (ix)

Fowler and Brenner (1982) recommend the maintenance of public radio and television through a spectrum fee:

> A bolstered public broadcast system operating within a marketplace approach would inject a "best use" strategy

for most frequencies while still accommodating the nonmarket considerations that gave rise to the reservation of spectrum initially. Commercial broadcasters would be absolutely free to pursue commercial objectives without the lingering trusteeship obligations. At the same time noncommercial broadcasters would have a clear mandate to provide services as alternatives to, not duplicates of, the programming available over commercial channels. (255)

Survey of Empirical Research

The most outstanding characteristic of a review of pertinent empirical research in the area of deregulation is how conspicuous the absence of such research seems to be. Even as the Commission instituted the 1981 "Report and Order", it recognized the need for a monitoring of deregulation, and in Sec. 109 outlines the FCC's responsibilities:

> The steps we are taking here in no way will reduce our responsibility, ability, and determination to provide a regulatory framework that assures radio broadcast programming in the public interest. We shall continue to be concerned that broadcasters be responsive to the public. (1011)

The Commission also noted the importance of the citizenry to help monitor the progress of deregulation:

> We continue to encourage citizens to meet with their local broadcasters to discuss their concerns, but if they do not receive satisfaction, they should take the complaint or petition to deny routes. (1011)

Given all the above, the Commission wrote, "These long standing channels will allow the Commission to continue to monitor the performance of licensees, and indeed will better indicate the responsiveness of licensees than do fixed guidelines" (1011).

Those who favor the public trusteeship model often criticize deregulation in that with the elimination of such monitoring

devices as the programming logs, the ability of the citizenry to watch its channels of communication is severely impaired (e.g. Campbell, 1980). Hagelin and Wimmer noted the increasing need to monitor deregulation in their 1986 article, "Broadcast Deregulation and the Administrative Responsibility to Monitor Policy Change: An Empirical Study of the Elimination of Logging Requirements." In doing their background research, the authors found, based upon a letter they received from James C. McKinney, Chief, Mass Media Bureau, that "in the five years since the implementation of deregulation the Commission has not empirically studied the impact of radio deregulation, even though Congress has explicitly urged it to do so" (206).

Hagelin and Wimmer, in the first and one of the few empirical studies on the effects of deregulation, tested two hypotheses:

> First, whether public participation in the Commission's processes, as measured by the number of petitions to deny filed, has decreased since the April 3, 1981, effective date of radio deregulation; and second, if public participation has decreased, whether the elimination of the program logging requirement by the radio deregulation rules has been a causal element in the decline in public participation. (246)

To test the first hypothesis the authors searched every petition to deny filed in the four years before, and the four years after the effective date of radio deregulation. The petitions were analyzed by date, ethnic diversity of the market and market size.

To investigate the second hypothesis, the researchers gathered data from the FCC on complaints filed against stations, as well as interviewing citizen groups who regularly participated in proceedings before the Commission. The authors determined that since complaints are not held up to the same rigors as petitions to deny in terms of factual evaluation of programming, they would serve as an accurate measurement of the public's satisfaction with the deregulated state of their markets; a measurement not affected by the elimination of program logs as petitions to deny are. The authors' contention therefore, was that if complaints had increased after deregulation, yet petitions to deny had decreased, or stayed the same, "then the elimination of the logging requirement quite probably has contributed to a decrease in the Commission's processes ("processes" in this case being petitions to deny) (clarification added)" (247-248).

Hagelin and Wimmer found that the number of petitions to deny had decreased slightly since deregulation. Further, even though the decrease in petitions to deny had decreased only slightly, "the decline is striking when compared to the number of citizens' complaints filed with the Commission during approximately the same time period" (256). The research showed an increase in complaints concerning racial, ethnic and religious stereotypes, inadequate programming for minority groups, as well as complaints regarding programming in general and programming of specific stations. Based on these findings, the authors state

that if petitions to deny are not hindered (by such actions as the elimination of logging requirements), "petitions and complaints would follow similar patterns. Because they do not, Hagelin and Wimmer posit:

> The increase in the total volume of complaints coupled with a decrease in the volume of petitions to deny since deregulation implies that the public is not satisfied with the market, but is unable to express its dissatifaction through filing petitions to deny because of increased difficulties in the post-deregulation petitioning process. One post-deregulation change in the petitioning process is the elimination of the program logging requirement. (256)

In his unpublished thesis, Radio Deregulation and the Public Interest in the Omaha Market, Hancock (1988) examined the compliance of radio station licensees in the Omaha, Nebraska market to the Commission's requirements as to the state of the public file. Hancock defined compliance as "the presence in the public file of the required quarterly issues/programs lists along with the methodology used to determine which issues affected the community of license" (41).

Hancock found a range of compliance among 14 stations he studied in the market, from total compliance to non-compliance. The author categorized his findings into three "levels": "Level one" or total compliance, where stations provided an issues/programs list and the methodology on how the list was determined; "level

two," in which the stations "provided the required information but did not label it" (46), meaning that compliance had to be deduced; and finally, non-compliance, stations which "made no documented effort to comply with the public file requirements" (46).

