

# Traffic Group Adds Markets, Members

Navteq Now Offers 'LocationPoint Advertising' Including Graphics, Sound and Mobile Coupons

by Leslie Stimson

The Broadcast Traffic Consortium now covers more markets and has added additional members.

It will soon envelop 82 U.S. markets with traffic data via RDS and 74 via HD Radio, in addition to the top seven Canadian metros served with RDS, according to Paul Brenner, consortium president and senior vice president/chief technology officer for Emmis Communications.

He said 77 FM-RDS markets and 63 HD Radio data markets are active, with the remaining BTC committed markets to be completed in the second quarter.

Its commercial prospects are expanding. Indeed, at the NAB Show, digital map data provider Navteq said that using HD Radio, it can now offer "LocationPoint Advertising," including detailed graphics, sound and mobile coupons.

BTC is working with Navteq, which is owned by Nokia, for vehicle navigation and location-based products.

## 'Growing strength'

The consortium, made up of 16 radio broadcast owners with 1,500 stations, uses RDS and HD Radio technology to deliver real-time traffic and other location-based information like weather and fuel prices to portable navigation devices and automobile in-dash systems from companies such as Sony and Garmin.

Its largest competitor for traffic services is Clear Channel, Brenner told attendees at the Public Radio Engineering Conference, held concurrently with the NAB. Clear Channel's Total Traffic network has more than 700 stations to distribute data over RDS and HD Radio signals for 125 metropolitan areas.

Journal Broadcasting, Regent Communications, Saga Communications and Corus Entertainment in Canada have



Paul Brenner, president of the Broadcast Traffic Consortium. "By leveraging our strengths ... we are re-establishing this industry as an innovative means of engaging consumers."

joined the BTC. Founding members are Beasley, Bonneville, Cox, Emmis, Entercom, Greater Media, National Public Radio and Radio One. Subsequent additions include Cumulus Media, Lincoln Financial, Hubbard Broadcasting and Cobalt Media.

"Each organization's commitment to this consortium represents the growing strength of collaboration which unifies the bandwidth capacity and skills within our industry," said Brenner. That's important because "most phone carriers don't see HD Radio as a threat." They "see radio as fragmented and not able to come together."

Brenner sounded an ambitious note in talking about the consortium. Its purpose, he said, is to further accelerate consumer HD Radio receiver penetration and create new revenue. "By leveraging our strengths — low-cost distribution, localized content, nationwide coverage and digital capacity

— we are re-establishing this industry as an innovative means of engaging consumers."

The effort also represents a low-cost national data distribution channel that can allow broadcasters to expand beyond audio programming when using HD Radio, he added.

Though he declined to discuss figures, Brenner said BTC members share revenue according to a formula based on Arbitron population coverage. The percentage of revenue shared from Navteq is increased with a higher level of bandwidth commitment.

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The BTC says Navteq can accomplish several things with the data because of how the BTC system handles the HD stream.

The consortium "refreshed" iBiquity's data part of the HD Radio stream, essentially re-organizing it, leaving member stations and Navteq "with a big, fat data pipe" that can handle other kinds of data besides traffic, a broadcast engineering source told Radio World. The BTC essentially reverse-engineered and re-wrote the code for the data portion of the IBOC stream. "By parsing what the encoder does (with the data) Navteq has more control over it," this source said.

## FCC to Review Arbitron PPM

**WASHINGTON** After FCC Commissioner Jonathan Adelstein first called for an investigation into the methodology of the Arbitron Portable People Meter last year, now, just before he plans to leave the agency, the commission has issued a Notice of Inquiry. Officially, the NOI will review the impact of "Arbitron audience ratings measurements on radio broadcasters," according to the title, though really, the inquiry will focus on PPM.

Hispanic and black-owned stations have said the PPM undercounts minorities; Arbitron has worked to improve the PPM samples to include more minorities, however the Hispanic Broadcasters Association and the National Association of Black Owned Broadcasters say more needs to be done. Advertising revenues can be hurt by low ratings, they say. The HBA and NABOB assert PPM undercounts and misrepresents the number and loyalty of minority radio listeners, which could affect their ability to provide service to African-American and Hispanic audiences.

