



Background On WRR And The Current RFP.

WRR is the second-oldest licensed radio station in the United States and is the first station licensed in the State of Texas. It has been owned by the City of Dallas since being licensed 100 years ago, in August 1921. WRR-FM has operated as a classical station since 1964 and is currently the fifth-most-listened-to classical station in the nation. Its weekly audience is between 250,000 and 300,000 distinct listeners, and the most recent Nielsen audience survey measured the weekly audience at 261,600 listeners.

The City's Office of Arts and Culture (OAC), which oversees WRR, has posted a request for proposal (RFP) soliciting bids from entities interested in entering into a local marketing agreement with the City. The winning bidder will assume most management, programming, and sales functions for the station and is required to be either a nonprofit corporation or a for-profit company that will operate as a nonprofit.

The Friends of WRR is deeply concerned that, should no one bid on the management of the station, or should the bidders be found to be unacceptable, the OAC will work to see that the station is sold.

The Friends of WRR is opposed to both the proposed change in management of the station and the sale of the station. The bid process has been hastily moved through City channels with no input from arts organizations or the community. Any organization seeking management is expected to put together a bid in a matter of 4 weeks. There is no reason for this haste. We recognize that respected Dallas institutions may be interested in bidding, and we appreciate and applaud their interest in helping the station, but we firmly believe that the RFP process has made it impossible for any entity, no matter how well meaning, to prepare a viable bid for long-term stewardship.

Whether the City abandons management or sells the station altogether, we fear the result would be a loss of over-the-air classical music for hundreds of thousands of loyal listeners and the loss of the most economical marketing voice for the dozens of arts groups in Dallas that rely on the station. Loss of WRR would be a tragedy for the community and the arts organizations of the area and would be a tremendous blow for the quality of life of the entire City.

The RFP Is Wrong For WRR And Needs To Be Stopped Immediately.

1. The reason the City has given for the proposed change in management—to increase net income—is not possible given the constraints of the RFP and the limited opportunities for significant revenue growth in the current media environment.
 - a. Under the RFP's rules, it appears the management company will still have to absorb City costs unrelated to broadcasting (underfunded pension mandates, high-cost City IT services, etc.), will still be limited in its ability to operate as a normal broadcaster when it comes to promotional programs, contests, etc. and will have to submit to onerous City legal reviews and restrictions.
 - b. Current management has been successful in growing both the audience and revenues of the station. Recent negative net income (for the period prior to the temporary advertising recession brought on by the pandemic) is primarily the result of the

unrelated City charges described above, not station operations. Again, this will not change if management of the station is outsourced.

- c. We are deeply concerned that the result of a rushed bid process is likely to be failed management, a lack of investment in station infrastructure, loss of quality staff and, ultimately, an underperforming and unsustainable station at the conclusion of the contract term.
2. This entire process has been undertaken without citizen comment or input. Other than a minor mention as an agenda item in a recent Quality of Life Committee meeting, for which there was no comment or discussion, no citizen or stakeholder has had an opportunity to question this decision.
3. It is the position of the Friends of WRR that outsourcing the management, programming, and sales of WRR will only harm the City of Dallas. There is no opportunity for significant additional revenue and every possibility of injury, and possibly fatal injury, to the station.

The Best Answer For WRR Is To Reclassify The Station As A Non-Enterprise Fund And Make WRR Its Own Department.

1. WRR brings classical music to hundreds of thousands of listeners a week. WRR provides the single most affordable and potent arts driver for arts organizations throughout North Texas. So why is WRR currently classified as a utility and an enterprise fund rather than as an arts asset?
2. In past years, WRR was its own City department. A radio station is not a good fit with OAC, which is focused on the management of venues, public art, etc.

As an FCC-licensed commercial broadcaster, WRR is not a natural fit with the mission and core competencies of other City departments. It can operate efficiently and as an effective voice for the arts as a standalone department.

3. Current WRR management has successfully grown the audience, hired and developed a team of highly qualified, well-respected broadcast professionals and, in terms of station operating income, run the station efficiently.
4. Not only does the station reach 261,600 listeners every week at an average annual “out-of-pocket” cost to the City of only \$20,000 over the past five years, it also efficiently reaches listeners equally throughout the City, without regard to where they live or their level of income. It has a broader reach than any other arts asset operated by the City. No other asset performs so well and equitably, and losing the station would damage arts and culture organizations across North Texas.