Hancock concluded that while the level of compliance was mixed, the public files actually provided little help in determining whether broadcasters were operating in the public interest (63-64). Further, he suggested that the public file should have a broader purpose:

> A public file serves the public interest only if it encourages programming that informs the listeners of issues and problems that affect their community...The findings of the study revealed little about licensee efforts to broadcast in the public interest and less about the market the licensees were in. (68)

Hemenway (1986) discussed whether the amount of "non-entertainment" programming had changed since deregulation in his 1986 dissertation, Philadelphia Commercial Radio Before and After Deregulation: A Time-Series Case Study of Non-Entertainment Programming in the Nation's Fourth Market.

Hemenway utilized the Campbell and Stanley time-series design to conduct an a posteriori examination of programming on 23 Philadelphia radio stations before and after deregulation.1 To obtain pre-deregulation data, Hemenway relied on FCC station

license renewal applications. Due to the license renewal pattern of three years between applications, which was the procedure until deregulation, he collected data spanning twelve years (or four application periods). Post-deregulation data was gathered during a Spring 1985 market survey of the same stations whose pre-deregulation programming was reviewed.

An analysis was then conducted based on comparisons of pre-deregulation programming percentages provided by license renewal applications, to percentages calculated from the 1985 market survey. Because the author defined "non-entertainment programming" as "all programs classified by individual radio stations broadcasting those programs as either news, public affairs or 'other non-entertainment programs'" (130-131), the percentage breakdowns followed those three categories.

> In the final analysis of his research, Hemenway found: Scheduled commerical radio non-entertainment programming in the Philadelphia market has changed in the wake of deregulation. Much of this change appears to have directly resulted from the freedom provided by deregulation's passage. (396)

The total amount of news and public service announcements in the market was found to have dropped significantly between 1981 and 1985. However, the trend appears, according to Hemenway, to be significantly driven by station "formats." For example, the research indicates FM music stations are programming

significantly lower levels of non-entertainment programming now than before deregulation (the average total non-entertainment programming level in 1985 was 17 percent below the FCC's previously established level for FM stations). At the same time, it was found that AM stations showed an increase in levels of public affairs programming, a trend Hemenway posits began in the 1970's as AM stations began seeing a deterioration of their audiences to typically music-driven FM stations.

The research points to the possiblity of a causal relationship between deregulation of radio broadcasting and the level of non-entertainment programming. However, one matter can be said to be apparent: the public has no evidence of whether or not its interests are being served by the radio broadcasters today. Hemenway, in his concluding remarks, suggests that this indifference may, at least in part, have to do with attitudes toward the medium itself:

> The dearth of radio research seems to have been lost on most of the scholarly community, who have turned their attention to the latest broadcast novelties--cable television, satellite transmission, and the like. It is not that radio has only recently fallen from favor, nor that this disfavor has been limited to those within the academic community. One media critic has lamented, "The networks, national advertisers and, presumably, the public has eloped with a brazen but seductive hussy called television, and radio

suddenly became an abandoned orphan." Radio, in general, as a thoroughly integrated yet overlooked institution in contemporary American life, merits much more of our attention. Non-entertainment programming in particular demands the attention of all within the radio industry responsible for managing the use of a trusted public resource. (405)

Statement of Purpose

In view of the concern expressed about deregulation of the radio and television industries before and after it became reality, it was interesting to learn that so little research has been done to monitor broadcasters' usage of the electronic media.

As shown by the literature review, the Federal Communications Commission, even when prodded to do so by the Congress of the United States, has, for unexplained reasons, chosen not to take on this task. Further, the citizenry (including communications researchers), called upon for support in this endeavor in the "Report and Order", has also chosen, for the most part, to do the same.

If, in fact, there were negative aspects to the deregulation of the radio broadcasting industry, and if the public were not being served, the Commission has said in its "Report and Order" that it would remedy the situation. As previously stated, one of the areas in which deregulation has made sweeping changes is the elimination of commercial guidelines. To date, no research has been reported in this area. This is especially significant in that the Commission intended citizen complaints to provide the basis for monitoring policy:

> The Commission in general will not be concerned with isolated incidents of stations with high levels of commercialization. If, however, there tends to be a pattern of serious abuse

among certain classes of stations, the Commission could revisit the area through an inquiry or rulemaking proceeding. (1011)

To this end, this paper will empirically address the following research question: Has deregulation precipitated an increase in the amount of advertising aired by radio stations?

Methodology

In order to determine the current levels of advertising aired by commercial radio stations, it is necessary to obtain representative data directly. No public records exist. The Federal Communications Commission has no empirical data and radio station executives are not obligated to provide documentation.

The standard for maximum commercial material aired within any one hour of radio programming prior to deregulation was 18 minutes. In defending the call for the elimination of commercial guidelines, the Commission, as well as the marketplace model advocates, stated that broadcasters were actually airing far less than the maximum prior to deregulation. Included in the documentation of the 1979 "Notice and Inquiry" was a sample of stations in large, medium and small markets taken from the composite week programming logs provided by stations in compliance with license renewal procedures; this documentation indicated that the average number of commercial seconds per broadcast hour was below the 18 minute standard. Three of the tables from this study are included in the Appendix of this paper.

