

## **100 (+/-) MONEY SAVING IDEAS FOR BROADCASTERS**

**Comment:** In 1986 for NAB's Convention I prepared a list of "money saving" ideas for broadcasters to be presented for a panel. After that meeting the list seemed to take on a "life of its own" into the early 2000s being presented at state broadcaster associations meetings and reported in a variety of publications for a number of years. This is an effort to provide discussion and up-dating of those ideas for today's 2020 COVID 19 business environment. Not everything will be applicable to your business circumstance. Some of it may be totally out of date. We/I hope some of it will provide you more to think about in operating your own business. The ideas come from many fine broadcasters from around the country, particularly in smaller markets. Many thanks to them. We hope you find a nugget that helps your business. In many cases this is just plain ole common sense in a somewhat organized/unorganized fashion. Please add to the list.

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### **COVID 19 (4/29/2020)**

- 1) Immediately (if you have not already) apply for the payroll protection plan. Go to the smallest bank you know and be prepared to switch your accounts. Larger banks seem to have greater bureaucracy in filing with SBA and have kept many smaller businesses from being able to qualify. Small banks seem to have greater and faster success in filing and getting SBA approval and funding..
- 2) Visit with each of your landlords and negotiate "partial or no rent" for a period of time. Offer advertising trade for the charity of their choice (even double) or for the landlord's business needs in the future.
- 3) File a Business Interruption Claim with your insurance company. Pandemics are usually excluded in your policy, but you still need to file. There may be other areas of your policy that will apply.
- 4) Speak with your utility providers. Many are providing abatement or special terms.
- 5) Visit with all suppliers. Request abatement or special terms to conserve your cash. Be prepared to cancel services, even if you think they are essential.
- 6) Review your part-time hours. Spread your full-time staff across those part-time hours to the best of your ability. If payroll cuts are appropriate for full time staff, try to make them uniform (a percentage) for all. If you offer benefits, re-iterate what those are to your full-time staff so they can take advantage if appropriate
- 7) For employee safety...clean, clean, clean. Work from home where possible. For Those who come to the offices/studio, take their temperature, have them sanitize their work area when they arrive and when they leave (double clean) just as their predecessor in that location should have. This is essential for safety and also a protection for the business should legal issues arise in the future.
- 8) Have a "going forward" planning session with staff (ZOOM or in person). Discuss all parts of your business. Include expense discussions.
- 9) Credit cards...if used by staff, put a new limit on spending requiring approval on All expenditures except fuel and reasonable office supplies

- 10) Collections...step up your collection efforts with all who owe. Reach out with empathy but also with expectation. Where people owe you, get payment terms in writing and be prepared to be flexible and have alternatives, but expect to be paid in some way by some time.
- 11) Be aware that “working from home” automatically brings some savings to the company and staff. There is less/no driving (fuel) for staff and station vehicles. There is less use of overnight shipping, postage and office supplies (though you may want to provide some supplies for those working from home).
- 12) ASCAP/BMI/SESAC and other percent of revenue costs should impact future revenue reports to these organizations from this COVID period. You may want to take that into account as you future plan.
- 13) If you have debt, speak to your banker about “interest only” for a period of time or “delayed payments” adding to the end of your indebtedness period.
- 14) Take advantages of spwcial offers by suppliers during this period. Their business has been impacted. It may be a time to replace analog phones with digital/VOIP and Fiber if you have not already. Replace lighting with LED. Many of these suppliers will trade and get a cash re-imbusement from the electric company. That may also be true for replazing with more efficient transmitters.
- 15) If you accept credit cards, now may be a good time to discuss your rates with your processor and get clients who pay with credit cards to consider ACH.
- 16) If you buy media print and you plan to continue, negotiate new long term rates Just as some clients are trying to do with you.
- 17) If your stations stream your over the air signal, evaluate if you are paying extra to Sound Exchange for out of area listening. Consider geo-fencing to your Coverage area. Negotiate your rates with your streaming provider insuring that You are getting all of their services (Pre-roll, geo-fencing, Sound Exchange reporting, reliability, low rates, data you can use for clients)
- 18) If you use a provider for web development, mobile Apps, Alexa type devices, etc. Review services and the future rates.
- 19) Please add to the list and share with others.

