

**30<sup>th</sup> Annual Community Radio Conference**  
**National Federation of Community Broadcasters**  
**13 – 16 April 2005**  
**Wyndham Hotel**  
**Baltimore, Maryland, USA**

**Conference Report**

**Introduction**

The American National Federation of Community Broadcasters has, for the past 30 years (since its inception) held annual conferences, at which issues facing community broadcasters are discussed.

This year, the NZ On Air Deputy Chief Executive, Bernard Duncan, was in attendance at the 30<sup>th</sup> anniversary conference in Baltimore, Maryland, USA.

This paper summarises his research findings at the conference, which in turn have informed his understanding of the way community and access radio is operated in an international context. It will also contribute to the formulation of NZ On Air radio policies.

**The Conference**

The National Federation of Community Broadcasters (NFCB) convened a four-day conference, at which representatives of a large number of America's community radio broadcasters (similar to New Zealand's NZ On Air-funded community access radio stations) met with peers, exhibitors and a mixture of expert contributors, to share experiences, problems and their solutions, with a wide range of expert panel sessions looking at such things as the future of community radio, regulation, fund-raising and development options and strategies to the future.

Representatives were also present from Australia, Canada and New Zealand.

**Day One – 13 April**

While the first day of the conference was given over mainly to sector group meetings – Native American public radio, Latino radio, and the NFCB executive – the later part of the day was an opportunity to meet with conference convenors and delegates to discuss how the following three days would unfold.

This was a useful session, giving an insight into the NFCB and its members, a diverse group, whose purpose is almost identical to that of the access stations to whom NZ On Air contributes funding.

While the community broadcasters of the US do not appear to be as well supported by their Government as those in New Zealand, there are numerous parallels that can be drawn, and lessons that can be learned and applied to the New Zealand situation (and vice versa), in an area that is widely held among this group, to be the last bastion of true community communication in a world of increasingly homogenous, narrowly owned commercial radio.

It was interesting to share these parallels over the ensuing days with the visitor from Australia, whose access radio model is close to our own. In all situations, the question of funding, now and in future, is key.

### **Day Two – 14 April**

This was the first official day of the conference-proper, with the opening morning session held at nine o'clock. The session included a welcome (with special mention and acknowledgement of the international visitors), and a brief address from a new NFCB member – one of a growing number of Low Power FM (LPFM) operators – who are performing a valuable role in filling gaps in local community broadcasting and communication, including connecting indigenous and ethnic communities.

This station manager suggested that community radio, as represented at the conference, offers “what’s left that’s good in radio” – localism and diversity – “on the power of a light bulb”.

Following this, the NFCB Chief Executive, Carol Pierson, briefly reported on the success of the Latino and Native American meetings the previous day, and announced that the “future NFCB” would be arriving the following day, in the form of 200 high school students, who are all involved in school-based community stations.

She went on to urge delegates to make strong connections with their Congress people to ensure they know the value of community radio. “Talk to them, get them on air and make them aware,” was her message, with the clear supporting logic that “federal funding is crucial”. It appears that the future of funding from the Corporation for Public Broadcasting (CPB) – a Federal funding agency, only very slightly akin to NZ On Air – is by no means certain.

Ms Pierson talked about making new collaborative funding arrangements in this context, and closed her part of the opening session by encouraging those present to listen and share, and to continue use their facilities to work to promote diversity and cultural preservation through empowering and building community.

There followed a keynote address by Dick Brooks, a community radio veteran, who is now principal of *ActionMedia*, a media advocacy and training company working out of Minneapolis, Minnesota, to offer guidance and support to “public interest groups, grassroots activists and organisational staff”.

The theme of Mr Brooks' address was the development of community radio, and using anecdotes from close to thirty years working in radio in the US from his beginnings as a volunteer to years as a manager, and now consultant, he discussed how radio had changed, and outlined his contention that the "golden days of radio" are just around the corner.

He referred to a book first published in the early 70s, entitled "Sex and Broadcasting" (which cost \$3 when published, plus 15 cents postage and handling) as a motivator for him to become involved in the industry. The book is a "how to" manual for setting up a community radio station, from the ground up. It is also irreverent in its heavy criticism of the homogeneity of commercial radio, and suggests that community radio is the real way to link and connect people.