In contructing the experimental design of this research, it was useful to recall the Commission's plea in the 1981 "Report and Order," calling for public assistance in the monitoring of the airwaves to insure that broadcasters were not taking unfair advantage of the removal of maximum limits on commercialization:

> Citizens' complaints will also provide the basis for monitoring commercialization policy. Although there will be some additional burden placed on citizens to undertake such monitoring, in fact highest levels of commercialization tend to occur during predictably peak hours and therefore the burden is not overwhelming. (1011)

The heaviest concentration of commercial seconds per hour occurs, logically, during those hours when radio stations have the largest available audience. Traditionally, and supported by the data shown in the Appendix, morning drive time (6 a.m. to 10 a.m.) has the largest available audience and the highest percentage of commercials. Morning drive hours are then followed by afternoon drive (3 p.m. to 7 p.m.). Further, the days of the week which tend to carry the highest commercial loads are Wednesday through Friday, probably due to high advertiser demand. It follows, then, that if overcommercialization was to be found, the hours of 6 a.m. to 10 a.m. and 3 p.m. to 7 p.m., Wednesday through Friday should be monitored.

Market size was another variable considered. In the "Comments" section of the "Report and Order," the question of whether overcommercialization occurred more often in small markets, due to the fewer number of stations which typically exist in those markets, was raised (1103-1104). While the FCC statistics (as well as statistics gathered by the National Association of Broadcasters) tend to indicate that "in neither the small nor

the large markets do the stations even come close to the 18 minute per hour (1080 second) guideline," commentators were not all in agreement (1103-1104). Given the marketplace model, however, where competition in a market tends to keep broacasters from taking advantage of the elimination of commercial guidelines, it did seem reasonable that the size of the market, and the number of stations therein, should be considered in the experimental design.

Ratings (as measured by independent research companies) are critical to the success of broadcasters operating stations in markets where research is conducted. The Arbitron Ratings Company (a division of Control Data Corporation) is the largest and most widely used of all ratings services in radio. Advertisers use the information gathered and compiled by Arbitron to determine the cost-effectiveness of a schedule of commercial announcements on a given station in a given market. It seemed logical, then, that if overcommercialization is an effect of deregulation, those stations with high audience levels, as reflected by rating service sources like Arbitron, should be considered in the design of research investigating overcommercialization.

A station which offers its market and its potential advertisers the only means to reach a specialized audience may also be highly sought after by the advertising community, regardless of the size of its audience (i.e. ratings). For example, if a licensee has the only country music station in a market, that licensee

may well be in an excellent postiiton to run as many commercials as can be sold because, regardless of the ratings, if an advertiser felt that a country audience was desirable, there would be only one place to reach that audience. Therefore, those stations which are format-exclusive to a market, even if their ratings are low, should be considered in research investigating overcommercialization.

The final independent variable which must be included in the design is the difference between AM and FM radio stations. One of the chief counterprogramming strategies employed by FM stations as they began competing with their AM competitors came in the form of strict limitations on commercial time availabilities. From their inception, FM stations have aired fewer commercial announcements than AM stations. The 1981 "Report and Order" found:

> The data for FM stations show an increasing trend of advertising time over the 1967-76 period. The level was still lower than for AM stations, however, and no instance was reported of an FM station exceeding the 18 minute guideline. (1103)

In summary then, the independent variables considered in determining those stations to be surveyed in this research were: the times of the day and days of the week (per the Commission's report that there exist "predictably peak hours" where the "highest levels of commercialization tend to occur"); the size of the

market, in that smaller markets tend to have fewer stations, and therefore tend to have reduced competition; a station's audience size, as determined by Arbitron in those markets where rating research is conducted; a station's format, in that if a station is format-exclusive to a market, it would be surveyed even if that station fell below the aforementioned threshhold for ratings dominance; and finally, whether a station is AM or FM.

Five stations in the medium-sized market of Omaha, Nebraska, were selected by the following criteria: The two highest rated FM stations, as determined by a one-year average of Arbitron Ratings Service surveys (a total of four surveys), and the two highest rated AM stations were selected for monitoring. Further, because there existed only one news-talk radio station in Omaha at the time of this study, this station was monitored even though its ratings were below the established criteria. Each of the stations was tape recorded during the following periods:

July 15 to August 31, 1989

September 1 to October 15, 1989

November 24 to December 25, 1989

Each of the selected stations was taped sometime between the hours of 6 a.m. and 10 a.m., and 3 p.m. and 7 p.m., Wednesdays through Fridays. Each station was monitored a total of 15 hours during the course of the research, or a total of 75 hours for the Omaha market.

The same research was conducted in representative small

markets in Nebraska. Utilizing the same selection criteria and during the same time periods and times of the year, stations in the following markets were monitored:

Lexington, Nebraska

Lincoln, Nebraska

Plattsmouth, Nebraska

Nebraska City, Nebraska

Once the data were gathered, the total number of seconds per hour were tabulated by: station; format; whether the station was AM or FM; time of the day; day of the week; week of the year; market size; and market. Commercial material was considered to be any announcement ten seconds or longer, and having a clearly identified sponsor. 2

Over 200 hours of radio content was tape recorded over the five months of data collection. From this, 195 usable hours, representing 13 stations in five markets, were played back and the total commercial time as defined above was determined and tablulated. The integrity of the unit "hour" was determined by the top of the hour network newscast if the station utilized such, or a separate clock (synchronized to the NBC News Network) to insure consistency across all stations.