### **Software/Tools**

- 1) **Use Open Office instead of Microsoft** available at [www.openoffice.org](http://www.openoffice.org)
- 2) Use free antivirus programs ([AVAST](#) and [AVG](#)) for PCs and Laptops.  
(Note: #s 1 and 2 are Free for personal use only)
- 3) Count your printers. Eliminate most of them. Go to a document management System (copier/fax/scanner) and save significantly on cartridges and ink.
- 4) Keep spare computer power supply on hand for unexpected weekend outages.
- 5) Keep computer software, manuals, and licenses organized in one place.

- 6) Negotiate traffic and billing and music scheduling software. For single station or single market operations, consider “[Natural Log](#)” or “[Natural Music](#)”. Larger operations may need larger capability of better known providers ([Marketron](#), [Wide Orbit](#), [SMARTS](#), etc).
- 7) Substitute Tablet devices for personal and laptop computers. (Note: Apple Products have not easily accepted Adobe FLASH. Droid based products do).
- 8) Consider [G-mail](#) accounts for free e-mail and Google Documents for word processing, spreadsheets, presentations, forms and calendars, plus free phone calls with the domestic United States with Google Talk.
- 9) Use free open source audio recording software for recording digital.
- 10) Convert and store document files for software and equipment manuals as PDF Files.
- 11) Consider “Cloud” data storage for off premises back-up and document access multiple users.
- 12) Use [Expedia.com](#), [Travelocity.com](#), or [Hotels.com](#) for travel. Try to concentrate on one airline and one hotel partner whenever possible for best points/perks.
- 13) Automate the order and production process. (We use V-Creative [PPO](#) and our folks love it. Integrates with RAB and Marketron and Wide-Orbit and others).
- 14) If you are a Marketron subscriber, use “Network Connect” to help place network spots. There are lots of sources to download audio files for syndicated programming and placing files into automation systems.
- 15) Switch to electronic faxes or PDF Saves paper and supplies because you don’t print unwanted documents

## **Utilities**

- 1) Sign Bulk/Continuous User contracts with your electric utility for 24 hour stations/studios.
- 2) Have a 3<sup>rd</sup> party (such as NAB’s program with APPI) negotiate market rates. Works nicely in certain states such as Illinois.
- 3) Use three phase power whenever possible at transmitter sites.
- 4) Negotiate installation costs with electric utilities.
- 5) Have back-up generators at transmitter sites. Size depends on transmitter power.
- 6) Have timers on thermostats so as to reduce or increase temperature depending on season for unattended buildings.
- 7) Convert to energy saving light bulbs and have motion switches that turn lights on/off when personnel are present.
- 8) Turn off computers and other office machines at the end of the day.
- 9) Have heat/cool directly to studio so rest of building can be reduced/turned off during overnights and weekends. Keep staff comfortable but not whole facility.
- 10) Solar is working for some broadcasters and should be evaluated especially for lower power stations with studios/transmitters co-located.

## **Telephones and Alternatives**

- 1) Use internet connection for phone service wherever possible. (CAUTION: Keep one or more land-lines active for emergencies. These lines should not be on the phone system or require electricity to work).
- 2) For remotes/sports use cellular service through your laptop (Tie-Line, Air Card)
- 3) Evaluate every phone line in your facility every 6 months. Take out unused lines.
- 4) For churches or other regular remotes, insure that church/remote pays for the remote or ISDN line directly to phone supplier. Do not include it as part of the service. If remote is by "Marti Type" equipment, have advertiser/church own its own transmitter on your frequency. For internet audio, have the church buy equipment for its end.
- 5) For long distance, insure that personnel have individual codes for long distance. Know who is making long distance calls. Charge back where appropriate. Use free services of internet providers or cell services.
- 6) Check your phone bill regularly. Bills often include overcharges and even lines that no longer exist or for which lower rates may apply.
- 7) Look into special regional and one-way tariffs.
- 8) Cell services should be clustered for multiple phones under one service plan. Very helpful for programming staff. Renegotiate often as plans/rates change.
- 9) Be sure to include negotiated texting service with most plans. Eliminate pagers if still in service.
- 10) Reimburse existing sales staff \$10 to \$20 for use of personal cell phones.
- 11) Consider T-1 or Fiber service to your tower site with internet as a back-up program source to the transmitter. Excellent for transmitter site controls/translator audio feeds.
- 12) Use HD 2, 3, or 4 to feed a translator for added programming choices.