This tone was prevalent throughout Mr Brooks' speech as he related the changes he had seen, and argued that even community radio had yet to fulfil its true promise.

He encouraged the conference delegates to engage their communities in new ways, and to use their services to define common ground by listening to the people they serve – to find out what people are really thinking, what they really want and need, and what is really happening in their communities.

Mr Brooks bemoaned the lack of connection between people in today's society, saying that community radio can help rebuild this as no other medium can because it can be "evocative, intimate and emotional". He maintained that "the human voice connects us", quoting a US radio veteran, Tony Schwartz, who famously stated that radio is powerful because "humans don't have earlids".

He closed by talking about the power of storytelling to teach, learn and share.

Dick Brooks' address was followed by a visual presentation chronicling the thirty years of the NFCB in action in the US, which had been compiled by a broadcasting academic. The presentation ended with a quote from the current Chief Executive of the federation: "What makes community radio important, is telling the truth".

### **Fund Raising – A Panel of Grant Makers**

The US situation is at once similar to, and different from that in New Zealand community access radio. There is little Government funding available, but there are very few instances of community groups paying to use airtime. Funds are raised in a variety of ways, from membership and subscription fees, sponsorship and pledge collection, and limited access to a number of grant organisations that distribute public funding in a manner not dissimilar to the way in which NZ On Air does.

This panel presentation introduced representatives of four of those grant organisations: the Corporation for Public Broadcasting (CPB), the National Endowment for the Arts (NEA), the National Endowment for Humanities (NEH), and the Public Telecommunications Facilities Programme (PTFP). Each participant explained how their organisation works, what it funds, how much money it has on an annual basis, and what type of application is likely to succeed.

It is an interesting mix of organisations, at least two of which (the CPB and the PTFP) face uncertain futures. The President's budget has taken \$10 million out of CPB's next financial year budget, and has allowed nothing at all for the PTFP. Those budgets, though, still have to be passed by Congress.

### *The Corporation for Public Broadcasting*

The CPB administers two types of grants: Programme Grants and Community Service Grants (CSGs). This organisation seems to operate in a similar manner to NZ On Air. Its staff report to a Board of expert directors from a variety of skill groups and backgrounds, and make recommendations to them on applications received annually. It was set up under the Public Broadcasting Act 1967, and is now mandated under the Communications Act.

CSGs will be covered in a later part of this paper, as they were discussed more fully on Day Three of the conference. Briefly though, the funding for them is set by statute, they are designed to support diversity and are often approved on the basis of genuine need.

Programme Grants are allocated to programme producers and radio stations. Unlike NZ On Air's general radio and television policies, news and current affairs may be, and at times are, supported. Otherwise, the process seems quite similar to NZ On Air's.

There are a number of criteria that must be met for applications to be eligible, among them, that the programme provides a meaningful service, is of sustainable high quality, demonstrates an awareness and understanding of public service broadcasting, and contains an element of research. Weight is given to those applications for projects that meet all of those objectives, and also strongly target US audiences, including minorities. This organisation also likes collaborative projects, and the size of the project is largely immaterial.

Applications are made on-line, and must have a detailed, accurate and credible budget (ie. not too *high* or too *low*), and a clear, logical narrative attached. Projects with a national broadcast distribution commitment are given priority, but others will be considered, and a project is very rarely fully funded by the CPB.

The CPB, more often than not, funds projects not produced before, and frequently allocates "start up" funding for projects that may proceed without federal support later. Applicants without a demonstrable track record are

unlikely to proceed unless partnered or mentored by an experienced practitioner.

The budget for Programme Grants in the current financial year is 6.5 million USD, and in the last funding round, applications totalled \$40 million. Clearly there are a lot of disappointed applicants.

#### *The National Endowment for the Arts*

The NEA distributes 121 million USD per year to support excellence in the arts. Of that budget, 40% automatically goes to state arts agencies, and the rest is doled out to successful applicants in all arts disciplines. Media's share is \$5 million, to be shared between film, television and radio, and only non-profit organisations may apply. Generally the NEA will only approve one application per organisation per year, but there have been rare exceptions.