Omaha, Nebraska, is the largest city in the state with a population of 349,230 according to the 1989 Nebraska Statistical Handbook (26), and an Arbitron market rank of 70 (Arbitron, 1989, p. vii). Five of the 15 stations in Omaha were chosen for this

research: KFAB-AM, the leading AM station in the market and overall ratings leader employing an adult contemporary (AC) format, with a heavy news and sports commitment; WOW-AM, the number two AM in Omaha, and the only country music station (other than its co-owned FM, with which it participates in a partial simulcast); KQKQ-FM, the number one FM in Omaha, with the market's only contemporary hit radio (CHR) format; KEZO-FM, the number two FM in the market, and the only station with an album oriented rock (AOR) format; and finally KKAR-AM, Omaha's only news-talk station.

Lincoln, Nebraska, is the second largest city in the state, but has a population of only 183,050 (Nebraska Department of Economic Development, 1989, p. 25), and an Arbitron rank of 168 (Arbitron, 1989, p. vii). Lincoln has virtually the same number of stations as Omaha (12), conceivably creating a tremendously competitive environment. Again, using the same criteria, five stations were selected to be surveyed: KFOR-AM, the leading AM station, with an AC format and strong news and sports programming; KLIN-AM, Lincoln's number two AM (although ranked tenth in the market overall), and while identifying themselves as a news station on the air, music was monitored during several of the surveyed hours; KFRX-FM, the market's top rated station programming a CHR format; KFMQ-FM, the number two FM in Lincoln with an AOR format; and finally, KZKX-FM, having the exclusive country format in Lincoln.

Three stations were selected to represent the very small markets in the state: KRVN-AM, Lexington; KOTD-AM, Plattsmouth; and KNCY-AM, Nebraska City. Each of these markets is either a single station market, or one in which an FM station is co-owned and partially or fully simulcasts its AM programming. Further, each of these markets is under 7,000 in population (Nebraska Department of Economic Development, 1989, pp. 25-26), and none of them is surveyed by Arbitron. In terms of format, each of the stations tended to employ basically the same style of programming. Music, typically of mixture of country and AC, was kept to a minimum, and each had an emphasis on news (especially local), sports and information. Each of the stations was a major network affiliate, and all carried both network newscasts and network features.

Results

The results of the study show that in the 150 hours surveyed in the two largest markets, Omaha and Lincoln, the commercial seconds all fell under the established limit of 1080 seconds (18 minutes) prior to deregulation. Data from the Omaha market are shown in Table 1, while Table 2 reflects the data gathered in Lincoln.

The findings in the 45 hours monitored in the three smaller, non-competitve markets show that two of the three stations surveyed did exceed the 1080 second per hour pre-deregulation standard; one of those stations did so only once, the other three times (or 20 percent of the hours studied). Results for the Lexington, Nebraska City, and Plattsmouth, Nebraska, markets are shown in Table 3.

The literature bemoans the fact that deregulation did away with critical documentation the public was said to have relied upon to monitor radio station licensees. Through the process of data gathering in this study, the reliance upon documentation supplied by radio licensees to the FCC--as was the practice prior to deregulation--comes into question. It is possible that this reliance may have been an ineffective methodology. It certainly seems so when considering monitoring commercial material.

It was particularly interesting to observe the length of commercials in their individual units (in this case, the unit

of a single commercial message). Using a stopwatch which was calibrated to show one-hundredths of a second, few, if any, of the commercials came out to the "standard" lengths of 10, 30 or 60 seconds, and it is not reasonable to expect them to do so. However, when monitoring the length of a "live" commercial (one in which the announcer reads the copy live and often "ad libs"), the possibility of radio station personnel properly and accurately monitoring and reporting the actual length of commercials is highly suspect. It is worthwhile to note that in each case where a station exceeded the pre-deregulatory standard of 18 minutes per hour, the radio station aired several live commercials, some of which were, by design, intended to run longer than a typical 30- or 60-second commercial. These points are illustrated in the case of the Nebraska City station, which aired over 20 minutes of commercial material in one of the monitored hours. During this hour, a local real estate agent literally read off his listings for six and a half minutes. At one point during the course of this commercial, the agent indicated that this programming was scheduled for five minutes. During another hour, the station's commercial material came very close to the 1080 second previous standard, and included within that hour was a live commercial for an automobile dealership which ran over two minutes. It seems reasonable that these occurrences, should they have happened prior to deregulation, may have gone unnoticed if there was only the reliance only upon station documentation.

With the direct approach of gathering data advocated here, these limitations are eliminated, and the researcher has the comfort of maximum control.

