

GeoBroadcast Solutions Addresses Industry Comments in Reply to FCC NPRM To Modify Commission's Rules Governing the Operation of FM Booster Stations by FM Radio Broadcasters

Small Adjustment to Technical Rule That Would Provide an Option to Innovate and Compete Has Raised Issues Among Industry Members Reticent to Change

Henderson, NV – March 12, 2021 – In a reply to comments filing today, GeoBroadcast Solutions sought to address industry concerns and exaggerated speculations to its FCC request for a nominal rule change that would allow the upgrade of decades-old FM booster rules by permitting, but not requiring, radio broadcasters to innovate and offer geo-targeted content for a small portion of a broadcast hour. The Commission's notice of proposed rulemaking - MB Docket Nos. 20-401, 17-105; RM-11854; FCC 20-166 – was adopted on November 20, 2020, and released on December 1, 2020. In this document the FCC proposes to amend its rules to enable FM broadcasters to use FM booster stations to air geo-targeted content independent of the signals of its primary station.

"Our efforts to improve radio technology and provide an economic lifeline to broadcasters competing on a daily basis against less regulated mediums, met surprising opposition from those we had hoped would embrace the opportunity to work with us and build new economic models that would help the industry remain competitive," said Robert Udowitz, a spokesperson for GeoBroadcast Solutions. "As the rule change progresses we are going to continue working together with broadcasting groups, stations, advertisers, and industry organizations."

The GeoBroadcast reply focuses on four elements that will improve any radio station using geotargeting technology.

- The technology will be seamless to the listener
 - Transition zones will comprise typically less than one tenth of one percent of a broadcaster's service area.
 - Transition zones will be engineered by the broadcaster to avoid self-interference, a principle of spectrum management that the FCC adopted in 2008 and endorsed again *two months ago* in a similar broadcast context as sound policy.
 - The FCC's *current rules* require radio broadcasters to manage their spectrum, including their use of FM boosters, so as not to disrupt the listening experience and those rules will remain in place when the rule is revised.
- The Emergency Alert System will not be impacted by the technology
 - ZoneCasting[™] will unequivocally have no impact on the EAS alerts.

- In the event an EAS alert is aired while a station is geo-targeting content to one zone, all zoned operation will immediately drop into simulcast synchronized SFN mode.
- The daisy chain system of distributing EAS alerts would not be impacted, because no national or state/local EAS alert would be aired to only one zone.
- Where geo-targeting may offer benefits today is with respect to hyper-local alerts that a station may air at its discretion. Examples include, during a potential weather event, where any federal, state, or local EAS alert that the station chose to air, would be broadcast to all listeners via the main transmitter and all boosters in a synchronized fashion.
 - However, if the station then generated additional local copy that may be particularly helpful for one zone, it could then target that content more specifically.
- The technology represents a meaningful revenue impact, as proven by example in the cable TV industry
 - A radio station that chooses to launch geo-targeted content would only be able to do so for a maximum of three minutes per broadcast hour, with the remainder of the advertising time during that hour going DMA-wide. The cable industry as a matter of industry practice (rather than rule or regulation) similarly dedicates two to three minutes per hour to geo-targeted advertisements by operators, while the other 15 minutes of advertising are sold by the cable network on a nationwide basis.

This means that in a fully market-driven, unregulated system, the availability of geotargeted advertisements has not eliminated the demand for national ad sales. Geotargeted advertisements will create new opportunities for those stations and advertisers who can choose to use them but will not diminish the interest in DMAwide advertisements.

- Radio broadcasters who choose to deploy geo-targeted advertisements would be able to leverage the existing systems for traditional in-person and programmatic geo-targeted ad sales developed by other sectors of the media industry, including cable and digital media. That this infrastructure already exists is yet another reminder that radio is the only medium that does not currently have the capability to geo-target content.
- The basic rules of supply and demand demonstrate that if a station has unsold advertising inventory, it should be interested in any technology that might attract new and different advertisers because it should want to move that inventory. There typically is increased demand for geo-targeted advertisements, as supported by more than a decade of tremendous success by digital and other platforms, which have embraced innovation to attract new and different advertisers. In fact, the rate for certain zones could be higher than the DMA-wide rate, while the rate for other zones may be lower.

- There is strong evidence and support across the minority community that geotargeting would be embraced by broadcasters who reach underserved audiences. In his reply comments to the NPRM, Steve Roberts, president of Roberts Broadcasting Companies, a long-time board member of both the Multicultural Media, Telecom and Internet Council ("MMTC") and the National Association of Black Owned Broadcasters ("NABOB"), who also served on the last three diversity boards assembled by FCC chairmen, Roberts says that the proposed rule change would give minority broadcasters a way to compete, a way to offer better service to their specific communities, a way to promote localism and advance the public interest.
- Three upcoming live demonstrations of ZoneCasting will illustrate how it will improve the station's signal strength and reach, and demonstrate each station's ability to add localized weather and traffic, news, advertising, and EAS tests to its listeners. This will be the fifth test of the technology and the third using the same booster configuration.

GeoBroadcast's ZoneCasting[™] technology can help stations provide content to better serve their communities by offering hyper-localized news, weather, emergency alerts, advertising, and alternative languages during a small part of the broadcast hour. It could be implemented by stations across the country through a revenue-share model that essentially allows stations to deploy the technology without upfront capital expenses, with GeoBroadcast Solutions providing the infrastructure and each local station using it to sell localized advertising.

The rule GeoBroadcast seeks to change relates to FM boosters and their ability to originate geotargeted content; there would be no changes to the FCC's rules regarding interference or translators. Radio is the only medium that lacks the ability to geo-target content and this rule change would put radio on par with television which now has that ability due to the 2017 FCC decision that allowed television broadcasters to use the Next Generation TV standard (also known as ATSC 3.0) and the many features of that standard include geo-targeted programming.

Additional resources:

- January 11, 2021 Federal Register FM Booster Stations; Modernization of Media Initiative - <u>https://www.federalregister.gov/documents/2021/01/11/2020-28784/fm-broadcast-booster-stations-modernization-of-media-initiative</u>
- December 1, 2020 Docket 20-401 Amendment of Section 74.1231(i) of the Commission's Rules on FM Broadcast Booster Stations -<u>https://www.fcc.gov/ecfs/search/filings?limit=100&proceedings_name=20-</u> 401&sort=date_disseminated,DESC
- December 1, 2020 FCC Seeks Comment on Enabling FM Booster Geo-Targeting Capabilities

 <u>https://www.fcc.gov/document/fcc-seeks-comment-enabling-fm-booster-geo-targeting-capabilities</u>
- December 1, 2020 NPRM <u>https://docs.fcc.gov/public/attachments/FCC-20-166A1.pdf</u>
- April 2, 2020 Docket RM-11854 Filings to the FCC Docket RM-11854

About GeoBroadcast Solutions LLC

GeoBroadcast Solutions was formed in 2011 to develop the ZoneCasting[™] Geo-Targeting platform. This platform has been successfully tested under special FCC authorization. Geo-Targeted separation of the main channel audio of an FM radio station to its listeners allows the ability to split an FM signal into local "zones." Out of this development effort came MaxxCasting[™], which increases signal quality, PPM watermark decoding, and allows geographic targeting and fencing of radio screen advertising. It is successfully deployed and operational in many markets and growing rapidly. Additional information is available at geobroadcastsolutions.com.

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