FEDERAL COMMUNICATIONS COMMISSION BROADCAST LOCALISM HEARING MONTEREY, CALIFORNIA JULY 21, 2004

STATEMENT OF CHUCK TWEEDLE

Good evening Commissioners. My name is Chuck Tweedle. I am Senior Vice President of Bonneville, and among my responsibilities are Bonneville's three FM stations in the Bay area. Bonneville has a long-standing and company-wide commitment to serving the communities in which our stations operate. Our three local stations – KOIT, KDFC and KZBR – exemplify this commitment.

All three of these stations are 100% locally programmed; all programming decisions are made locally; and all on-air talent personalities are local residents. Of the 23 full and part-time personalities, only three have lived in the area for less than five years.

We also pay very close attention to local issues. Our three stations combined spent more than \$290,000 in 2003, researching the attitudes and concerns of Bay Area residents. The various projects examined music and non-music programming content, as well as attitudes on life issues and the needs of our community.

I'll speak more specifically in just a moment about these stations and their significant involvement in the communities they serve. But, I first would like to establish some context for Bonneville's commitment to community and paint for you, at least in broad strokes, a portrait not only of our corporate philosophy of giving something back to our communities, but also our parallel corporate lifestyle of making a difference in those communities.

Among all Bonneville stations – certainly including KOIT, KDFC, and KZBR – serving the communities in which we broadcast is neither an empty motto nor some simplistic bumper sticker. It is, quite literally, the way we do business.

As with all broadcasters, we need an audience to stay in business. And, by definition, to capture and maintain that audience, we must effectively respond to that audience's wants and needs. To that end, we at Bonneville are wholly committed, as our history aptly demonstrates, to giving something meaningful back to our communities.

We are a moderately sized broadcasting company, yet in 2003, our stations aired more than 215,000 minutes of public affairs programming, public service announcements, and other on-air community-service projects, worth \$50 million – and all of it tailored to needs and opportunities specific to the communities in which they broadcast. Add to that total another \$1.2 million in employee volunteer hours in their

communities, and it's evident that Bonneville's actions not only back up its stated corporate philosophy but also cultivate its day-to-day business lifestyle.

And, we do it all with great enthusiasm, because we <u>ARE</u> a part of those communities, and we want to invest in them because we work there, and our families live there. But, we certainly are not alone in that practice. Most other broadcasters companies also make that commitment and provide vast amounts of community service.

In the words of Bruce Reese, Bonneville's president and chief executive officer: "Meaningful service to our communities creates loyal audiences and moves product for our clients. That, in turn, gives our company the resources to grow and to reinvest in our people and in our communities. Our way of doing business isn't a luxury; it's a necessity. Many other successful companies have proven the model over the years. Many of our most successful colleagues in broadcasting apply that same model. In this era of hyper-competition, it's the only recipe for long-term success."

We at Bonneville, as do most other broadcasters, also fully recognize and accept the vital role we would play and the responsibility that would be ours in the event of a major disaster in any of our communities. We view maintaining the ability to share crucial information with our listeners as among the greatest of our community service functions.

We, and other broadcasters, actively nurture the concept of localism and take seriously both the opportunities it offers and the responsibilities it presents.

Here in the Bay Area, our stations offer three formats. KDFC provides classical music and is the only one of the remaining 30 commercial classical stations in America that has actually grown, both in listener audience and revenue. KOIT is programmed as a light rock station, and KZBR became a country station in 2003. Each station fully shares in Bonneville's commitment to local public service and addresses the needs of its audience in ways that are tailored to its format.

Significantly, over the past five years, each station has received the National Association of Broadcasters Crystal Award for Excellence in Community Service. In 2003, KOIT and KDFC also received NAB Marconi Awards for Adult Contemporary Station of the Year and Classical Music Station of the Year, respectively.

As part of our on-going commitment to the community, we produce and air three local public affairs programs each week. Positive Parenting is a weekly program that addresses family and parenting issues. Guests on the program offer help on issues from education, to health questions, to problems in family relationships. Advice from this program also is featured on KOIT's website feature, "Ask Dad."

Today's World is a locally produced program in which News Director Sherry Brown interviews experts on local issues in the Bay area. Crime prevention, breast cancer awareness, child abuse, and energy and the environment are just some of the issues we have addressed. Many of the guests help promote charities and other public service activities. Today's World offered interview time to all candidates in the Governor's Recall election, but most declined. Guests on Today's World also are featured in Special Reports, Monday through Friday, as part of the KOIT Noon News.