The findings from the Lexington market reflect the highest average commercial seconds per hour of any of the radio stations monitored, and the station which exceeded the previous 18 minute standard most often. Interestingly enough, even given the extremely high commercialization of the station (over 24 minutes of commercials in one of the monitored hours), it is possible the high commercial load would have gone unnoticed in the days before deregulation (when it would have been open to sanction). During each of the hours the station exceeded 1080 seconds, a series of "auction" messages aired. The announcer would either read live copy about an auction in the area, or play a pre-recorded tape of information about an auction and play all of these auction messages back-to-back. One of these sessions went on for over nine minutes. 3 With all of the live copy involved, it would be difficult to prepare a commercial log which would accurately reflect the actual time involved to read all of this information.

In that the marketplace model is driven by free market competition, it seems important to note the fact that of the 13 radio stations in the five Nebraska markets that were surveyed, the two stations which were found to have crossed the pre-deregulation standard of 18 minutes per hour were in small markets which had only one station (or at most, a partially

simulcast, co-owned and operated FM station). This runs contrary to the findings of the FCC in the aforementioned studies taken from the composite logs which stations previously provided the Commission as part of the license renewal application process prior to deregulation.

The variable of a station's format is noteworthy in those markets in which the listener and advertiser have a choice. Consistent with the findings of the Commission, FM stations, regardless of their relative advantage in the ratings, continue to carry fewer commercial seconds than AM stations. Given the news and information emphasis most AM stations have, regardless of their music format (if the station airs any music at all), it should be noted that much of the information product is often generated by an outside source (e.g. a radio network). Therefore, the station is obligated to air those commercials the network carries. This is important in that news-talk stations tend to air more national commercials, for which they are compensated at relatively low dollars (and sometimes not at all), tending to force up their total commercial seconds. This is also mentioned because it would be fallacious to assume that, because one station is airing more commercials than another, that station is necessarily in a better financial position--even in the simple terms of revenue generation--than the other. Further, in the case of the two markets in Nebraska with news-talk formats present, those radio stations are format exclusive in their respective markets, and

each seems to be outperforming--in terms of numbers of commercials--other stations with better ratings. This is a potential aberration in the marketplace model which is, by definition, driven by competition.

Another interesting finding in the study was the extent to which stations in each of the markets approached the previous standard, yet stopped just shy of it. When consulting the Tables, bear in mind any finding over 900 seconds is within three minutes of the pre-deregulatory limit, and any finding over 1000 is less than one and one-half minutes from exceeding that limit. Although any limitation on the number of minutes of commercials stations are allowed to air per hour have been swept away, do licensees choose to adhere to this standard as a means of exhibiting good faith for such purposes as a level of comfort for license renewal? Do they perceive a threshhold of tolerance on the part of the listening audience? If the marketplace model is valid, ratings and competitive considerations are a simple answer, but what about those non-competitive situations such as the ones mentioned above?

Conclusion

This study gathered data directly by tape recording 195 actual broadcast hours of 15 Nebraska radio stations in five markets. Times of the day and days of the week were selected which were determined might logically be those "predictably peak hours" during which the highest commercialization would tend to occur as the FCC recommended in the 1981 "Report and Order." Of those 195 hours played back, recorded and tabulated, only four hours were found to have exceeded the pre-deregulation standard of 18 minutes per hour of commercials.

At first glance, it appears the industry is doing a reasonable job of holding down overcommercialization in these post-deregulatory times. There are, however, some indications that suggest the possibility of a contrary conclusion.

The obvious limitation of this research is that one is unable to generalize the state of the effects of deregulation on radio commercialization by surveying representative markets in only one state. There are some patterns which may be helpful to further study of the effects of deregulation in the radio industry. Of the three small and non-competitive markets studied during the course of this research, two exceeded at least once the old standard of 18 commercial minutes per hour. The one small market station that did not exceed the previous threshhold and, in fact, did not even come close, was a market which exists, at least

geographically, in the shadow of the state's largest market. Plattsmouth, Nebraska, is located approximately 25 miles south of the Omaha city limits, and most Omaha stations are easily picked up on AM and FM receivers. While the other two small markets receive distant signals, they are weaker signals and the locales are geographically much more remote than Plattsmouth. Therefore, it can be inferred by the results of this study that the possibility exists that radio stations in small, single-station markets may be in a good position to increase their commercial loads with little chance of interference by a regulatory body or a threat to its license. While larger markets are subject to the same regulatory conditions, the competitive environment in which they operate may draw more attention to excessive commercialization. Only further research can infer anything more.

Therefore, what can be gained by this study is an awareness of the lack of research on the effects of deregulation, and a strong recommendation for further work in this area. Also, a methodology has been proposed for monitoring not only the effects upon commercialization, but on any of the four main areas affected by deregulation: nonentertainment programming guidelines; ascertainments; program logs; and commercialization. This methodology eliminates researchers' dependence on a questionable source for accurate information: the very entity the researcher is attempting to monitor, the broadcaster himself. By not depending

on the source to provide information, the study's validity is raised by gathering the information firsthand.

Finally, radio is a tremendously pervasive medium. Its cost, ease of monitoring and unique program content make it a popular and often persuasive source of entertainment and information, especially with a younger audience. It therefore deserves the research community's attention.