## **Programming:**

- 1) ASCAP/BMI/SESAC/GMR - New agreements with ASCAP and BMI are a "percent of revenue" model with significant savings for broadcasters vs. early 2000 rates that were fixed. The newest agreement with BMI has some increases Vs pre-2017 rates. RMLC is involved with this and has since made a favorable Agreement with SESAC. RMLC is in litigation with GMR about rates. GMR Has offered rates to all broadcasters. You need to know what "percent of revenue" you have been paying ASCAP and BMI these past several years. It will help you keep things in perspective. Then it will be helpful to know/do the following:
  - Make sure "trades" are recorded at actual value.
  - itemize program personnel and other program costs in detail
  - Keep accurate records of political income.
  - Put a realistic rate in SRDS (or withhold rate).
  - Be sure you are not paying "music rates" for a "talk station".
  - Consider a Talk format 24 hours. Reduces ASCAP/BMI/SESAC fees and eliminates possible RIAA Fees for Streaming.
  - Know the income differences between "over the air" and internet..

- 2) HD – Be sure you are licensed if considering HD broadcasting (HD 1, 2, 3, 4). Additional fees may be required to ASCAP, BMI, SESAC, and Ibiqity if providing this service.
- 3) RIAA/AFTRA - If you are streaming your “over the air signal”, be sure:
  - You have signed up with the copyright board to do so.
  - That you are reporting to and paying RIAA/Sound Exchange..
  - Your streaming provider should be able to provide you all of the reporting data for RIAA.
  - If yours is a small market, take advantage of the small market rate and reporting option offered by RIAA (still have to report).
  - geo-fence your streaming signal...cut off international
- 4) Contracts - Be sure you sign all programming contracts. All contracts should
  - Include statement “after one year either party may cancel this agreement with no further obligation to the other by giving the other 90 days written notice”.
  - Include statement “broadcaster may rebroadcast this program on a translator within its primary coverage area.”
  - Include statement “broadcaster may stream this program on the Internet and to all audio devices as part of its primary Analog and HD1 (or HD2 or 3 as appropriate) signal.
  - Include statement “this contract may be transferred by station to any FCC approved licensee of the station.”
  - Include statement “this contract renews under the same terms and conditions.”
  - If there is a likely rate increase, but sure to “cap it” with a statement of “not more than X percent per year” or a real dollar amount.
- 5) Each year renegotiate consultant contracts and rates.
- 6) Consider not renewing Program Research contracts.
- 7) Consider satellite or internet fed music sources for non-critical dayparts.
  - Deploy staff for “localism” activities.
- 8) Insure that when introducing a new format that you have considered all copyright issues related to Name, Slogan, and Logo. (Don’t just “do it”)
- 9) For long form syndicated morning shows, have the talent as well as provider sign the agreement. Syndicators often change but you are concerned about the talent. If the syndicator changes but the talent does not, your contract is valid.
- 10) If an AM Daytime station, use whatever post-sunset authority possible and seek and use an FM translator for 24 hour broadcast.
- 11) If you are in a rated market and your ratings have improved, renegotiate with program suppliers to reduce your “cash” or “trade” price.
- 12) Carry libel/slander insurance, especially for “talk” or controversial programs.
- 13) Look for non-copyrighted sources of data on the internet.
- 14) Use e-mailed images for program logs. Don’t print them.
- 15) Aggressively automate nights and weekends, college sports (In our case, we are manned 24 hours, but not everyone is). We think overnight is important to be manned for Emergency. If unmanned for certain hours, consider between 7PM to Midnight.

- 16) Prohibit overnight and early staff from printing show prep that contains pages and pages of unneeded content that are seldom used.

**Trade:**

Trade essential services or products for “re-sale/convert to cash”. Have a Plan.