Our third local public affairs program is the Commonwealth Club, produced in a local public affairs forum format. The program features nationally-known speakers on a wide variety of topics. Guests include authors, public officials, business executives and journalists.

Our three stations also broadcast more than four hours of locally produced newscasts every week. Each station airs two newscasts per hour in Morning Drive, the day-part with the largest audience. Other newscasts air at noon and in the evening. In the past year, much of our news time was devoted to the Bay area economy, the California energy crisis, and the Governor's recall election.

As you are aware, many stations around the country participate in fundraising, assisting local charities and broadcasting public service announcements. This is an extremely important element of localism, because many of these organizations could neither succeed nor have their messages be heard without the active participation and continued support of local broadcasters.

Our stations devote enormous efforts to helping community groups. What may be unique, however, is that we also have created Public Service Announcement Workshops in which we teach local non-profit organizations how to write PSAs and how to market themselves to the media.

The total value of the airtime we contributed to local organizations in 2003 was more than \$15,730,000. In 2003, KOIT alone helped 322 different non-profit organizations with production support and by airing more than 8,200 PSAs.

Among our multi-tiered efforts is VolunteerMatch. We helped this organization match more than one million volunteers with non-profit activities. Again, this type of outreach to the entire community is something that local broadcasting is uniquely situated, and qualified, to provide.

KZBR was the primary on-air sponsor last year of the Pacific Coast Dream Machines Show which attracted more than 25,000 people to see historic planes and automobiles. That event supports and promotes awareness of the Coastside Adult Day Health Center and each year is its single largest fundraiser.

KZBR turned its nickname – "The Bear" – into help for needy children. "Teddy Bears for Cubs" was a successful holiday toy drive we organized in conjunction with area retailers and the Bay Area Firefighters. More than 3,500 toys were collected for their project.

As the primary source of classical music programming in San Francisco, KDFC is dedicated to supporting music education. Last year, we aired 78 hours of music education programs – one and a half hours per week, designed to teach young people the basics of classical music and to showcase young talent. KDFC also has hosted the program "From the Top," aWest Coast broadcast event often featuring young Bay area performers.

The radio home of six full-time symphonies, including the national "San Francisco Symphony" broadcasts, KDFC presents local radio's most extensive Arts Calendar, with six prime-time updates and an aggressive PSA program. The music calendar literally comes to life with KDFC's weekly "Hometown Tuesdays" feature, which includes musical previews of upcoming concerts, programmed throughout the day.

The annual KDFC charity sampler CD this year will top \$100,000 in donations to children's' programs in Bay area homeless shelters, and for world-class pediatric care. All four previous releases topped the local classical charts. We also sponsor and air the annual "Opera in the Park" event, as well as sponsoring five free summer concerts, attracting more than 50,000 people.

More than 20% of the Bay area population is Asian, so in May of 2004 KOIT aired a month-long campaign honoring Asian Heritage Month. More than 150 produced announcements featured Bay area residents Leland Yee, speaker pro-tempore of the California Assembly, San Francisco Police Chief Heather Fong, International Chinese TV talk show host Jay Stone, and Author Amy Tan, among others. Each Asian American told their story and shared views on their culture.

Our three station websites included more than 5,200 listings for volunteer opportunities, fundraisers, and events for children's health and education. Additionally, an on-line pet adoption center places rescued animals with local owners. The three stations' websites also helped raise \$100,000 for breast cancer research though several local events.

And, reflecting the cultural diversity of the Bay area, koit.com can be read in Chinese, Spanish, Japanese, Korean, Russian, and Italian.

In addition to our on-air commitment, and reflecting yet another corporate commitment to serving our communities, Bonneville provides each full-time employee with 40 hours of paid leave each year to volunteer with local community organizations. It's an opportunity widely used by our employees.

Commissioners, we succeed in the Bay Area, and as a broadcasting company, because our listeners know that we are part of their community. It's the only way I know to operate a radio station, and I believe that stations across the country take a similar approach. Localism and the commitment to serving our communities are alive and well, I can assure you. Thank you for your time and your interest.

I would be pleased to answer any questions.