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Footnotes

1 Hemenway's a posteriori examination of radio station programming before and after deregulation utilized the time-series design developed by Donald Campbell and Julian Stanley in 1963:

> The essence of the time-series design is the presence of a periodic measurement process on some group or individual and the introduction of an experimental change into this time series of measurements, the results of which are indicated by a discontinuity in the measurements recorded in the time series. It can be diagrammed thus:
>
> 0000X0000
>
> (as cited in Hemenway, 1986, p.114)

2 To ensure consistency across all stations monitored, public service announcements, station promotional messages of special programming or contests were not considered "commercials."

3 The station was contacted to ensure that the auction segments were paid commercial announcements rather than unpaid announcements offered for public service.

Table 1

1989 Radio Monitor Report-Omaha Market (FM Stations)

Station: KQKQ-FM			Station: KEZO-FM		
Format: CHR			Format: AOR		
Arbitron rank: #1 FM			Arbitron rank: #2 FM		
Week	Daypart	Seconds	Week	Daypart	Seconds
1	PMD	505	1	PMD	386
1	PMD	532	1	AMD	572
1	AMD	531	1	AMD	671
2	AMD	544	2	AMD	552
2	AMD	608	2	AMD	505
2	AMD	628	2	AMD	603
2	AMD	640	2	AMD	569
2	PMD	507	2	AMD	578
2	PMD	687	2	PMD	618
3	AMD	562	3	AMD	582
3	AMD	533	3	AMD	685
3	AMD	539	3	PMD	549
3	AMD	567	3	AMD	653
3	PMD	500	3	AMD	565
3	AMD	571	3	AMD	672
average: 564 sec.			average: 584 sec.		

AMD=Morning drive (6-10am) PMD=Afternoon drive (3-7pm)

AOR=album oriented rock CHR=contemporary hit radio

Week 1: Jul.-Aug. Week 2: Sept.-Oct. Week 3: Nov.-Dec.

Table 2

1989 Radio Monitor Report-Omaha Market (AM Stations)

Station: KFAB-AM			Station: WOW-AM			Station: KKAR-AM		
Format: AC			Format: Country			Format: News-Talk		
Arbitron rank: #1 AM			Arbitron rank: #2 AM			Arbitron rank: N/A*		
Week	Daypart	Seconds	Week	Daypart	Seconds	Week	Daypart	Seconds
1	AMD	428	1	AMD	770	1	AMD	834
1	AMD	568	1	AMD	612	1	AMD	863
1	PMD	509	1	PMD	931	1	PMD	830
1	PMD	510	1	PMD	726	1	PMD	832
1	AMD	583	2	PMD	784	1	AMD	500
1	AMD	588	2	PMD	588	1	AMD	597
2	AMD	900	2	PMD	708	2	AMD	589
2	PMD	641	2	AMD	828	2	PMD	668
2	AMD	843	2	AMD	745	2	PMD	843
2	AMD	613	3	PMD	837	2	PMD	738
2	AMD	659	3	PMD	634	2	AMD	580
3	PMD	674	3	AMD	635	3	AMD	1072
3	PMD	828	3	AMD	688	3	AMD	714
3	AMD	744	3	AMD	768	3	PMD	901
3	AMD	611	3	PMD	425	3	PMD	1077
average: 647 sec.			average: 732 sec.			average: 776 sec.		

AMD=Morning drive (6-10am) PMD=Afternoon drive (3-7pm)

AC=adult contemporary *N/A=Arbitron rank falls below #2

Week 1: Jul.-Aug. Week 2: Sept.-Oct. Week 3: Nov.-Dec.

Table 3

1989 Radio Monitor Report-Lincoln Market (FM Stations)

Station: KFRX-FM			Station: KFMQ-FM			Station: KZKX-FM		
Format: CHR			Format: AOR			Format: Country		
Arbitron rank: #1 FM			Arbitron rank: #2 FM			Arbitron rank: N/A*		
Week	Daypart	Seconds	Week	Daypart	Seconds	Week	Daypart	Seconds
1	AMD	559	1	AMD	307	1	AMD	438
1	AMD	646	1	AMD	492	1	AMD	418
1	PMD	444	1	PMD	710	1	PMD	412
1	PMD	501	1	PMD	215	1	PMD	400
1	AMD	590	1	AMD	517	1	AMD	440
1	AMD	625	1	AMD	510	1	AMD	446
2	PMD	541	2	AMD	590	2	AMD	422
2	AMD	657	2	AMD	421	2	AMD	565
2	AMD	525	2	PMD	401	2	AMD	638
2	PMD	500	2	AMD	557	2	AMD	476
3	AMD	599	2	PMD	596	2	PMD	580
3	AMD	600	3	AMD	678	2	PMD	507
3	PMD	480	3	AMD	662	3	AMD	786
3	AMD	596	3	AMD	626	3	AMD	514
3	AMD	601	3	PMD	867	3	AMD	449
average: 564 sec.			average: 543 sec.			average: 499 sec.		

AMD=Morning drive (6-10am) PMD=Afternoon drive (3-7pm)

AOR=album oriented rock CHR=contemporary hit radio

Week 1: Jul.-Aug. Week 2: Sept.-Oct. Week 3: Nov.-Dec.

