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RADIO: REACHING OVER 230 MILLION UNIQUE LISTENERS EVERY WEEK

Online and Experiential Marketing Continue to Grow in Radio’s Off-Air Sector as On-Air is Supported by Select Core Categories

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New York, New York – November 21, 2008 -- In the midst of this challenging economic climate, the financial picture for Radio had some bright spots. Most notably, Radio operators’ strategic efforts to offset cutbacks in traditional advertising have paid dividends as Off-Air continues its steady growth with increases from online and experiential marketing.

Revenue Comparisons - 2008 vs. 2007				
(In Millions)				
Revenue	\$Q3 '08	% Chg	\$YTD '08	% Chg
Local	\$ 3,457	-10%	\$ 10,435	-8%
National	\$ 767	-12%	\$ 2,195	-11%
Local & National Combined	\$ 4,224	-11%	\$ 12,630	-9%
Network	\$ 285	-3%	\$ 852	1%
Off-Air	\$ 458	5%	\$ 1,347	9%
Grand Total	\$ 4,967	-9%	\$ 14,829	-7%

Source: Miller, Kaplan, Arase & Co.*
 Off-Air was previously referred to as Non-Spot

Preliminary Q3 reports indicate widespread year-to-year declines across media. Commenting on Internet advertising’s flat Q3 results, David Silverman, a partner at PricewaterhouseCoopers LLP, stated that, “a weakening economy will continue to be a challenge for all forms of advertising-supported media.”

“Although Radio companies are not immune to the current economic downturn, Radio’s flexibility across traditional and emerging platforms provides advertisers multiple channels for consumer engagement,” observed Jeff Haley, President and Chief Executive Officer, Radio Advertising Bureau (RAB). “By leveraging the strength of Radio’s on-air brands, advertisers can communicate with their customers in relevant environments.”

Network Radio saw consistency from Wal-Mart, Home Depot, and General Motors Corporate (including its divisions), with Wal-Mart taking the lead as the sector's top spending advertiser with nearly \$42.7 million invested through Q3 '08.

With their own bottom lines reduced, most marketers curtailed spending across media. Radio did experience growth in certain key categories, particularly Insurance and Restaurants, in the Local and National sectors.

Radio's Local and National Combined Leading Growth Categories 2008 vs. 2007						
Category	\$Q3 '08 (in millions)	\$Q3 '07 (in millions)	% Change	\$YTD '08 (in millions)	\$YTD '07 (in millions)	% Change
Insurance Companies	\$242.1	\$208.7	16%	\$734.6	\$620.4	18%
Professional Services	\$70.1	\$72.0	-3%	\$407.9	\$366.8	11%
Beverages	\$301.6	\$293.1	3%	\$799.3	\$757.5	6%
Restaurants	\$353.3	\$343.1	3%	\$1,171.9	\$1,130.5	4%

Source: Miller, Kaplan, Arase & Co.: X-Ray Markets

(Extrapolated dollar amounts based on the 35 market X-Ray pool may not be fully indicative of industry results as a whole.)

The extended Political season for the 2008 Presidential race proved beneficial to Radio. In the 35 markets that report advertiser detail to Miller, Kaplan, Arase & Co., campaigns on Local and National Radio carried some \$20.6 million of messages in Q3. It moved the year-to-date tally to \$54.9 million – spending which offset the drops among many of Radio's perennial leading spenders. In addition, Network Radio was endorsed by the political hype with \$6.2 million in Q3 '08 and \$13.8 million year-to-date according to TNS Media Intelligence.

Political Spending Analysis



The 44th president will be inaugurated into office soon, following one of the most historic presidential races. Here's a recap of Political spending.