- 1) Essential services that stations usually need and will pay cash for unless an effort is made to trade them include:
  - copy machines
  - office supplies
  - office furniture & equipment (computers, printers, scanners, etc)
  - office cleaning
  - printing
  - promotional and logo wear for staff/giveaway
  - signage on prominent buildings and business reader boards
  - vehicles
  - vehicle wrap/painting (consider as advertising cost)
  - vehicle cleaning, repair and maintenance
  - vehicle fuel
  - remote gear/sound systems/microphones
  - restaurant for staff and client service (needs strict control)
  - personnel services – full or part-time
  - other media services (TV, Outdoor, print, program services)
  - internet ISP
  - tower site cutting and maintenance
  - accounting/legal services
  - janitorial
  - streaming and web site services
  - lawn maintenance
  - look for a local “trade” exchange
- 2) Convert trades to cash and sell at ½ price or auction (Use RAB’s EZ Auction)
  - products and service
  - tickets (theater and sports)
  - coupons (restaurant, hotels, retail, etc)
  - vacations and travel and theme parks
- 3) Programming – Place a dollar value on each spot you are giving to know what the value you are placing on that programming. Same for Digital and Social Products. Negotiate accordingly. Consider personnel time involved for creating, downloading spots or placing digital/social, logging, affidavits, etc. Ask for promotional support and extra services. If you are in a “rated” market and your ratings have gone “up” renegotiate your terms.

## **Tower Sites/Engineering:**

- 1) Lease tower space to Wireless Providers and others
  - If to wireless provider, be sure to negotiate free internet service to your tower (and possibly other) site(s).
  - Get a personal guarantee on tower lease.
  - Leases to cellular companies add great value to your tower.
  - Keep sign with phone number at site saying "Space for Lease".
- 2) Keep a 500 watt amplifier (\$4,000 or less) as a back-up transmitter. If there is transmitter trouble this will keep you on the air. Have permanent wiring and instructions so a non-engineer can install.
- 3) If a permanent generator with auto start is not installed, have a small portable generator (at least 10KW) available for use at studio or transmitter site. Have a manual switch to cut-off electric power for generator use. Use 500 watt amplifier with generator. Have extra fuel available.
- 4) Convert sidelights to LED screw-ins (about \$100 each/5years). Beacons more expensive (\$1,000). Wait for price decline.
- 5) If tower needs painting (prior to up-coming license renewal), now is a very good year to negotiate for this service. Arrange a payment schedule for cash flow purposes.
- 6) Use rebuilt tubes and keep soft ones for back-up.
- 7) If low power AM, consider a newer solid state transmitter (\$10,000 approx).
- 8) If higher power FM, consider solid state with HD capability as replacement with possible payout from electricity savings. (Check electric provider for assistance)
- 9) Have an automatic generator at transmitter site and studio. Many power companies (especially electric coops) will finance and charge to your electric bill. Ask your coop.
- 10) Work with one or more good contract engineer regularly. Deal with a person who will fix equipment rather than always "replacing".
- 11) Generally, work with one reliable equipment supplier. Shop for price but give primary supplier opportunity bid.
- 12) Form a buying group for equipment needs (thru state association or other affinity groups).
- 13) If you are negotiating a tower site lease for land, ask for a 5 year lease renewable ten (50 years) or twenty (100 years) times. Cap rent increase at 15% or less every five years. Consider the local tax rate when making your rental offer.
- 14) Challenge Tax Appraisals of your tower sites. Reappraisals are sometime doubling values and thus taxes. If accepted, it sets up a long term on-going increased expense.
- 15) Label equipment at studio and transmitter site so non-technical staff can describe what they are looking at during problem periods and can follow instructions on telephone.
- 16) Keep back-up "on frequency" STL system on-hand (mono is fine) if there is an outage.

