

Will The FCC Move Ahead With A Geo-Targeted Radio OK?

By **Adam Jacobson** - March 16, 2020

RBR+TVBR INFOCUS



Addressable advertising. It's a key desire among marketers and brand managers who have shifted much of their money to platforms that can best deliver this new ROI goal — namely, local digital powered by Silicon Valley giants including **Google** and **Facebook**.

The TV industry is poised to claw back some of those dollars, with the voluntary rollout of NEXTGEN TV and its addressable advertising opportunities perhaps a half-decade away from profitability.

For some, this puts traditional radio — minus streamed delivery of live broadcasts — at a disadvantage. However, the radio industry may have its answer.

The developer behind “ZoneCasting” is seeking regulatory approval for the voluntary rollout of geo-targeted programming.

This would include emergency alerts, news, and advertising.

A petition has been filed with the **FCC** by Chicago-based **GeoBroadcast Solutions LLC** that seeks a regulatory tweak that would permit radio stations to use its “ZoneCasting” product — should it want to.

ZoneCasting has been in development for nine years, and **in February 2019** brought on veteran Chicago radio manager **Harvey Wells** as its Director of Sales Development and Marketing.

Much of Wells' activities, and that of GeoBroadcast Solutions, until now has focused on “MaxxCasting,” which leverages Single Frequency Network (SFN) architectures to optimize a radio station's signal strength within its FCC-allocated contour, allowing greater numbers of potential listeners and Nielsen Personal People Meter encoding. **It is used at Cumulus Media's WXLO-FM in Worcester, Mass., as a way to reach Boston.**

ZoneCasting, which requires FCC approval, is designed to allow a radio station to divide its signal based on a market's geography.

This, as shared with *RBR+TVBR* readers one year ago, would give FM radio stations their best shot at addressable advertising. How so? ZoneCasting would allow a radio station on a single frequency to air different news, traffic, weather, public service announcements and advertisements based on where a listener is located.

In a March 2019 interview, GeoBroadcast Solutions CTO Bill Hieatt said, “Several years ago, Harvey actually was involved in an early form of ZoneCasting in the Chicago area, but it took three radio stations to do it. Our new technology will allow a single radio station to do what it took Harvey three stations to do. He is the perfect person to help us build on MaxxCasting’s strong momentum, and officially launch ZoneCasting once approved.”

Hieatt is referring to “Nine,” which in the final weeks of 2004 brought an Adult Hits format to suburban Chicago via WDEK, WKIE and WRZA — FM stations on a trio of different frequencies that offered unique commercials when the music stopped.

In Southern California through the Central Coast, a similar opportunity can be seen today, as “Your Old School Station” offers programming across several stations — on different frequencies — but with different breaks, allowing for unique advertising from Santa Maria all the way to San Bernardino.

ZoneCasting is a bit different. In this case, one station’s signal is geotargeted, much in the same way an audio stream is.

GeoBroadcast Solutions LLC believes its necessary for the continued health of the radio business, and for stations to best serve the community in ways it, perhaps, has largely forgotten.

“Radio is currently the only mass medium that cannot geo-target its content,” the company notes. “The ability to add localized weather and traffic, news, emergency alerts, and advertising is beneficial to listeners, small businesses, and advertisers and would allow the industry to progress and remain competitive in the market.”

The rule GeoBroadcast seeks to change relates to FM boosters. The company states that no changes to the FCC’s rules regarding translators or interference are necessary.

The new rule, GeoBroadcast says, “would be similar to the 2017 FCC decision that allowed television broadcasters to use the Next Generation TV standard—also known as ATSC 3.0 — and distribute geo-targeted programming.”

It offered a proposed revision to 47 Code of Federal Regulation §74.1231.

It adds the following language:

The programming aired on the FM broadcast booster station must be “substantially similar” to that aired by its primary station. For purposes of this section, “substantially similar” means that the programming must be the same except for advertisements, promotions for upcoming programs, and enhanced capabilities including hyper-localized content (e.g., geo-targeted weather, targeted emergency alerts, and hyper-local news).

In prepared comments, Hieatt said, “We hope the FCC promptly moves ahead with this rule-making proceeding so that radio broadcasters – similar to television stations – will have the opportunity to decide whether to offer geo-targeted content in their communities. Our technology moves the radio industry in line with today’s technology while also improving the consumer experience in the most widely used source of news, entertainment, and information.”