In a comparison of Local and National Q3 and year-to-date '08 political spending in the Miller Kaplan markets to the last presidential election year of 2004:

- Q3 '08 saw a 20.5% increase versus Q3 '04 (+\$3.5 million)
- Year-to-date '08 tallied in a 43% increase over the same time period from '04 (+\$16.6 million)

Also in the Local and National sectors, Issue/527s won the quarter as the largest spender infusing more than \$2.7 million dollars with year-to-date ending over \$7.8M in the 35 Miller Kaplan reporting markets:

- Various committees, associations and organizations followed with a \$.7M and \$2.2M investment in National and Local Radio's Q3 and year-to-date totals, respectively
- Candidate dollars, led by Barack Obama and followed by John McCain, collectively added \$.2M to Q3 '08, closing out year-to-date at \$1.2M
- The bulk of all political funds was spent in the West region in Q3 '08 (42%) and year-to-date (47%)
 - Additional political quarterly and year-to-date breakouts:
 - Central – 23%; 21%
 - East – 18%; 19%
 - South – 11%; 10%
 - Southwest – 5%; 3%

According to TNS, Q3 '08 Network Radio was supported by T. Boone Pickens' Plan (\$1.4M), Obama for President (\$1.0M), research and educational think tank, Heritage Foundation (\$0.4M), along with Issue/527 and various organization spend.

*Local, National, and Off-Air revenues are based on a pool of more than 100 markets as reported by the accounting firm of Miller, Kaplan, Arase & Co. and extrapolated to the entire U.S. The methodology to derive the 2007 local, national, and Off-Air (non-spot) quarterly dollar amounts has been recalibrated and maintains previously reported quarterly total revenue while reflecting a shift in the dollars within the sectors. Network Revenue includes the top five Radio network companies. Non-Spot data has been collected and verified since January of 2002, and reported since September of 2004.

The RAB began reporting quarterly Radio revenue in dollar amounts with the 2007 results.

The Radio Advertising Bureau serves more than 6,000 member Radio stations in the U.S. and over 1,000 member networks, representative firms, broadcast vendors, and international organizations. RAB leads and participates in educational, research, sales, and advocacy programs that promote and advance Radio as a primary advertising medium.

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Advertiser Category Analysis

Insurance

In the Local and National sectors, the Insurance category has proved to be the most durable for Radio in 2008, up 16.0% in Q3 and up 18.4% for the year thus far.

Contributing to this strong pattern, top advertisers GEICO, Nationwide, Allstate, State Farm, Farmers, and Progressive all have insured a strong voice on the airwaves by turning up the spending volume. Number one GEICO continues to dominate, at more than double Nationwide's year-to-date expenditure.

Insurance		
2008 vs. 2007 Local & National Growth Leaders		
Advertiser	Q3 '08 vs. Q3 '07 % Change	YTD '08 vs. YTD '07 % Change
GEICO	7%	6%
Nationwide Insurance	109%	187%
Allstate Insurance	21%	51%
State Farm Insurance	95%	113%
Farmers Insurance	4%	34%

Source: Miller, Kaplan, Arase & Co.: X-Ray Markets

(Extrapolated dollar amounts based on the 35 market X-Ray pool may not be fully indicative of industry results as a whole.)

Insurance also proved to be Network Radio's third largest category, with a 33.9% increase to Q3'08 (\$17.7M) and 30.8% year-to-date (\$49.3M), according to TNS Media Intelligence. Boosts from advertisers not previously on Network Radio in quarterly and year-to-date such as Aetna (\$2.0M and \$5.9M) and Nationwide (\$.4M and \$.9M) contributed to the growth. Other growth was due to advertisers who increased their Network Radio spending:

Insurance		
2008 vs. 2007 Network Radio		
Advertiser	Q3 '08 vs. Q3 '07 % Change	YTD '08 vs. YTD '07 % Change
State Farm Insurance	123%	137%
GEICO	40%	36%
Progressive	88%	17%

Source: TNS Media Intelligence

Professional Services

The second-largest Local and National growth category year-to-date, nearly a third of this category's expenditures was allocated in the West Region for both Q3 '08 and year-to-date (32% and 34% respectively).

Beverages

The beverage industry continues to pour money into Radio, resulting in combined Local and National gains of 2.9% for Q3, 5.5% year-to-date.

Soft-drink giant Coca-Cola's spending in these sectors increased in Q3 as Radio's share more than doubled. This category leader is up 24.8% year-to-date. Second-place Pepsi put a stopper on spending in the quarter, but has

super-sized year-to-date spending by 34.1%. Heineken USA is up 34.2% for the year after increasing its Radio budget in Q3, while Molson Coors' spend grew 5.1% and 12.9% in Q3 and year-to-date, respectively.

Restaurants

McDonald's remains the dominant advertiser in the Restaurant category year-to-date, outspending its closest competitor by 138%.

