

**Testimony  
of  
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**Hearing on  
“THE 2010 CENSUS COMMUNICATIONS CONTRACT: THE MEDIA PLAN IN HARD  
TO COUNT AREAS”  
Before the  
Oversight and Government Reform Committee  
Information Policy, Census, and National Archives Subcommittee  
of the  
United States House of Representatives  
February 24, 2010  
3:00 p.m.**

Good afternoon Chairman Clay and members of the Committee. My name is James Winston, and I am the Executive Director and General Counsel of the National Association of Black Owned Broadcasters, Inc. (NABOB). I thank you for inviting me to testify this afternoon.

NABOB is the only trade association representing the interests of the 245 radio and 13 television stations owned by African Americans across the country. The association was organized in 1976 by African American broadcasters who desired to establish a voice and a viable presence in the industry, to increase minority station ownership, and to improve the business climate in which these stations operate. Throughout its existence, NABOB has been involved in Congress's efforts to promote diversity of ownership within the broadcast industry.

Unfortunately, in recent years we have seen a substantial decline in the number of minority companies owning broadcast stations. This decline has been precipitated by government policies that encouraged the consolidation of the industry into the hands of a few large conglomerates, the credit crisis which has resulted in the bankruptcies of several African American owned companies, and a flawed Arbitron audience measurement service that fails to adequately estimate Black audiences.

You have invited me today to discuss the 2010 Census Integrated Communications Campaign in Hard to Count (HTC) areas. I am pleased to have been invited to address this subject, because, as you are well aware, many African American communities have been historically included among the Hard to Count areas, and most NABOB member stations serve African American communities.

I wish to provide comments on three subjects today:

- First, the paid advertising program targeting African American communities got started significantly later than for other communities.
- Second, there are problems with choosing stations based solely on Arbitron audience data.
- Third, the allocation of Census advertising dollars toward the African American communities should be increased.

The Census Bureau has issued the following description of the 2010 Census:

The U.S. Constitution mandates that a census be conducted every ten years. The 2010 Census will provide a once-a-decade snapshot of the nation's population. The information collected during the census assists government leaders in making historic decisions, such as the apportionment of seats in the U.S. house of representatives. The data are also used to help distribute more than \$400 billion in federal funds back to state and local governments each year. Information from the census is used to determine where to fund infrastructure projects such as roads, hospitals and schools.

The Bureau has acknowledged that, in the 2000 Census, fewer than 60 percent of African Americans returned the census questionnaire compared with 77.5 percent of Whites. This under-count means that African Americans did not get their fair share of the approximately \$3 trillion dollars expended by the federal government over the past decade, and, if this problem is not corrected, we will miss out on our fair share of the approximately \$4 trillion dollars the government will expend over the next decade. In addition, we will be denied our fair share of elected offices at both the national and state levels.

Faced with this staggering under-count problem, on December 4<sup>th</sup>, I was on a conference call with the Census Bureau, and I was provided with an overview of the Bureau's paid advertising campaign. I was advised that \$133 million had been budgeted for paid media. Out of that \$133 million, the budget specified for reaching the African American community included: \$6.5 million for national television networks, \$4.4 million for local television in 30 markets, \$2.6 million for national radio networks and \$4.6 million for local radio in 30 markets. I stated that I thought only targeting 30 markets for local media buys seemed like a very short list, and the budgets for both national and local advertising seemed too small. I was told that the whole campaign had been planned, because it was scheduled to begin January 1<sup>st</sup>, and that it was too late for further input into the planning of the campaign budget.

I was advised that the African American media campaign had been contracted to GlobalHue, a well known and respected Black owned advertising agency. Having been advised that the

campaign was to start at the first of January, I accepted the assertion that it was too late to provide input into the ad budget.

However, while the ad campaign on general market stations began on January 1<sup>st</sup>, the campaign targeting the African American community got started much later. Some stations have been advised only within the last few days that they will be receiving Census ad buys, and some, which were previously advised that they would receive Census ad buys have yet to receive them. NABOB has discussed this problem with GlobalHue, and we will be having further conversations about what that means for the campaign moving forward. I look forward to working with GlobalHue as we address this and other issues needed to ensure that the funds so far allocated reach their target audience.

