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MARCH 2017



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CONNECTING THE PIECES



FROM THE PRESIDENT

DENNIS LYLE, IBA PRESIDENT/CEO

Highlights of our annual participation in NAB's State Leadership Conference are featured throughout this issue of *Transmitter*. My thanks to the many board members who traveled to DC to meet with select Illinois members of Congress. **U.S. Senator Dick Durbin** addressed conference attendees with an excellent speech on the importance of the First Amendment and the role of America's broadcasters play in informing our country and the word with factual news. A private meeting with our Illinois delegation immediately followed his conference address. The following day, freshman **U.S. Senator Tammy Duckworth** found the time to meet with members of Illinois delegation as well.

IBA Chairman **Doug Levy** and I stayed an extra day in D.C. to be part of NAB's "FCC Day," as we joined other state broadcasters' association Chairs and State Association Execs at FCC headquarter to share success stories and continued concerns to FCC staffers (FCC Chairman Pai and his FCC Commissioners were traveling back from a conference in Spain on the day of our visit.) While America's broadcasters rejoice in the confirmation of **Ajit Pai** as FCC's new Chairman, there remain a number of broadcast-related issues and/or concerns we shared with Congress. Back for yet another new Congress is the introduction of the latest "Local Radio Freedom Act" Resolution (H.Con.Res.13 and S.Con. Res.6.) To date, Illinois **Congressmen Bost, Davis** (Rodney,) **Hultgren, Kinzinger, LaHood,** and **Shimkus** have all again signed on to the Resolution. Please remember to thank these Members in writing or in person, and to continue to discuss the Resolutions with those Members of Congress in Illinois who have not yet signed on to the Resolutions. The Resolutions remain our industry's best defense for the opposition's on-going push for a costly and no doubt industry "game changing" Performance Tax. Thanks too, to **Congressman (Rodney) Davis** and **Congressman Darin LaHood** for adding their signatures to a letter written by Kansas **Congressman Kevin Yoder** and New York **Congressman Eliot Engel** addressed to **Speaker Paul Ryan** and **Minority Leader Nancy Pelosi** in regards to concerns that any changes in the tax system do not threaten the impacts of advertising on jobs and the economy. As we go to press, both NAB and IBA continue to seek other Members from Illinois to add their names to the letter.

Condolences to Illinois **U.S. Congressman Bobby Rush** on the recent passing of his wife **Carolyn**. Mrs. Rush was a community organizer, precinct captain and political strategist in many campaigns, and instrumental in the civil rights movement, working to end dis-

crimination in housing and employment. Congressman and Mrs. Rush were married 36 years. Mrs. Rush was 67.

We're but two months away from our 2017 IBA Silver Dome Awards Gala presented by our friends at AT&T on **Thursday, June 8th** at the Abraham Lincoln Museum in Springfield, Illinois. Besides having access to some of the museum's favorite exhibits, fans of actress and BMI singer/songwriter **Emily Kinney** ("The Walking Dead," "Masters & Johnson," "The Good Wife," "Conviction") will be happy to learn that Emily will be our entertainment over dessert during the Awards Gala. It's also the night we salute Tribune Media's **Larry Wert** as IBA's 2017 "IBA/Vincent T. Wasilewski Broadcaster of the Year," and veteran broadcasters **Frank Mathie** (ABC7-Chicago) and **Don Sharp** (WHBF-TV, Rock Island) as our 2017 "IBA/W. Russell Withers Jr. Broadcast Pioneers." More details on "AT&T Presents the 2017 IBA Silver Dome Awards Gala" are in this issue an online at www.ilba.org. Speaking of Broadcast Pioneers, congrats to 2012 Broadcast Pioneer honoree **Jack Rosenberg** on being named one of ten 2017 honorees to be added this year to the WGN Radio Walk of Fame. Jack's name will be enshrined via a bronze plaque embedded in front of Tribune Tower at 435 North Michigan Avenue. The induction ceremony takes place May 25 and will air live on WGN.