The NEA also supports limited preservation and archiving, but mostly the agency's support is confined to new work. The grants are made annually, and must be matched dollar for dollar by another funding source, which may not be another federal source, and as a general rule, successful applicants will have at least a three-year track record. Like the PCB, the NEA expects a detailed and accurate budget, and a clear narrative that lists all the creatives who are to be involved. They also like a demo to listen to or watch.

#### *The National Endowment for Humanities*

Similarly, the NEH is a Federal Government agency, funded by Congress to distribute funds to projects that can be shown to support the humanities (history, English, literature, culture, etc). Humanities research and scholarship projects are high on its list, and it typically directs less than 1 million USD p.a. to radio projects. Around 20% of projects proposed are approved, and the application process is similar to that of the previous two organisations.

#### *The Public Telecommunications Facilities Programme*

The PTFP is a Government agency whose mission is to provide funding for capital equipment purchases to be used for public service community broadcasting. The annual budget is 20 million USD and applications to the current funding round total \$49 million.

Like the NEA, the funding is generally allocated on a dollar for dollar basis under a competitive application system, and the PTFP system discourages more than one application from one company (applications that would obviously be competing with each other). In rare exceptions, the dollar for dollar ratio has been more like 75% from the PTFP, with 25% from another funder (or the applicant itself). For example, if the applicant represents a community station that is starting up in a market where no station currently exists, the approval is automatically 75%, so that the community may be served by local radio.

Priority areas for PTFP funding at the moment include expenses incurred in transferring from analogue to digital broadcasting, replacement of old and deteriorating equipment, and emergency replacement.

PTFP staff make recommendations on applications to a Board of radio station managers, using a scoring system to rate the validity of the application, and its need, and this organisation publishes all of its grants soon after they are made.

Grants are made annually, but as mentioned earlier, the PTFP does not figure in the President's budget for the next financial year, although Congress has yet to vote on that.

It became clear as the conference progressed that any public spending that is not earmarked for defence or homeland security, is not likely to be increased under the present administration, and in some cases, may disappear entirely.

### **Development Programmes**

This panel discussion was of particular interest, with respect to the operation of stations, and their financing, because it gave an overview of the methods stations use to gather the revenue they need to survive. A recent research project commissioned by NZ On Air highlighted the key issue of funding as being central to communities using access radio in New Zealand.

The panel was made up of representatives of three stations of different sizes, in very different markets, so a good cross section could be examined.

Community radio in the US is heavily reliant on the goodwill and generosity of the audiences that use it. Stations operate with very small paid staffs (similar to access in New Zealand), and programme makers do not contribute financially to the station to buy airtime in most cases, but are voluntary workers.

Mick Fiocchi manages a community station in Rhinelander, Wisconsin, which serves a sparse and unevenly distributed rural population. His station's monthly cumulative audience is about 18,500, and his station runs on a combination of CPB grants, sponsorship, listener's club membership dues, and donations (or "pledges").

On an annual basis, he calculates the revenue he believes he can generate in the year ahead, and uses that estimate to draft a bottom-up budget. He then has to set about raising the estimated funding by carefully managing his membership numbers and ensuring members pay up, and by soliciting pledges of money from the community.

His station provides a service to the community that is valued, so many in that community are prepared to pay for it, and make programmes that the community appreciates, and that are not provided by commercial stations, or

National Public Radio. This is targeted, subscription radio. Mr Fiocchi is very clear that some of his most ardent and avid listeners do not contribute to the station's running, and is resigned to it.

At least once a year, the station runs a pledging drive – a sort of radiothon – during which the on air programme contains regular calls for donations, and staff and volunteers make telephone call outs, to encourage people to give. And it works. This is a fairly common thread throughout community, indigenous and ethnic radio in the US and in Canada.

The pledge drives themselves polarise the community of “givers”, half of whom respond to the emotional nature of the soliciting and give because of the need, and half of whom have told him they would prefer he just sent them an invoice when pledging time comes round, and keep the messages off the air. It is a difficult line to walk, in an effort keep both sides happy, and generous, but one Mr Fiocchi seems to have found successful since he took up the manager's job in 1989.