- 17) If you have an older FM transmitter, investigate the possibility of installing a solid state driver amplifier to replace the tube type driver section of your transmitter. It eliminates the need to replace driver tubes and saves money and is more dependable.
- 18) Participate in your State Broadcast Association Alternate Inspection Program. Trains your staff, helps keep you legal. Uncovers problems before they happen. In some states, AIP is provided at no cost to the member.
- 19) Consider a cell phone as the transmitter site phone (part of master cell service) if coverage is good. Be sure to have UPS on phone to protect against power outage.
- 20) If considering HD/Digital Broadcasting, consider the following:
  - Cost and benefit of HD license from Ibiquity for your size market.
  - Recognize that a new transmitter will be required if you expect to use existing antenna (most expensive unless you need a new transmitter now for a high power or non-directional station. Least expensive for a Class A directional FM).
  - Recognize a less expensive alternative is using a digital only transmitter with a separate antenna. May have a different coverage pattern than main signal.
  - HD has been approved for higher power levels. Be sure that the transmitter you consider can reach the appropriate power level. Many now doing HD have transmitters that can not reach the new approved power levels.
  - If you have a translator, know that HD2 (3 or 4) can be rebroadcast on a local translator giving an opportunity for listenership on the current FM band while HD receiver penetration increases.
- 21) FM Translator – Excellent opportunity for AM broadcasters to rebroadcast AM signal on FM translator, and for FM broadcasters to fill in analog signal coverage or to introduce a new format using an HD 2 (3, 4) signal to feed a translator. For low power or high dial position AM, this is essential for improved nighttime community service and continued viability. Place the FM antenna at the highest point possible. For FM broadcasters, a translator is a reason to consider HD. Using the HD 2 (3, 4) for a new format lets you offer a new format in your market by offering your HD 2 (3, 4) signal on a translator. The FCC has issued many new FM translators in the last 10 years. Some of those may be available to buy because those who applied may not now need them. New options may be available for AM broadcasters like broadcasting in “All Digital”

## **Personnel**

- 1) Hire good people and do your best to treat them well.
- 2) Negotiate “bulk” training on-line programs with RAB and others.
- 3) Take advantage of State Broadcaster Assoc. provided training programs.
- 4) Negotiate annually health care programs and adjust accordingly
  - Train employees to ask for generic prescriptions.
- 5) Have a “bulk” agreement for “X” number personnel profile tests so that you actually do use them in your hiring process.



- 6) Have payroll, reports, and taxes done by an outside supplier. Eliminate your company risk of error or tax penalty.
- 7) Fight all unwarranted unemployment insurance claims. Make sure you Document accordingly.
- 8) Pay sales staff on collections. Bonus/contest on sales.
- 9) Incentivize “inside staff” on desired activity and help with revenue success.
- 10) If personnel costs (payroll and benefits) total 50% of cash collected revenue, you have to either increase revenue or cut payroll. Good target is 40% of revenue or less. Maximum is 45% in smaller market.
- 11) Consider company paid short term disability policy. Helps insure that a sick or disabled employee has at least 60% of wages for 13 weeks after sick leave and vacation runs out. Very inexpensive and appreciated when it is needed (covers maternity as well as unexpected illness). Offer long term disability policy as an option. This coverage may be helpful during the COVID period.
- 12) Have good training procedures on EEO and office decorum. Keep records (i.e.: employees sign that they have received training.) Ounce of prevention better and less costly than all the excuses
- 13) Have good and consistent employee policies with manual/handbook.
- 14) Budget and review part-time hours. Needs a lot of diligence
- 15) Maximize internships, but pay attention to newer rules.

### **Business and Taxes**

- 1) Evaluate your property tax schedules. With declining values, ask for a reduction or reappraisal. If your tower site is not zoned agricultural, ask that all or a portion of it be. The free space can technically be farmed (not much else). Ag Tax Rates tend to be lower than industrial and residential.
- 2) Have a “bank sweep” on your largest cash bank accounts for short term investment. Slightly risky but worth consideration if interest rates increase to let you earn some money on your deposits.
- 3) Accept credit cards for payment...especially from “late payers”.
- 4) Renegotiate with your landlord your lease rates and/or remodeling, repairs or services during this downturn. If your lease has you responsible for repairs, place a cap (\$500 or \$1,000) on your cost before landlord starts paying.
- 5) Revisit your insurance coverage and rates during this downturn.
- 6) Consider “extra expense” coverage vs. “loss of revenue” coverage in disaster. “Extra expense” pays to get you back “on the air” in a hurry. You have to prove “loss of revenue”. “Extra expense” appears easier to work with and justify.
- 7) Review postage meters (if any). Keep locked up.
- 8) Keep a daily record of copier usage. Watch for overnight use.
- 9) Keep mileage record on vehicles and log of drivers. Make sure all drivers are approved by your insurance carrier.
- 10) Consider shifting one quarter’s payroll taxes. Move pay dates to 1<sup>st</sup> and 16<sup>th</sup> vs. 15<sup>th</sup> and 31<sup>st</sup>. Best time is to change 12/31 payroll to 1/1. Shifts some 4<sup>th</sup> quarter taxes from one payroll to 1<sup>st</sup> quarter.