Table 4

1989 Radio Monitor Report-Lincoln Market (AM Stations)

Station: KFOR-AM			Station: KLIN-AM		
Format: AC			Format: News		
Arbitron rank: #1 AM			Arbitron rank: #2 AM		
Week	Daypart	Seconds	Week	Daypart	Seconds
1	AMD	862	1	AMD	594
1	AMD	904	1	AMD	533
1	PMD	777	1	PMD	510
1	PMD	780	2	AMD	710
1	PMD	725	2	AMD	597
2	AMD	932	2	PMD	430
2	AMD	827	2	PMD	668
2	PMD	832	2	PMD	566
2	PMD	831	2	PMD	536
3	AMD	894	3	AMD	871
3	AMD	856	3	AMD	510
3	PMD	857	3	PMD	794
3	PMD	904	3	PMD	613
3	AMD	857	3	AMD	526
3	PMD	858	3	PMD	819
average: 846 sec.			average: 618 sec.		

AMD=Morning drive (6-10am) PMD=Afternoon drive (3-7pm)

AC=adult contemporary

Week 1: Jul. Aug. Week 2: Sept.-Oct. Week 3: Nov.-Dec.

Table 5

1989 Radio Monitor Report-Small Nebraska Markets (Non-Arbitron)

Station: KRVN-AM			Station: KNCY-AM			Station: KOTD-AM		
Market: Lexington			Market: Nebraska City			Market: Plattsmouth		
Format: AC			Format: AC			Format: AC		
Week	Daypart	Seconds	Week	Daypart	Seconds	Week	Daypart	Seconds
1	PMD	991	1	AMD	380	1	AMD	382
1	PMD	833	1	AMD	1211	1	AMD	271
1	AMD	1309	1	AMD	587	1	PMD	716
1	AMD	1018	1	AMD	278	1	PMD	102
1	AMD	1190	1	AMD	462	1	AMD	257
2	AMD	1457	1	AMD	290	1	AMD	285
2	AMD	1035	2	PMD	500	2	AMD	293
2	AMD	1052	2	AMD	1019	2	AMD	300
2	PMD	1052	2	AMD	577	2	AMD	302
2	PMD	940	2	AMD	296	2	PMD	196
2	PMD	1076	2	PMD	401	2	PMD	181
3	PMD	763	3	PMD	476	3	PMD	196
3	PMD	486	3	PMD	474	3	PMD	125
3	PMD	784	3	PMD	618	3	PMD	161
3	PMD	737	3	PMD	464	3	PMD	217
average: 981 sec.			average: 536 sec.			average: 240 sec.		

AMD=Morning drive (6-10am) PMD=Afternoon drive (3-7pm)

AC=adult contemporary 18 minutes=1080 seconds

Week 1: Jul.-Aug. Week 2: Sept.-Oct. Week 3: Nov.-Dec.

Appendix A

Table 14A: Average Number of Commercial Seconds per Broadcast Hour, Sample of Stations in Large, Medium, and Small Markets, Georgia and Alabama

Hour ending:	Mon.	Tues.	Wed.	Thur.	Fri.	Sat.	Sun.
1:00 am	70.9	95.5	36.8	137.3	135.4	17.5	64.2
2:00 am	3.0	105.0	43.3	140.7	101.6	32.3	67.5
3:00 am	0.0	121.4	17.5	94.3	89.1	34.6	52.5
4:00 am	0.0	89.5	27.5	87.7	78.2	26.6	67.5
5:00 am	9.0	72.5	39.2	126.6	95.5	13.8	59.2
6:00 am	72.8	169.7	175.3	238.2	167.5	53.4	77.8
7:00 am	431.3	532.2	531.3	525.0	555.0	186.2	107.1
8:00 am	529.9	600.5	675.1	726.6	735.0	251.7	143.2
9:00 am	476.1	519.8	566.8	656.3	681.6	279.4	158.9
10:00 am	394.8	454.6	458.3	622.6	544.2	285.5	168.7
11:00 am	356.5	346.2	387.9	538.4	465.5	277.2	179.4
12:00 n	428.6	361.7	447.7	518.6	519.0	289.3	80.5
1:00 pm	404.7	391.5	491.6	555.5	563.5	338.0	216.7
2:00 pm	343.7	364.9	445.3	570.2	513.0	296.1	252.8
3:00 pm	376.3	329.7	425.1	562.6	514.0	274.3	261.8
4:00 pm	395.9	408.7	489.4	607.0	633.3	254.1	252.7
5:00 pm	441.9	482.3	562.7	642.8	702.9	314.1	245.1
6:00 pm	410.3	461.0	545.7	644.7	650.7	189.8	248.4
7:00 pm	328.8	373.6	391.7	582.5	550.4	133.9	223.3
8:00 pm	229.5	267.9	344.4	537.1	412.0	133.3	145.3
9:00 pm	179.0	238.5	297.1	471.4	355.2	231.9	198.2
10:00 pm	168.6	290.8	254.0	324.5	340.0	128.6	149.9
11:00 pm	145.0	191.5	205.5	279.0	289.4	121.5	129.7
12:00 pm	58.1	84.1	145.7	207.0	226.0	60.3	87.7

Source: Composite Week Logs Provided by Stations with License Renewal Applications.