At the higher end of the spectrum is Pacifica Radio, with outlets in many communities. The Pacifica Network was founded in 1949 by pacifist Lewis Hill. Nowadays it consists of five sister stations in New York, Los Angeles, Houston, Berkeley and Washington DC, two associate stations, and a web of independent affiliates all over the US. It has developed and sustained a reputation for being outspoken and activist on social and political issues.

The Washington DC branch of the station was represented on this panel by its development manager, Tiffany Jordan, who is responsible for keeping revenue coming into that station.

Pacifica in DC has a cume of 200,000 listeners, and in comparison, is fairly well heeled. It is governed by a Board made up of listeners, who are voted onto the Board by other listeners. Candidates campaign to be elected onto the Board, which is a voluntary body. This model is not unlike the Community Broadcasters Societies a number of our access stations have.

This station does not run pledge drives, but listeners give money to ensure the particular programmes they enjoy and value, are able to continue. The station will announce when a programme is low on pledges, and listeners respond with donations, often in exchange for station merchandise (t-shirts and so on).

Pacifica in DC has been successful in raising funds through direct mail, regular planned giving by listeners, some on air solicitation and convening special community events.

At the other end of the “food chain” is KHEN in Salida, Colorado, a community station, which serves a rural population of 6,000 in town and another 20,000 in outlying areas. It is a Low Power FM station whose competition for listeners comes from two national public radio networks, and two automated commercial stations.

The station's revenue has risen to \$84,000 after three years in operation, in a community where 35% of the population earn less than \$35,000 a year, and all of the rest earn under \$100,000.

The station's programme is run by volunteers, and 75% of the programme is local, with the remainder coming via satellite from a public radio programme provider based elsewhere. There are three part-time paid staff.

For this station, community goodwill and the small nature of the community have seen membership drives providing enough funding to keep going. The station has a reputation of being slightly "off-the-wall", irreverent and quirky. Station merchandise (mostly bumper stickers) sells well, and community events commonly attract visitors and dollars.

This group of radio station representatives all face similar challenges, albeit on a variety of scales, and it was interesting to compare their respective approaches. With the uncertainty of continued Federal funding, and the possibility that the CPB and PTFP may not give grants in future, all community stations are looking for ways to continue to generate revenue, within the law, and these themes continued to emerge in sessions throughout the rest of the conference.

### **Day Three – 15 April**

#### **CPB's Community Service Grants**

As indicated earlier in this report, under the heading *Fund Raising – A Panel of Grant Makers*, The Corporation for Public Broadcasting's Community Service Grants (CSGs), were given a dedicated session at this conference, largely because of community stations' heavy reliance on them, and the prospect of some funding disappearing unless supported by Congress. The NFCB, and member stations have been considering a future without CSGs for some time, and the grants themselves are currently under review.

This session was jointly presented by the NFCB's Chief Executive, Carol Pierson (who is also an ex-officio member of the NFCB Board), and the CPB's Radio Manager, Vinnie Curren, and the session was well attended, with many station representatives bringing as many questions.

The CPB operates not unlike NZ On Air in the area of community radio, with these CSGs, but the level of contribution is smaller than ours, and the stations that receive CSGs.

CSGs are divided between television and radio on the basis of 75% of the total budget for television and 25% for radio. The CPB's radio budget is set by statute, and at the moment is 80 million USD, of which \$20 million has to be allocated to programmes that have a national broadcast. There are 2,500

non-commercial radio licences in the US, and 390 of them are eligible for CSGs.

The rules for allocation are complex, and include required benchmarks and entry level requirements pertaining to market size, transmission power requirements, programme content and audience size. In some respects the requirements are akin, to a degree, to Sections 36 and 37 of our Broadcasting Act, and they are set out in the US Communications Act.

CSGs must be matched dollar for dollar by another funding source, and most are directed towards rural and mid-sized markets, with an emphasis on ethnic and indigenous outlets.

Once a CSG has been approved for a station, there are stringent accountability responsibilities placed on the recipient. From the moment the Grant is accepted, all governing board meetings must be open to the public (except where staff or personnel issues are discussed) the station's accounts must be provided to anyone who asks for them at any time, a broadly representative, discrete community advisory board for each grant (separate from the governing board) must be established and listened to, a mailing list of other funding contributors must be kept (but not disclosed to any political group, and if disclosed in other cases, only with the permission of those on it), and the programme for which the grant was made must demonstrate objectivity and balance.