Arbitron welcomed the inquiry, calling it an opportunity to better educate all parties about its PPM and its advantages over the diary-based system. The audi-

ence research firm has met with commission representatives over the past few weeks on PPM and in filings, "consistently expressed our willingness to participate in a Notice of Inquiry," according to spokesman Thom Mocarsky.

In fact, in the notice, the FCC states: "We have a strong interest in encouraging innovative advancements that lead to improved information and data."

The commission says its inquiry will focus on the impact of PPM methodology as well as whether the audience ratings data is sufficiently accurate and reliable to merit the commission's own reliance on the data. Acting Chairman Michael Copps noted that the agency relies on Arbitron data to evaluate the buying and selling of stations as well as to issue industry trend reports and conduct congressionally mandated reviews of our media ownership rules. "Without confidence in the underlying data, those important functions could be undercut," he said.

Noting that the FCC does not regulate Arbitron, Copps said, "We do not regulate banks either, and yet we should — indeed, we must — take into account the difficulties of access to capital if we are

going to develop effective rules. Anything that affects media diversity and minority ownership — and the instant item does not draw any conclusions — affects our ability to do our job."

"If there is an adverse impact, we seek comment on further steps the commission can and should take to address these issues," states the agency in the notice.

The sole GOP commissioner, Robert McDowell, focused on whether the agency has the authority to do anything no matter what the probe turns up. "I expect to pay particular attention to analyses of the commission's authority to take any further action in this arena," McDowell said.

Arbitron said an NOI is not the same as the formal investigation sought by the groups protesting PPM. Mocarsky said an NOI is an open proceeding in which all parties may express their views on several issues — very different from a closed, adversarial proceeding before an administrative law judge that would likely lead to "freezing" the parties into litigation-like adversarial postures.

Comments to Docket MB 08-187 are due 30 days after the item is published in the Federal Register.

## NEWS WATCH

### News Roundup

**HARRIS:** Broadcast revenue was down 17 percent in the third fiscal quarter at Harris Corp. compared to a year earlier. The company said broadcast brought in \$132 million (it does not break out radio revenue within that). Operating income was \$2 million compared with \$7 million a year ago. "The global recession and postponement of capital projects further weakened demand," the company stated. "However, the impact of lower revenue on operating performance in the third quarter was mitigated by ongoing cost-reduction actions." The parent company reported net income for the quarter of \$114 million, compared with \$108 million a year ago. Revenue for the third quarter overall was \$1.36 billion compared with \$1.33 billion for the prior-year quarter.

**SIRIUS XM:** The satcaster showed a decline in subscribers, down slightly from the preceding quarter. It reported \$605.5 million in pro forma revenue, up 5 percent over the first quarter of 2008, and \$108.8 million in first quarter pro forma adjusted income from operations, as compared to a year ago when it reported a pro forma adjusted loss from operations of \$70.2 million. The recent merger has helped the satcaster reduce operating costs 23 percent, demonstrating Sirius XM's "focus on improving profitability despite slower automobile sales and a 2 percent sequential decline in satellite radio subscribers," said Karmazin. But it ended the first quarter with 18.6 million subscribers. That's up 3 percent from a year ago but down 2 percent from fourth quarter 2008.

**CLOSING SHOP:** WIT Inc. shut down its business. The company was manufacturer of the easi-8 remote monitoring and control system. The firm, based in Salt Lake City, said it would honor warranties and provide customer support until June 30. "We will also maintain our Web site with current software updates and downloads for another year or until June 30, 2010."

### PERFORMANCE ROYALTY:

Spanish-language broadcasters told congressional staffers a performance royalty charged for music aired on radio stations could devastate small broadcasters financially. In video highlights supplied by the Free Radio Alliance, which sponsored the event, Bustos Media CEO Amador Bustos said, "The performance tax would be the added and final nail in the coffin for these small broadcasters like ours, and I think that it is just absolutely ludicrous that the record companies are trying to sort of bite the hand that feeds them." However the National Hispanic Conference of State Legislators said it is backing the royalty, approving a resolution that calls upon Congress to enact the Performance Rights Act. Sponsor Rep. Mara Candelaria Reardon, D-Ind., called it a matter of fairness.