Congrats too, to IBA's Vice-Chair TV **John Idler**, president and general manager of ABC-owned ABC7/WLS-TV Chicago on being named the recipient of the 2017 "Dante Award" by Chicago's Joint Civic Committee on Italian Americans. Chicago media critic **Rob Feder** reports the award celebrates local media figures who answer the call of Italian poet Dante Alighieri to be "no timid friend to truth." The 2017 Dante/Mazzei Awards ceremony takes place Thursday, May 18, 2017 at Galleria Marchetti. (DL)

About the Cover

IBA once again sent delegates to NAB's State Leadership Conference in Washington, D.C. and met with members of Congress to discuss issues facing the 115th Congress. A portion of the group is shown here with US Representative Mike Bost. IBA provides an update on all major issues inside this issue



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“IBA HOSTS INAUGURAL ILBC RECEPTION”

The start of something great! That is how those who attended IBA’s reception with members of the Illinois Legislative Black Caucus described the evening. The event, co-hosted by Marty Wilke (CBS 2) and Melody Spann-Cooper (Midway Broadcasting/WVON) created the perfect setting to initiate conversation and provide the catalyst to build a favorable relationship between members of the Chicago media and the caucus.

Members of the IBA Board of Directors and IBFoundation were also present.



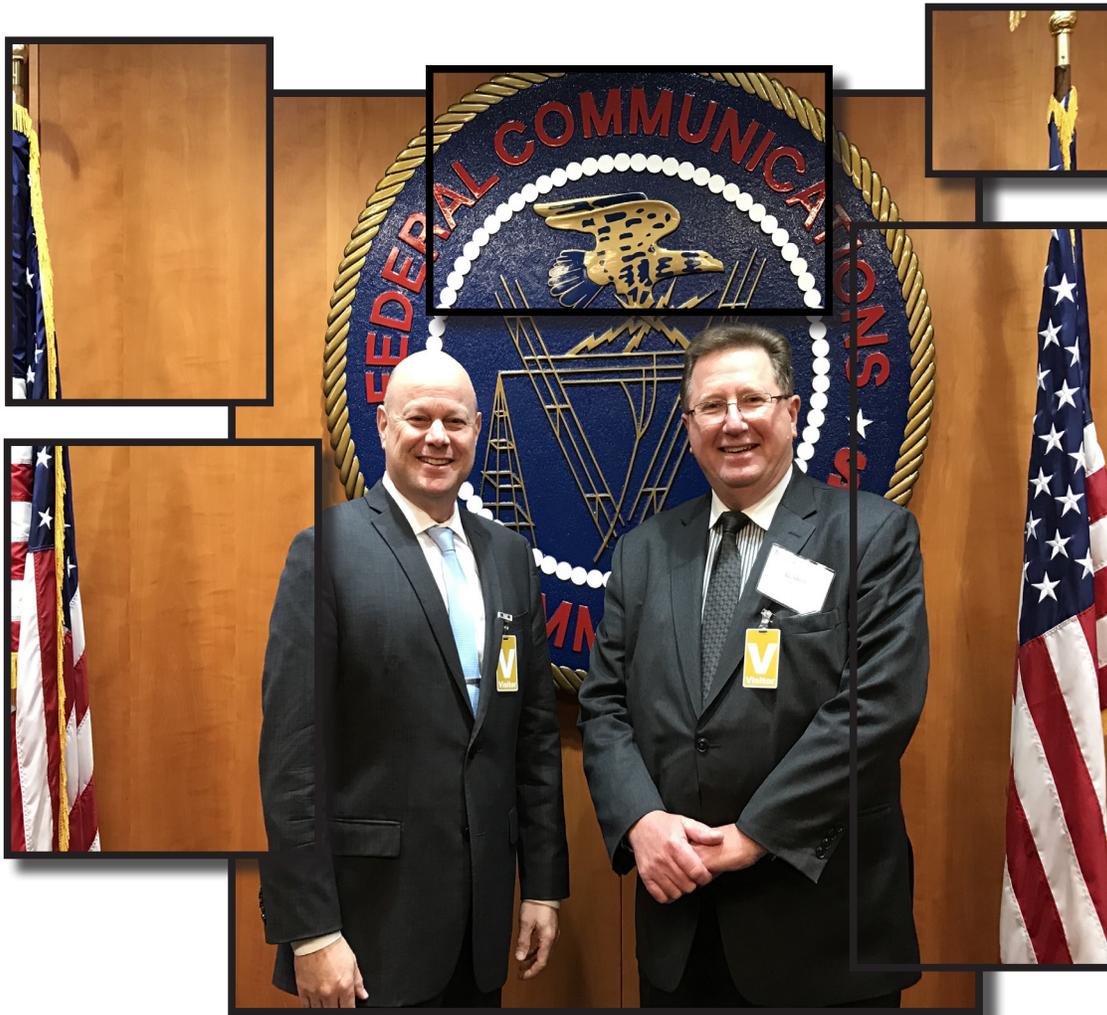
EIU Hosts Broadcast Career Fair

Seventeen media companies gathered for the sixth annual Broadcast Industry Career Fair held on the campus of Eastern Illinois University. College students from area universities and colleges were invited to attend and discuss career opportunities with broadcast representatives from Illinois and Indiana. Created by Mike Bradd, during his tenure as IBA Academic Director to the IBA Board of Directors, this event gives the students exposure to radio and television broadcasters from Illinois markets from Chicago to Cairo. This will be the last career fair organized by Bradd as he is set to retire in May 2017.