To keep their names top of mind among the hungry public, key Quick-Service Restaurants doled out an increased portion of ad money to Radio, with spending in Local and National up 3.0% in Q3 and up 3.7% year-to-date 2008. In fact, all of the top four advertisers in this category have turned up the heat for Radio:

Restaurants		
2008 vs. 2007 Local & National Growth Leaders		
Advertiser	Q3 '08 vs. Q3 '07 % Change	YTD '08 vs. YTD '07 % Change
McDonald's	7%	3%
Burger King	15%	16%
Wendy's	80%	73%
Subway	22%	2%

Source: Miller, Kaplan, Arase & Co.:X-Ray Markets

(Extrapolated dollar amounts based on the 35 market X-Ray pool may not be fully indicative of industry results as a whole.)

The restaurant category is also using Network Radio to remind consumers where to eat by adding sustenance to the sector with a 17% Q3 '08 increase versus Q3 '07 and 10.7% year-to-date. Ruth's Chris topped the quarter with a 3532% increase versus year ago – bringing in the quarterly tab in at \$1.7M. Increases to this sector's quarterly bottom line were also fed by: Burger King (+315%) and Bojangles (+274.4%). Advertisers who were present this quarter (and missed same time last year) were: TGI Fridays and CiCi's Pizza.

Retail: Department /Discount Stores & Shopping Centers

Radio's Local and National year-to-date take at the retail cash register has grown 2.5%, boosted by stores targeting increasingly cost-conscious consumers. Among the top 10 spenders in this category, those upping their budgets in 2008 are Wal-Mart (#2, up 41.6%), Target (#3, up 63.2%), JC Penney (#5, up 10.2%), Kmart (#8, up 215.1%), and Goodwill Industries (#10, up 35.1%).

While slowing consumer confidence greatly impacted this category in Q3 (down 9.7%), Target represented a bright spot by nearly tripling Radio spending (up 162.9%). This major splurge brought Target's Q3 Radio spend to 76% of Wal-

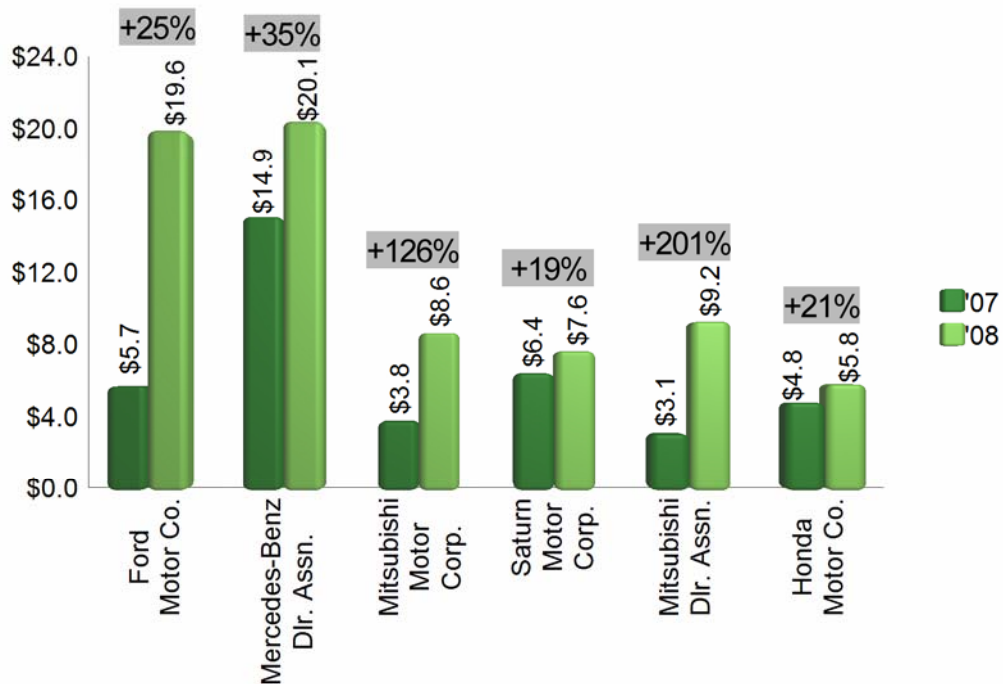
Mart's (versus just 24% in Q3 2007) – although Wal-Mart has outspent its major competitor by 242% year-to-date.