In the case of the open board meetings, notice must be given that a meeting is to take place, both on the air in announcements, and in public notices in newspapers. The community advisory board condition is waived when the recipient of the CSG is the holder of a Government licence. That includes tribes, school boards, cities, and universities owned by a state (not privately-owned universities).

The CPB periodically encounters violations of some conditions, and when this occurs, the CSG may have to be paid back to the CPB.

Stations who received CSGs must be able to provide evidence that they are complying with the condition. The CPB Inspector General conducts random routine audits of recipients, or an audit can be requested by any third party.

The Communications Act requires the CSG programme to be reviewed periodically, and such a review is currently half completed. There is a consultation period underway, and once that is finished, CPB management will make recommendations on the future structure and process for CSGs to the CPB Board. The Board will decide what will happen after that.

The review is considering a number of criteria for the CSG programme, including eligibility requirements, audience service criteria, and the definitions of rural and minority broadcaster. It will also look at some administrative issues, and the current dollar value benchmark where audits become mandatory (\$50,000 or more).

Any changes that are decided by the CPB Board are likely to take effect in financial year 2007 (beginning 1 October 2006).

### **Programme Exchanges**

This presentation offered two distinct programme-sharing options, demonstrated in an enlightening session.

Public Radio Exchange (PRX) is a production “clearing house” – a non-profit web-based business – that uses the Internet to provide a space where producers and radio stations can upload their programmes, and any other public radio station can browse and audition on line, and download broadcast-quality programmes for play on their own airwaves.

This also serves as a listen and review facility, as users can give feedback on what is offered via the website.

Radio stations register and get six hours of airspace free, and producers get one hour, or users can pay a fee for larger amounts, beginning at 26 hours for around \$500 a year, going up in 26 hour increments for higher fees. Fees are tiered to the revenue of the station using the service.

PRX looks after all the rights issues associated with the programmes offered (except music copyright, which is a thorny issue here), and pays the producer of a programme downloaded a royalty. This royalty is generally very small, but the more stations that use a listed programme, the higher the accumulated income for the producer. It may well be that NZ On Air-funded access stations that are making high-end programmes (such as those winning radio awards) could take advantage of this service.

The other group represented at this session was Pacifica Radio, who demonstrated their Pacifica Audioport Internet distribution service. In a similar fashion to PRX, this facility offers broadcasters within the Pacifica and Affiliates Network a website for receiving, sending and storing digital audio files.

The Pacifica Audioport invites producers to upload their programmes, if they are compatible with the Pacifica Network philosophies, and enables stations to download and broadcast the work.

Pacifica’s “progressive mission” is described thus: “to contribute to lasting understanding between nations and individuals of all races, cultures, creeds, colours, and preferences, and to provide accurate, objective, comprehensive news on all matters vitally affecting the community”.

Unlike PRX, Pacifica Audioport is provided with affiliation at no charge, and stations do not pay to register or download programmes received. Likewise, producers are not paid for programmes distributed. The website is designed

simply as a streamlined distribution tool, and does not offer a facility for review or feedback (as does PRX).

## **Day Four – 16 April**

### **Legislative and Regulatory Update**

This session, held on Saturday morning, and was a quick overview of the legislative and regulatory issues facing community radio stations in the US.

While not of direct relevance to the New Zealand condition, it did paint a broad picture of an environment not particularly conducive to or supportive of public service broadcasting, at least from a Government perspective.

Much of what was discussed here had been covered in earlier sessions, such as the questionable future of the Government broadcasting funding agencies.

There was also a brief look at plans to extend the range of LPFM broadcasting in the US and to enhance its status, since ever increasing numbers of communities are finding LPFM broadcasting a useful method for community communication and the promotion of localism.

### **Footnote**

The 30<sup>th</sup> Annual Community Radio Conference provided a great deal of information that can not only contribute to the development and formulation of NZ On Air radio policy, but has also offered real and practical advice, which can be disseminated to access radio operators in New Zealand as part of NZ On Air's ongoing support for their work in delivering programming that helps us achieve our objectives under the Broadcasting Act.

**NZ On Air  
April 2005**