DISCUSSING THE ISSUES IN DC

“IBA DELEGATES ATTEND NAB STATE LEADERSHIP”



IBA Chairman Doug Levy
SVP/GM Univision Media,
Dennis Lyle, President &
CEO, IBA.

Delegates from the Illinois Broadcasters Association attended the NAB State Leadership Conference in Washington, DC. The Conference, titled “Use Your Megaphone!” reinforced the role that broadcasters play in their communities and hundreds of attendees from across the country shared this message with Members of Congress.

IBA delegates met with Senators Dick Durbin and Tammy Duckworth along with thirteen Members of the House, captured in pictures over the next few pages.

IBA also hosted a meeting with members of the NAB’s Government Relations Team where IBA was briefed on key issues facing the broadcast industry during the 115th Congress. Those issues include: TV Station Relocation Could Leave Viewers in the Dark, Allowing TV Broadcasters to Continue Negotiating in the Free Market, Preventing Harmful Changes to Advertising Tax Treatment, and the Performance Tax Issue.

Each of these issues are outlined over the next few pages with updates from the NAB.

IBA’s next trip to DC will take place in July when the IBA hosts it’s annual Summer Reception for Members of Congress and their key staffers.

RADIO AND TELEVISION ISSUES FACING OUR INDUSTRY-An explanation of the issues and why the IBA’s federal lobbying program continues to work for our members.

A Performance Tax Threatens Local Jobs

Congress should not mandate a performance tax on free, local radio stations that would jeopardize local jobs, prevent new artists from breaking in the recording business and harm the 268 million Americans who rely on local radio. Broadcasters urge legislators to stand up for their local radio listeners by supporting the Local Radio Freedom Act.



[L-R] Carlos Fernandez, VP/GM, WGEM, US Representative Darin LaHood, Beth Neuhoff, President/CEO, Neuhoff Media, Dennis Lyle, Bud Walters, President, Cromwell Radio Group.

To date, Illinois has five Representatives that have signed on to cosponsor the Local Radio Freedom Act, H. Con. Res. 13 and they are US Representative Mike Bost, US Representative Rodney Davis, US Representative Randy Hultgren, US Representative Adam Kinzinger, and US Representative Darin LaHood. A similar resolution in the Senate, S. Con. Res. 6 has the support of 17 US Senators, none from Illinois.

For nearly a century, record labels and performers have thrived from airplay—which is essentially free advertising, on local radio stations. But as the big record labels struggle to keep profit margins high, they are urging Congress to impose a tax on

these local radio stations that are, ironically, their greatest promotional tool. This additional tax would financially cripple local stations, potentially forcing some stations off the air. This would also reduce the amount of music played on a station and harm those new artists trying to start their careers.

IBA along with the NAB strongly support the Local Radio Freedom Act, a resolution that opposes any new fee on local stations. This resolution garnered the support of nearly 260 members of Congress last year and already has the bipartisan support of more than 130 cosponsors this Congress



[L-R] Dennis Lyle, US Representative Danny Davis, Doug Levy.



Back Row (L-R) IBA Vice-Chair TV, John Idler, President/GM-ABC 7; Vice-Chair Radio, Melody Spann-Cooper, President/GM WVON; Exec Vice-Chair Carlos Fernandez, VP/GM, WGEM-AM/FM/TV. Front Row: Dennis Lyle, US Senator Tammy Duckworth.

Prevent Harmful Changes to Advertising Tax Treatment:

Congress should not pass legislation that would make advertising more expensive for local businesses and harm advertiser-supported, free, local broadcasting.

Ads on local radio and television stations are treated as an ordinary and necessary business expense—just like salaries, rent and utilities – under the U.S. Tax Code. This means a business can deduct the expense in the year it was incurred.

