PRSS UPDATE

April 29, 2016
PRIMA
Indianapolis
AGENDA

PRSS Update

PRSS Station Fees
Future System Design & Federal Funding
Trustee Election
New Products

• THE HUB
• MetaDATA & NEXTRadio
STATION FEES

WHY CHANGE THE STATION-FEE STRUCTURE?

- PREPARE FOR FUTURE
- ASSIST STATION FINANCIAL PLANNING
- COSTS:
  - LIMIT INCREASES FOR STATIONS
  - MORE EQUITABLE FOR SMALLER STATIONS
  - REDUCE COSTS FOR SMALLEST STATIONS

BASED ON A PERCENTAGE OF TOTAL STATION REVENUE
SET ANNUALLY BY D/I COMMITTEE (IN SEPT.)

BOTTOM LINE:
NO STATION WILL PAY MORE THAN $10,500 FOR 2017
**Cost Containment**

**PRSS Expense* History**

**FY 2011 Through FY 2016 (Forecast)**

- **FY 2011**: $12.7 million
- **FY 2012**: $12.7 million
- **FY 2013**: $14.0 million
- **FY 2014**: $11.7 million
- **FY 2015**: (Forecast)
- **FY 2016**: (Forecast)

*Operational costs – minus some costs such as In-Kind Expenses and Cost of Goods Sold*
### Current versus Future System Costs

<table>
<thead>
<tr>
<th>Category</th>
<th>Current 2008-2017</th>
<th>Next Generation 2018-2027</th>
<th>Percentage Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Satellite &amp; Insurance</td>
<td>$ 39.3</td>
<td>$ 11.6</td>
<td>-70%</td>
</tr>
<tr>
<td>Network Project Support</td>
<td>$ 18.8</td>
<td>$ 20.4</td>
<td>9%</td>
</tr>
<tr>
<td>Ground System Refurbishment</td>
<td>$ 19.8</td>
<td>$ 21.4</td>
<td>8%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$ 78.0</strong></td>
<td><strong>$ 53.5</strong></td>
<td><strong>-31%</strong></td>
</tr>
</tbody>
</table>

**NOTE:** Totals and subcategories have been rounded (so numbers may not add)
# Future System

## New Mesh Network + Satellite / Internet Delivery

- New, private terrestrial network/MPLS for **220 PRSS stations**
- Added services, 2-way capability
- Satellite backup + upgrades / replacements

## Tech Refresh of Satellite / Internet Delivery

- Satellite & Internet delivery for all **220 stations**
- Ongoing improvements
- Similar operations to today

- Satellite & Internet for the **other 200 stations** + upgrades/replacements

- Upgrades/replacements for current technology

## Cost:

- Limit transponders for public media use
- **Cost:**
  - Collaboration with PBS
  - Cost growth
  - About **$116M** for new network for 220 stations + satellite for 200;
  - **$150M** if new private, mesh network serves all stations

- **Cost:**
  - Collaboration with PBS
  - Cost containment
  - About **$53.5M**
  - [Similar to $78M sought in 2008, minus the cost of three transponders + re-sales from excess capacity]
FUTURE SYSTEM OVERVIEW
FUTURE SYSTEM – STATION VIEW

Galaxy 16

Internet
Terrestrial Stream and Backhaul

Receiver 1
Receiver 2

IP Audio
AES + Analog
Cues & Metadata

Receiver Automation

External
Station Automation

Station Audio
Console & Routing

IP Audio
AES + Analog
Cues & Metadata

Listeners

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FUTURE INTERCONNECTION PROJECT TIMELINE

NEW-SYSTEM LAUNCH

2018 2019 2020 2021 2022 2023 2024 2025 2026 2027

SATELLITE LEASE & INSURANCE

CURRENT LEASE EXTENDED TO JUNE 2020

LONGER-TERM LEASE, WITH ANNUAL RENEWALS

GROUND SYSTEM REFURBISHMENT

STATION RECEIVER ROLLOUT [DESIGN/TEST/Delivery]

LOCAL STATION EQUIPMENT REFRESH [ANTENNA & RELATED GROUND EQUIPMENT]

NOC, BuNOC PHASE 1

NOC, BuNOC PHASE 2

NETWORK PROJECT SUPPORT [CONTENTDEPOT® UPGRADES]

PRIMA

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YOUR ROLE: VOTE! IN MAY, ONLINE

FOR: PUBLIC RADIO SATELLITE INTERCONNECTION SYSTEM CHARITABLE TRUST -- OWNS NATIONAL-LEVEL ASSETS OF PRSS

WHY: 1 (OF 3) TRUSTEES RETIRING; NEED REPLACEMENT

ON BALLOT: PETE LOEWENSTEIN

ELIGIBILITY: 351 PRSS PARTICIPATING STATIONS (CONTRIBUTING STATIONS INELIGIBLE). NEED 50% PLUS ONE.
THE HUB

FULL-SERVICE DISTRIBUTION SERVICE

ALLOWS NETWORKS TO SEND PROGRAMMING TO STATIONS WITHOUT THE NEED OR EXPENSE OF OPERATING A LOCAL HEAD END.
THE HUB

BENEFITS:

