

Memorandum



CITY OF DALLAS

DATE January 16, 2015

TO Honorable Members of the Arts, Culture & Libraries Committee: Philip T. Kingston (Chair), Monica R. Alonzo (Vice Chair), Vonciel Jones Hill, Jerry R. Allen, Carolyn R. Davis, Jennifer Staubach Gates

SUBJECT WRR Radio Update

On Tuesday, January 20, 2015, the WRR Radio Update will be briefed to the Arts, Culture & Libraries Committee. This presentation will be given by the Office of Cultural Affairs. The briefing materials are attached for your review.

Please contact me if you have any questions or need additional information.

A handwritten signature in black ink, appearing to read 'Joey Zapata'.

Joey Zapata
Assistant City Manager

Attachment

c: Honorable Mayor and Members of the City Council
A.C. Gonzalez, City Manager
Warren M.S. Ernst, City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
Daniel F. Solis, Administrative Judge
Ryan S. Evans, First Assistant City Manager

Eric D. Campbell, Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager
Mark McDaniel, Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Sana Syed, Public Information Officer
Elsa Cantu, Assistant to the City Manager – Mayor & Council



WRR Radio Update

Arts, Culture and Libraries Committee
January 20, 2015



History of WRR

- 1921: The City of Dallas is awarded an operating license for station WRR—the second radio license issued in the United States
- 1925: First on-air announcers—WRR introduces the “DJ!” with firemen telling jokes and playing 78 rpm recordings to fill dead air time
- 1927: WRR airs the nation’s first commercials
- 1936: WRR moves to Fair Park
- 1948: WRR granted FM transmission license
- 1964: WRR becomes a classical music station
- 1998: WRR becomes the first station to stream its signal over the internet
- 2005: WRR becomes the first HD station in Texas
- 2015: WRR is now the second oldest continuously-operating station in the United States

WRR as a City of Dallas Asset

- Broadcast City Council meetings
- Serve as a direct source for emergency news and homeland security for the City
- Only major station in the D/FW market (out of 67) with a classical music format
- Serve as an important division of the Office of Cultural Affairs by supporting and fostering the success of the arts community in North Texas
 - Advertising and information about the North Texas arts and nonprofit community
 - Regular community-based programming features
- Both the arts & classical music are important to a City as diverse as Dallas

Challenges

- Perfect storm of challenges
 - Change in how radio station ratings and listenership are calculated
 - Recession
 - Increased competition
 - Staff transitions

Revenue History

Fiscal Year	Total Revenue	Net profit/loss
2007-08	\$3,293,145	\$242,733
2008-09	\$2,818,524	\$84,819
2009-10	\$2,888,029	\$92,305
2010-11	\$3,008,025	\$118,337
2011-12	\$2,398,313	\$243,229
2012-13	\$1,967,529	(\$106,663)
2013-14	\$1,931,283 *	\$149,333 *
2014-15 (estimate)	\$2,161, 159	TBD

* Preliminary numbers

Sales Strategies

- Focus on local and arts-based clients
 - Give superb customer service
 - Give excellent value
 - Work together as partners
- Strategically bring on new advertisers and create new sponsorship and partnership opportunities

Sales Success Stories

- Returned or new advertisers
 - UT Dallas
 - Dragon Street Merchants Association
 - Central Market
 - Collora Piano
- Advertisers maintaining spending levels
 - Dallas Symphony
 - Dallas Bach Society
- Increased Advertisers
 - Dallas Opera
 - Metroplex Piano
 - Dallas Winds
 - City of Dallas Sanitation Department
 - DART

Revenue Progress & Projections

YTD (as of 1/12/15) \$63,891 ahead of budget
 \$87,183 ahead of last year

FY 14-15 Revenue Budget - \$2,114,500

FY 14-15 Revenue Projection - \$2,161,159

Programming Strategies

- From talking with and studying other successful classical radio stations, and classical music listeners we know that:
 - Listeners desire longer sets of music and longer pieces of music (when possible, complete works)
 - Music radio listeners prefer more music and less talk
 - Our listeners are passionate, loyal and vocal
- Taking into account WRR's unique position as a municipally owned station that is part of the OCA
 - We are an important part of the arts community of Dallas – both as a source of audience development and also education

Current Initiatives

- Reduce on-air “clutter”
 - Move from 4 breaks per hour to 2
 - Allows for longer pieces to be played
 - Allows listeners to listen for longer
 - Balance excellent syndicated programs with locally produced programs
 - Several very popular syndicated shows
 - Performance Today
 - Exploring Music
 - Fiesta
 - A Night on the Town
 - Locally produced programs
 - Classic Café
 - Arts Spotlight
 - Dallas and Fort Worth Symphony performances
 - Dallas Jazz

Plans for 2015 and beyond

- Refresh website
 - Digital = growing
- Develop new local arts programming
- Continue relationship & customer service based approach to sales
- Hire new GM by end of fiscal year