Some in Congress have suggested changing the treatment of advertising and lessening the current tax deduction. Any change to the deductibility of business advertising costs would ultimately make advertising more expensive for local businesses and have

a devastating impact on radio and television stations that rely on ad revenue to survive.

For many local retailers, broadcast television and radio are the best ways to reach their customers and grow their businesses. Making advertising more expensive would hamper the growth of these businesses and the jobs they support.

Changes to the tax treatment of advertising would not only hurt local businesses, but impede the ability of radio and television broadcasters to deliver the news, emergency information and entertainment communities rely on every day.



[L-R] Doug Levy, US Representative Bill Foster, Melody Spann-Cooper, John Idler.

Allow Broadcasters to Continue Negotiating in the Free Market:

Congress and the Federal Communications Commission should allow broadcasters and pay-TV operators to continue to conduct private, market-driven negotiations for retransmission consent and avoid tilting the scales in favor of either entity. Government intervention will only disrupt a marketplace that has resulted in more programming choices and services for local television viewers.

Here's why- Congress has long recognized that local TV stations should be allowed to negotiate compensation with cable and satellite operators for the retransmission of their signals. Cable and satellite operators resell broadcast signals to subscribers, to the tune of billions of dollars in profits.

When local stations and pay-TV providers hold private, market-based negotiations this provides incentives for both parties to come to mutually beneficial arrangements. Stations may then reinvest this revenue into their newsrooms, public service and highly-valued programming.

Some pay-TV companies are aggressively lobbying the government to interfere in this free-market process, an attempt to avoid fairly compensating broadcasters, who produce the highest-rated content on television. Eliminating station's ability to negotiate for the value of their signals would mean less choice for viewers and fewer resources for stations to dedicate to local news, public affairs programming, coverage of emergency weather events and community activities.

TV Station Relocation Could Leave Viewers in the Dark:

Congress should pass legislation to ensure viewer's access to local television stations is not threatened following the broadcast spectrum incentive auction due to lack of funds or unreasonable time constraints for station relocation.

When Congress authorized the broadcast spectrum incentive auction, broadcasters were assured that participation was voluntary and that non-participating stations would not be penalized. To this end, Congress authorized a \$1.75 billion Television Broadcaster Relocation Fund to cover the reasonable costs necessary to relocate, or repack, broadcasters to new channel assignments following this auction. Congress also included a three-year timeline for the FCC to reimburse broadcasters. Since that time, the FCC has pursued a relocation plan that is likely to cost significantly more and take much longer than envisioned by Congress. The Commission also has imposed an arbitrary 39 month deadline by which television stations must complete their moves or go off the air, leaving viewers without access to critical information. At the current spectrum clearing level, experts predict that more than 1,100 stations will need to relocate to new channel assignments during the repacking process. If this holds true, repacking costs could exceed the broadcast relocation funds by over \$1 billion.

Based on the FCC's plan, neither the size of the fund nor the timeline will likely be sufficient to allow broadcasters to successfully relocate following the auction.



After Senator Dick Durbin's address to the NAB SLC luncheon crowd, Senator Durbin met privately with the IBA delegation to further discuss the issues.



Back Row(L-R)- John Idler, Doug Levy, Dennis Lyle, Carlos Fernandez, and Ralph Oakley President, Quincy Media.
Front Row (L-R) Dana Withers, President Dana Communications and Withers Broadcasting, US Senator Dick Durbin, Melody Spann-Cooper, Bud Walters.

IBA MEMBERS IN THE NEWS...

Collecting Nearly 8 Million Pounds of Food-
WSOY –AM 1340/ 103.3FM honored as Kroger’s
“Community Partner of the Year”



The Kroger Central Division honored WSOY News/Talk 1340AM 103.3 FM as its “Community Partner of the Year” at their Vendor and Community Partner of the Year Awards Ceremony in Carmel Indiana Tuesday, March 28th. WSOY was nominated and chosen for this prestigious honor for the impact of the WSOY Community Food Drive.

Food Drive co-founder Kevin Breheny says this is an incredible honor.

“This is a very big and nice honor. Kroger has been there from the beginning and they are a major reason for the success of the WSOY Community Food Drive,” Breheny says. “What an incredible company Kroger is, with a great group of employees.”

WSOY was chosen based on several key performance criteria, as well as general co-operation and enthusiasm toward achieving mutual goals. Previous honorees of the Community Partner of the Year Award include the Indiana Pacers and the Indiana Lottery. Ven-

dors honored at the awards this year included Red Bull, The Dr .Pepper Snapple Group, and the Hershey Company.