CUSTOMIZABLE
SERVES YOUR NETWORK
FULLY STAFFED
24x7 NETWORK OPERATIONS CENTER

INCLUDES:

• RECEIVER AND NETWORK CONFIGURATION MANAGEMENT
• ADVANCED SCHEDULER
• FILE DELIVERIES (STORE & FORWARD), PLUS DELIVERY TRACKING, CONFIRMATION
• SPOT INSERTION — REGIONAL SPONSORSHIP INSERTION, TRACKING, REPORTING
• ELIMINATES SIGNIFICANT COSTS, SETUP, LICENSES, WAITING PERIODS AND OTHER NECESSITIES TO DISTRIBUTE YOUR PROGRAMS
What is Metadata?

Descriptive Info about Programs: Station ID, Logo, Program, Air Date
Story: Topic, Host/Reporter

Can include: Text, Images, Links

MetaPub by PRSS

- An API; For Broadcast
- Doesn’t Duplicate PMP API or NPR Story API
- Collaborators: PRSS, NPR, APM, PRI, Digital Services, Digital Media, PBS, CBC, KNPR, MPR, Wisconsin Public Radio, WNYC, Colorado Public Radio, WICR
- Unified Metadata Distribution System
- Enables seamless flow of metadata from all PRSS producers – NPR, PRI, APM & others – to all PRSS radio stations
- Synchronized with Content Delivery
BUSINESS BENEFITS

FOR PRODUCERS

• Obtain Listener / Audience Data (NextRadio, Web Streaming)
• Raise Revenues through on-screen sponsorships
• Enable listeners to find via search
• Branding & Awareness

FOR STATIONS

• Obtain Listener / Audience Data (NextRadio, Web Streaming)
• Increased Engagement with listeners across platforms
• Raise revenues through on-screen sponsorships
• Enable listeners to find via search
• Emergency Alerting
• Branding & Awareness

REACH

• Attract & Retain Listeners / Users
• Serve all Enabled Platforms
• Mission-driven support of stations, producers by PRSS

FOR LISTENERS

• Radio in your cell phone
• ‘Free’ listening — Broadcast doesn’t use data plan minutes
• Saves battery life
• More ‘hooks’ — Visible data draws in listeners
• Available on mobile devices (phone, tablets, car dashboard)
• Another path to support your local station — Donate button
Visually Appealing Stations Means More Listening

Enhanced Content = More Listening Per Listener

Stations garnered 60% more listening vs. those with a logo-only display and four times more listening than those without visual content (as of Aug. 2015)

Source: nextradio

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WHERE IT APPEARS

META PUB

WRAPS AND ENHANCES RADIO, REAL TIME

• PER-STORY
• PER-PIECE
• TEXT, IMAGES, LINKS

VIEWABLE ON...

• HD RADIOS — STATION INFO, STORY & SONG INFORMATION, IMAGES, EMERGENCY ALERTS
• MOBILE PHONES & SMART DASH — STATION INFO, STORY & SONG INFO, IMAGES & LINKS, EMERGENCY ALERTS
• RDS RADIOS — STORY & SONG INFO, EMERGENCY ALERTS
• WEB STREAMING — STATION INFO, STORY & SONG INFO, IMAGES, EMERGENCY ALERTS

CONFIGURATION DETERMINED BY LOCAL STATION
META PUBL & NEXT RADIO

META PUBL USES A SOFTWARE AGENT TO COLLECT AND ORGANIZE PRODUCER DATA FOR DELIVERY VIA AN API TO STATIONS. THIRD-PARTY SOFTWARE FORMATS AND PASSES THE DATA TO END-USER DEVICES FOR DISPLAY.
**NextRadio®**

**NextRadio App**
- Free; for supported Android devices
- Uses 3x less battery and 20x less data vs. streaming radio apps

**Usage Statistics**

As of April 11, 2016

**App Downloads:** 6.5 million

**FM Stations tuned through NextRadio:** 13,050

**Listening hours through NextRadio:** 13.9 million

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**2015 vs. 2014**

**Avg. Session Length:** 57 minutes vs. 13 minutes 20 seconds

**Overall Listening:** Up 334%

**Views of the ‘Now Playing’ Screen:** Up 1,153%

**Interactions with Station Content:** Up 1,161%
HOW IT WORKS

METADATABASES

PUBLIC RADIO STATION

CONNECTED CAR

WEB STREAMING

Metadata & NextRadio

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Next Steps

Beta of MetaPub

- Follows pilot (Pilot Participants: NPR, APM, PRI, PBS, CBC, KNPR, MPR, Wisconsin Public Radio, WNYC, Colorado Public Radio, WICR)
- Duration: Six months

For Producers

- Requires commitment to developing and curating metadata for your programming

For Stations

- Requires Middleware product (e.g. Arctic Palm) and/or NextRadio’s tagstation®
- If including your local programming, requires commitment to developing and curating metadata for that programming
FOLLOW-UP

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