For each station, data were used for one day of the week.

The markets included in this sample are all the markets listed in Table 18.

Appendix B

Table 14B: Average Number of Commercial Seconds per Broadcast Hour. Sample of Stations in Large and Medium Sized Markets. Georgia and Alabama

Hour Ending	Mon.	Tues.	Wed.	Thurs.	Fri.	Sat.	Sun.
1:00 am	69.0	95.5	33.0	142.1	135.5	20.4	64.2
2:00 am	3.3	105.0	49.0	140.7	94.5	35.0	67.5
3:00 am	0.0	121.4	18.0	90.0	80.0	37.5	52.5
4:00 am	0.0	89.5	30.0	83.6	68.0	28.8	67.5
5:00 am	9.0	72.5	38.0	127.1	81.0	15.0	59.2
6:00 am	71.8	205.2	138.0	206.0	142.1	47.3	21.5
7:00 am	380.2	550.8	538.6	520.9	566.0	150.0	72.9
8:00 am	461.7	653.2	656.9	680.5	738.8	203.1	104.5
9:00 am	435.5	588.5	601.1	635.0	675.2	277.5	121.8
10:00 am	343.3	524.4	477.6	543.9	544.0	286.9	158.2
11:00 am	296.7	400.8	388.4	479.1	467.0	250.0	157.6
12:00 n	381.9	390.0	433.7	474.3	495.3	256.7	109.6
1:00 pm	301.9	436.8	458.2	476.8	506.0	342.8	229.8
2:00 pm	333.7	401.8	447.6	490.5	464.8	323.9	237.9
3:00 pm	331.4	367.5	422.9	479.8	495.0	277.5	249.8
4:00 pm	394.5	490.8	521.1	557.7	634.0	271.4	267.9
5:00 pm	411.2	540.5	548.7	581.8	698.9	331.1	265.6
6:00 pm	389.8	508.5	518.4	565.8	657.8	185.0	257.4
7:00 pm	369.4	413.5	404.7	580.8	619.5	157.3	232.3
8:00 pm	227.5	275.5	366.3	503.1	498.6	168.8	150.6
9:00 pm	195.6	275.0	301.3	464.7	392.5	158.1	153.1
10:00 pm	180.6	314.6	278.3	348.8	354.2	153.5	87.5
11:00 pm	123.8	206.2	221.8	278.8	323.3	124.6	81.6
12:00 pm	45.0	93.1	146.4	232.6	262.5	70.0	61.3

Source: Composite week logs provided by stations with License Renewal Applications.

For each station, data were used for one day of the week.

The markets included in this sample are the first 14 markets listed in Table 18.

Appendix C

Table 14C: Average Number of Commercial Seconds Per Broadcast Hour, Sample of Stations in Medium and Small Markets, Georgia and Alabama

Hour Ending	Mon.	Tues.	Wed.	Thurs.	Fri.	Sat.	Sun.
1:00 am	90.0	-	46.8	70.0	135.0	0.0	-
2:00 am	0.0	-	15.0	140.0	180.0	0.0	-
3:00 am	-	-	15.0	155.0	180.0	0.0	-
4:00 am	-	-	15.0	145.0	180.0	0.0	-
5:00 am	-	-	45.0	120.0	240.0	0.0	-
6:00 am	90.0	63.0	250.0	358.8	320.0	80.0	810.0
7:00 am	538.7	338.5	518.1	535.1	530.6	263.1	190.0
8:00 am	660.0	495.0	707.9	839.3	727.5	348.8	235.0
9:00 am	558.2	382.5	501.5	708.2	694.5	283.3	246.9
10:00 am	498.2	315.0	421.5	815.1	574.5	282.8	198.8
11:00 am	470.6	237.0	386.9	688.3	463.2	331.7	231.3
12:00 n	517.7	305.0	474.2	626.9	566.5	354.4	11.3
1:00 pm	601.0	301.0	555.0	747.8	678.5	328.3	185.6
2:00 pm	362.9	291.0	440.9	765.0	609.5	240.6	284.4
3:00 pm	462.0	254.0	429.2	727.4	552.0	267.8	287.2
4:00 pm	398.6	244.5	429.2	791.8	632.0	219.4	220.6
5:00 pm	500.5	366.0	589.2	819.9	710.8	280.0	201.7
6:00 pm	453.5	366.0	597.6	585.8	636.5	200.0	210.0
7:00 pm	191.0	285.0	368.2	690.0	412.2	88.3	208.1
8:00 pm	240.0	250.0	306.9	500.0	238.9	56.5	60.0
9:00 pm	462.5	170.7	287.0	507.5	270.0	391.7	920.0
10:00 pm	272.5	229.0	196.6	221.0	306.0	64.0	1080.0
11:00 pm	315.0	143.8	169.6	380.0	208.0	111.3	900.0
12:00 pm	162.5	55.0	144.2	61.7	80.0	28.8	510.0

Source: Composite Week Logs provided by stations with License Renewal Applications.

For each station, data were used for one day of the week.

-: means no programming broadcast in those hours.

The markets included in this sample are all the markets listed in Table 18 with the exception of the first 14 markets listed.