Worse than the timing issue, however, is the fact that in several markets, the African American owned stations have been completely overlooked, and all of the Census Bureau ad buys have been placed with non-African American owned radio stations that target their programming to African American audiences.

This placement of all of the Census Bureau ad dollars in a market on non-African American owned stations connects to the second concern I wish to share with the Committee. The placement of ad dollars with non-African American owned stations targeting African American audiences frequently reflects reliance solely upon Arbitron audience data for choosing stations. Any media campaign that relies only on Arbitron audience measurement data in selecting which radio stations on which to advertise is going to badly disserve both the African American and Hispanic communities. This is a very serious point, because it reflects an ongoing problem for Black and Hispanic owned radio stations.

The Arbitron ratings company maintains a monopoly over the business of measuring the audiences of radio stations, which means that, if radio stations do not subscribe to the Arbitron ratings service, those stations will have no ratings data to present to advertisers who purchase advertising time on radio stations.

Approximately three years ago, Arbitron began replacing its accredited rating service, which uses diaries to obtain audience estimates for radio stations, with a new, unaccredited service called the Personal People Meter (PPM) service, which uses a pager-like device worn by a panel of radio listeners. Before PPM was placed into commercial service, Black and Hispanic owned radio stations advised Arbitron that the test results from its PPM service reduced the estimated listening audiences for their stations too far below the measurements provided by the diary service to be credible. The Black and Hispanic broadcasters, along with several other organizations formed the PPM Coalition to address this issue on a unified, national level.

The problems created by inaccurate audience measurement services are not new to Congress. In 1964, Congress created the Harris Committee which held hearings to address the issue of research auditing. Seeking to avoid a legislative intervention, Congress asked the advertising and media industries to develop a voluntary organization to ensure fair and accurate ratings. In response, the

industries created a nonprofit organization called the Media Rating Council (“MRC”).

Now, three years later, the PPM controversy has found its way to law suits filed and/or settlement agreements reached between Arbitron and the attorneys general of four states, who have alleged that the PPM service discriminates against Black and Hispanic audiences. The Federal Communications Commission has issued a Notice of Inquiry, seeking to determine whether it should launch an investigation of the PPM service. And, the Media Rating Council has denied Arbitron accreditation of the PPM service in 18 of the 21 markets in which the MRC has analyzed the PPM service.

Most importantly, Chairman Towns of this Committee held a hearing investigating PPM on December 2, 2009. After receiving testimony from representatives of the PPM Coalition and Arbitron, Chairman Towns directed the parties to meet to resolve this ongoing controversy. The Chairman warned that the Committee would look to a legislative solution if the parties fail to do so. While the PPM Coalition and Arbitron have met numerous times, no resolution of this problem has been achieved.

Therefore, while the PPM controversy rages on, any Census Bureau advertising campaign that uses PPM data, will be relying upon a flawed methodology that does not adequately estimate the audiences of Black and Hispanic radio stations.

Moreover, even if the Arbitron data were reliable, reliance solely on Arbitron data would completely ignore the ability of Black owned stations to connect with their communities. It is this connection, shared by both Black owned radio stations and Black owned newspapers, which has enabled these companies to survive for decades. The connections between Black owned media and their communities is not one that can be measured and catalogued by Arbitron. It must be discerned from experience using those media to achieve a desired result, whether to sell a product or to convey important information relevant to that community. Local talk show hosts and air personalities can have influence in their communities far beyond the audience numbers generated by Arbitron would suggest. Yet, in many markets, it appears that the Census Bureau advertising campaign has completely ignored this important fact.

This leads me to my final point. The Census Bureau advertising budget needs to be revised to allocate more advertising dollars to Black owned media. As the Bureau is well aware, some of the principal problems affecting the under-count in African American communities are a distrust of government, and a sense of disconnection from the government. Only a trusted voice in the local community can turn such attitudes around. Established Black owned broadcast stations and newspapers are those trusted voices. They need to have a much more prominent role in the Census Bureau’s advertising budget than they have had so far. I urge the Committee to examine this matter further and direct the Bureau to make a greater utilization of Black owned media.

Thank you for the opportunity to appear before you today.