Statement of Jerry T. Hanszen Before the Federal Communications Commission Broadcast Localism Task Force San Antonio, Texas January 28, 2004

Good evening, Mr. Chairman and Commissioners, and welcome to Texas. I am the Owner and General Manager of KGAS in Carthage, Texas, and KMHT located in Marshall, Texas. For those of you not familiar with East Texas, Carthage is about 30 miles south of Marshall, and 25 miles away from the Louisiana border. Carthage has a population of about 6,700 people, and Marshall has a population of about 24,000.

I'd like to start off by recalling a telephone call I had with some members of your Localism Task Force a few weeks ago. In that conversation, one of the folks from the FCC said that I would probably be the smallest radio broadcaster to ever appear at one of these hearings. And I just want you to know that, assuming that person was referring to the size of my community, and not my stature or my bank account, I took it as one of the biggest compliments anyone could ever pay me.

That's because my wife, Wanda, and I, and our eight employees are so proud of our acceptance in our local community. The slogan for KGAS and KMHT is "The Heartbeat of East Texas," and we try very hard to live up to that billing. Our stations participate in just about every event going on in our communities, from church activities to school events to local government meetings. And I am certain that I am as closely involved in my stations as any station owner in the country. In fact, the KGAS studio is located about only fifty yards from my house, so it's safe to say that I am always available to our listeners.

I have worked in radio for many years, both on the air and in management, and the most important thing I have learned along the way is that, regardless of your resources, or your market size, or any other factor, the success of a radio station depends most of all on one thing, and that is how well a station serves its local community.

Even though our stations are small, we manage to make ourselves relevant to our communities. First, with respect to our programming, we broadcast our community's favorite country music on our FM channels, and the gospel music they like on our AM channels. And every morning, we feature an up-and-coming local country or gospel artist, and bring them in for live interviews whenever possible. We will put just about anyone on the air, and do what we can to help get a new artist noticed.

As for local news and public affairs, on a typical day, all of our channels will broadcast five local newscasts, with the Carthage station focusing on Panola County and the Marshall station focusing on Harrison County. And those broadcasts will cover everything from funeral notices to school lunch menus, which is probably as local as you can get.

Every day at 8:30 am we have a live talk show, hosted by yours truly, where we bring in guests from the community and discuss local issues. I try to make sure that every local politician comes on the air at some point, and I also invite other local folks like ministers or school officials who might have an event coming up. Then at 9:00 am, we run a very popular show called Swap Shop, where listeners can call in and describe personal items they would like to buy, sell or trade. We average about 100 calls an hour on this show, which is pretty amazing when you consider the size of our listening area.

We also run a weekly live program with our local sheriff that is so informative and so entertaining that I wouldn't be surprised if our ratings share during that hour is close to 100%. And on Sundays, we air devotionals from area churches. Of course, this is on top of our in-depth coverage of the other "religion" around here, high school football. We not only cover ten teams each week on our two stations, we make sure to broadcast the half-time marching bands so those parents can enjoy their kids' performance too. Our coverage of sports is second to none in the area, as we also cover area high school and college basketball, baseball, softball, and volleyball.

As far as our stations' involvement in the local community, I think this is demonstrated best by the fact that KGAS functions as the primary emergency warning system for Carthage. So for example, when our fire department, which is made up entirely of volunteers, including myself, is summoned to a fire or other emergency, KGAS will interrupt its programming to let people know where the emergency is and that drivers and pedestrians should clear the way for emergency vehicles. In Carthage, it is common knowledge that when you hear the town's siren go off, you need to tune your radio to KGAS to find out exactly what is happening.

Both of our stations also work closely with many different private and public organizations in the area, but, like most broadcasters, we do much more than just cut checks to worthwhile causes. In fact, the most important contributions that broadcasters make to their community has very little to with money. We raise the level of awareness, discussion, and education in our communities. And we give a voice to local organizations, groups and individual citizens. That's why stations like KGAS and KMHT devote so much airtime to local news and public affairs, and that's why we do

everything we can on a personal level to enhance our community, such as promoting charity events, Shriners and Lions Club fund raisers, blood drives, youth related activities, and others too numerous to mention here.

So, we do all of these things because we think it's part of our responsibility as good corporate citizens. But to be perfectly honest, that's not the only reason. We also focus our programming and corporate resources on our community because we know that these efforts are the key to the success of our stations. Radio is a very competitive business, even in Carthage, Texas, and we have found that the best way to distinguish ourselves is to broadcast programming that focuses on topics and events of interest to our neighbors.

In my view, localism, as you call it, is really nothing more than commonsense good business, and I can assure you that KGAS and KMHT will continue to do what it takes to be the "Heartbeat of East Texas" whether you see fit to create new localism rules or not.

Thank you for the opportunity to speak with you today, and I'd be happy to answer any questions.