Food drive co-founder and Vice President of Development for Neuhoff Media Brian Byers stated the honorees at the event were truly a reflection as to the scope of the honor.

“We are honored and humbled by this recognition. Through the entire 15 year history of the food drive, there as been no greater partner to it’s success than Kroger. It was a great honor to stand on the stage and except this honor with great companies such as Red Bull, Hershey and Snapple.”

With Kroger as it’s host, The WSOY Community Food Drive has raised over 7.9 million pounds of food for local food pantries in it’s 15 year history.

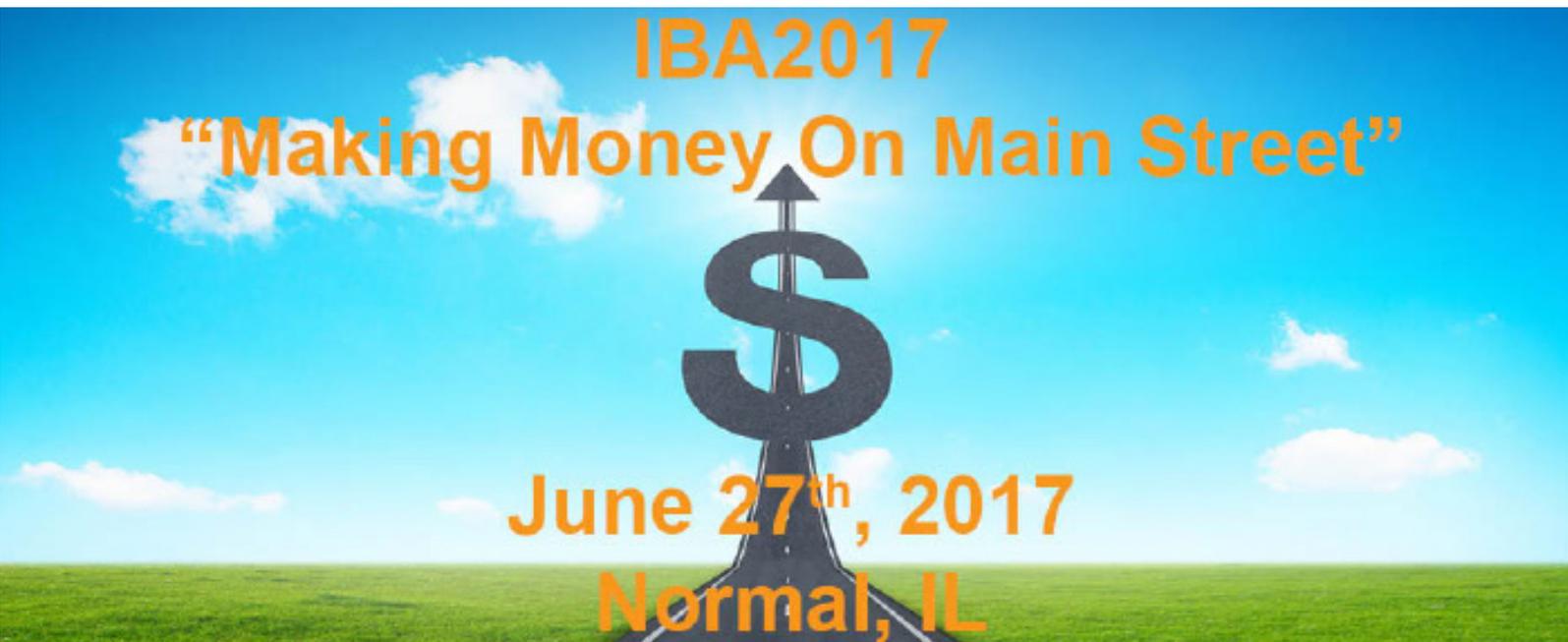
Photo: [L-R] Eric Halvorson (Kroger), Brian Byer (WSOY), Kevin Beheny (WSOY), Kevin Kontanski (Kroger).

UP COMING EVENTS...



AT&T Presents
Silver Dome Awards Gala
June 8th, 2017

FINALISTS WILL BE ANNOUNCED IN NEXT ISSUE OF THE *TRANSMITTER*. TICKETS ON SALE NOW AT WWW.ILBA.ORG



IBA2017
“Making Money On Main Street”
June 27th, 2017
Normal, IL

REGISTRATION IS NOW OPEN AT WWW.ILBA.ORG