Yet, ATSC 3.0 and its voluntary rollout is a much different technological advancement, technologically, than what GeoBroadcast proposes. Digital channels have been moved; “virtual” PSIP channels are the norm. There’s ATSC 1.0, and tests that involve a coalition of TV industry companies that are ongoing.

Radio stations missed their chance to adopt a DAB standard, commonly seen across the U.K. and Europe, when they chose to go with an in-band, on-channel (IBOC) digital rollout some 20 years ago.

For ZoneCasting to work, it must rely on a station’s primary signal, and boosters that effectively split that signal. For a rimshot property such as WXLO, it has proven successful. But, what about in markets where 100kw signals covering four counties are the FM norm?

This challenge is not immediately addressed by GeoBroadcast, which has gained attention for its work “filling holes” in station signals in metropolitan areas where their suburban towers have difficulty reaching. This is seen with clients such as **Bustos Media** and **Spanish Broadcasting System (SBS)**.

The first station to team with Chicago-based GeoBroadcast Solutions for “MaxxCasting” is **WXRV-FM**, a Boston market station that had traditionally been challenged in reaching the entire metro area.

While MaxxCasting is designed to offer a boost to all programming, ZoneCasting is positioned to offer unique “where you are now” offerings that can give a station’s sales team a boost.

“Importantly, this geo-targeting technology relies on existing consumer radio

receivers that are synchronized with FM booster radio stations and originate localized content and insert it at specific and limited times, while otherwise retransmitting the primary station's signal," GeoBroadcast says. "This technology, which would be optional for broadcasters, does not impact interference between neighboring stations and does not cause harmful self-interference."

For the GSM, questions abound. How does one set rates? Do they base them on radio rates, geotargeted, or on what local digital competitors are presenting?

Such concerns may be simply resolved with quick learning, and adopting the technology.

A supporter of what GeoBroadcast is offering is **BIA Advisory Services**. In fact, it is BIA that distributed the news regarding GeoBroadcast's petition with the Commission.

The filing follows a February 25 release of a joint study by BIA Advisory Services and Advertiser Perceptions that finds more than 90% of local retailers and two-thirds of national advertisers are poised to put more money into FM radio when geo-targeting becomes available.

"ZoneCasting will come to market fast because the appetite is there," said Andy Sippel, EVP of Advertiser Perceptions. "Advertisers are already very comfortable using geo-targeting with cable TV and have had success. Now, we continue to see renewed interest in radio as a medium."

The study is the result of two important surveys. Advertiser Perceptions studied 301 national brands and media agencies in October 2019. BIA Advisory

Services then surveyed 300 local retailers in December 2019. While the joint study finds Main Street more aware and prepared for ZoneCasting – with 70% of Main Street familiar with the capability vs. 26% of Madison Avenue – ease of adoption indicates the gap should close fast.

“ZoneCasting uses the existing radio broadcasting tech platform and existing consumer radio devices in cars, at home and work,” said Rick Ducey, Managing Director of BIA Advisory Services. “Once approved, there’s no barrier to advertisers that want to tailor their advertising messages to the most strategic locations within a radio metro area.”

That mirrors the push of GeoBroadcast executives **Chris Devine, Rick Bonick** and **Bill Hieatt** to get the Commission to OK their proposal, which they argue could generate up to \$750 million in additional revenue for local radio broadcasters.

In late November 2019, the trio of Windy City C-Suiters met with key Commission regulators, including Audio Division Chief **Al Shuldiner** and Senior Deputy Chief **Jim Bradshaw**, in addition to FCC Chairman Ajit Pai’s Media Advisor, **Alison Nemeth Steger**, and members of Congress and staff to discuss ZoneCasting.

That meeting was designed to influence the Commission in issuing an NPRM on ZoneCasting.

It didn’t, hence the petition filed Friday.

Much of the details of GeoBroadcast’s proposal are contained in an *ex parte* presentation filed with the FCC on November 29. The 86-page presentation is supported by detailed studies from BIA Advisory Services and **Edison Research**.

For now, the Commission is the body that needs to act. Until that happens, GeoBroadcast’s technology it believes can aid local radio awaits a launch, offering potential for new ad dollars. At the same time, questions persist over how ZoneCasting could benefit all operators, and bring what is perhaps “NEXTGEN FM” to fruition.

Adam Jacobson

Adam R Jacobson is a veteran radio industry journalist and advertising industry

analyst with general, multicultural and Hispanic market expertise. From 1996 to 2006 he served as an editor at Radio & Records.