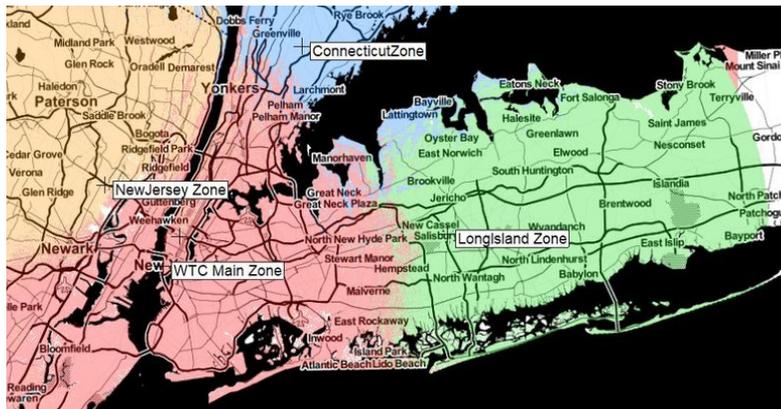


Local Radio Stations Should Be Permitted to Geo-Target

- **What is ZoneCasting™?** ZoneCasting is a technology developed by Chicago-based

GeoBroadcast Solutions for local radio stations to broadcast their ads, programming, news, emergency alerts and other content to either their full coverage area or for a limited part of each hour to smaller geo-targeted zones in its market. For example, a New York City radio station, which typically reaches the tri-state area along with all of Long Island, could provide critical weather updates solely to parts of New Jersey. The technology works by using single frequency network transmitters like those used by mobile phone carriers.

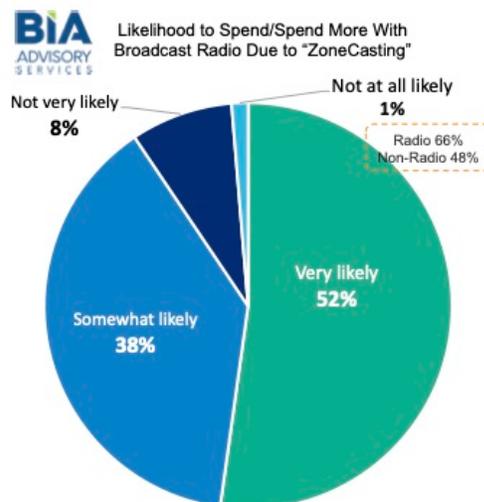


- **An FCC Rule Change is Needed to bring local radio parity with local TV and every other media** and allow geo-targeting over the air. The FCC is currently reviewing its rules, which prohibit only radio stations from having geo-targeted content. FCC is considering input from broadcasters, advertisers, public safety officials, and others who want their local radio stations to have this capability. The FCC comment period for this proposed rule change is open. See FCC RM-11854 at www.fcc.gov.

- **How much does ZoneCasting cost?** For broadcasters, it can be deployed without upfront capital expenses by use of a revenue split, with GeoBroadcast providing the infrastructure and each local station using it to sell localized advertising. Local radio groups have access to growth and scale: More inventory, a broader range of advertisers, more revenue, more listening.

- **Advertisers benefit** National brands may want to buy the whole market for its radio buy, but now will have the option to do copy splitting – running different creative in different zones. Regional and local businesses can reduce waste buying just the geo-zones where they do business at reduced rates compared to buying the whole market.

- **Local radio buyers are very interested in ZoneCasting and would spend more in radio to use this capability.** Over half of local businesses say they are “very likely” to spend more with radio stations that can ZoneCast. This rises to 66 percent for current radio advertisers and 48 percent of businesses that are non-radio advertisers would spend more on local radio.



- **Radio audiences benefit** Radio audiences benefit from more geographically relevant content. Edison Research reports that 72 percent of local radio listeners would, “listen more if the information and commercials were better targeted to their local area.”

ZoneCasting is 100% compatible with all existing radio receivers. The only technology that needs to change is on the local radio station side. Listeners will use their existing radios to receive the main station signal most of the time and for a limited period each hour will receive programming and other content targeted to their geo-zone.

- **Radio broadcaster benefit** ZoneCasting lets radio stations be more relevant with their programming, news, weather, emergency alerts and ads when they can target this content to relevant geozones. Stations will become more competitive with other zoned media like digital, cable, newspapers, outdoor and eventually local TV.

Stations may generate more revenue at a time when this is greatly needed. For example, a station that sells a 30 second spot for \$100 could sell three geozoned spots for \$50 each. Buyers get a discount for more relevant geography and less waste. Stations could earn \$50 for each of the geozone spots that run at the same time. That means for a 30 second break stations could make \$150 instead of \$100. This helps the long-term viability of local radio. A BIA Advisory Services study estimates a potential economic impact on the local radio industry of up to \$750 million in new sales for geozoned ads.

Where it Stands

- **March 2020** - GeoBroadcast petitions FCC for small change to rules to allow FM boosters to originate content.
 - **Broad support for the rule change**, includes NAB and thousands of broadcasters from all 50 States. Ad buyers, agency holding companies, public safety and emergency management experts, and minority broadcasters are all excited to see innovation in radio; and, want to have an option for over-the air geotargeting.
- Once the FCC rule is changed, local radio groups can begin ZoneCasting immediately. All existing radios are 100% compatible.
- Former FEMA Administrator Craig Fugate has written to the FCC Chairman in support of the rule change, stating, “...radio, remains the most reliable, stable form of communicating,” and adding that localized radio updates would serve the public good by communicating public safety information pertinent to specific portions of the airwave’s audience.
 - His endorsement was also noted by the presidents of the Florida and Oregon State Broadcasters Associations.

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