- 11) Be sure to collect and report sales taxes on items sold in your city/county/state. Avoid penalties and fines.
- 12) Have agreed budget for consultant and attorney fees. Know if they bill in 10 or 15 minute increments and talk accordingly. Confirm time you are being charged.
- 13) Have contracts for regular maintenance of air conditioning and furnace equipment. Saves on wear and tear.
- 14) Common sense should prevail on money issues.
  - Person who keeps the check book should be different than person who receives/records receipts. If not, you must have a formal "cross check".
  - Owner/Manager should get the unopened bank statement and sign checks.
  - Credit cards (if any) for staff should be limited and monitored.
  - Periodically have an outside review of your procedures. Formal audits required for larger companies are not always reasonable or necessary for smaller businesses. However just knowing there is an occasional "look from the outside" helps to keep things on track.
  - Have insurance that covers employee fraud or theft.
  - Owner/Manager review and sign contracts. Do not permit program department to sign contracts without detailed review
- 15) Plus up the "net" rate by 1.765% to get a rate that is the agency rate. Thus, when you are paid and the agency deducts 15%, you will be getting your own "net" rate.
- 16) Electronic Billing is important for business with rep firms and with national agencies. At this point, it does not yield faster payment. Confirm with agencies that they have received your bill, that it is correct, and then confirm payment within 60 days. It is up to you to initiate this activity. The same pattern should be used for local accounts, but payment should be within 30 days. Local accounts are now getting accustomed to getting e-mails with bills attached. It does not have to be fancy. Poll your clients to see if they want to receive an electronic bill. You'll be surprised to learn how many really do want electronic bills.
- 17) Free Legal hotline of your State Association. If available, use it. One call could cover your dues.
- 18) When refurbishing or buying office fixtures, buy from a refurbisher ...one who buys whole office buildings and resells. Thrift stores often have supplies that are needed.
- 19) Terminate Postage Meters, but have a scale. Use Postage Stamps for traffic and billing for multiple stations or multiple locations to one location.
- 20) Pay Company bills with a credit card that awards travel points.
- 21) Scan contracts and documents and move toward scanning your public file.
- 22) Deal with the largest locally owned, or the smallest bank in town. Be important to somebody. If not "local" find out what decisions can be made locally (Loan limits, equipment financing, etc.) If multiple stations/multiple markets, have a local bank in each place and a local relationship.
- 23) Have buildings, towers, and equipment owned by corporations separate from your licenses or operating companies (to the degree reasonable).
- 24) Use flat rate USPS Priority Mail. 3 day delivery and cheaper than UPS and FedEx.

- 25) Use rechargeable batteries for digital recorders and cameras. Buy digital recorders, etc that recharge with a USB port.
- 26) Buy in bulk frequently used items – batteries, duct tape, bathroom supplies, small engineering items (keep locked up. They disappear).
- 27) Consider “PRIME” with Amazon that includes free 20day shipping for a \$75 annual fee. Good only if you order a lot on-line.

### **The Digital World:**

Recognize that the digital world is now. Have a policy that whatever you do will be available wherever the consumer may want to receive it (Digital dashboard, home or portable computer, smart phone, and in many other forms of current and future downloadable devices).

- Your tower is your advantage, but not your salvation.
- Recognize that you have many new competitors and also many new revenue opportunities.
- Recognize that each of the above has new business costs and different copyright responsibilities.
- Look for ways to “be special” and “unique” to your community/area.
- Communicate with your consumers using Twitter, Facebook, and Instagram ZOOM and other coming tools. Use them to drive interaction with your “over the air” product and vice versa. Make them a part of what you do.
- Be able to track, quantify and report what you do with your digital assets.
- Read and understand the contracts of your content providers. Watch out for the exclusions or “rights” that may impact your operation down the road.
- HD is a part of your digital future. Be ready to use it. It is at a tipping point.
- If you stream, you are paying RIAA for whoever listens wherever they are i.e.: over seas or outside your intended listening area. Geo fence to cut-off international and also consider limiting listenership to your region (unless you want national platform and can support it).

Take action and take charge.

-End-