In the Network Radio sector, this category grew 16% for Q3 '08, bringing the year-to-date figure up 25%. Greatest growth came from Wal-Mart, with a 78.3% increase (up to \$17.2 M) in the quarter, closing out year-to-date up 148.1% (to \$42.7M). Home Depot increased its Q3'08 spend by 1.7% (to \$11.8M) -- but it was not enough to off-set its year-to-date total (down 5.9% to \$33.4).

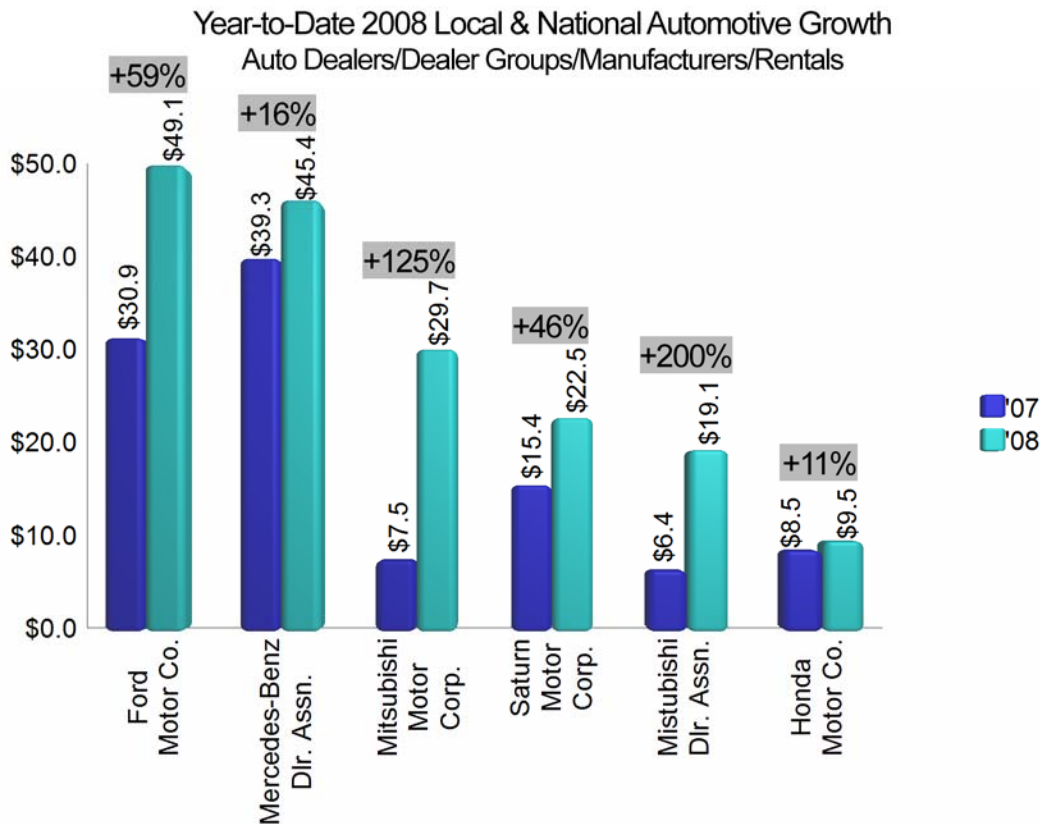
Automotive

Dealing with high gas prices, low consumer confidence, and the lending meltdown, the automotive industry was hard-pressed to invest money on advertising in Q3. However, several makers with fuel economy and lower-priced model appeal pumped up their local and national Radio budgets in the quarter, as did luxury retailer Mercedes-Benz Dealer Association – and these all are still pulling ahead on year-to-date spending, too:

Third Quarter 2008 Local & National Automotive Growth
Auto Dealers/Dealer Groups/Manufacturers/Rentals



Source: Miller, Kaplan, Arase & Co.:X-Ray Markets
Based on dealer/corporate dollars; expressed in millions
(Extrapolated dollar amounts based on the 35-market X-Ray pool may not be fully indicative of industry results as a whole.)



Source: Miller, Kaplan, Arase & Co.:X-Ray Markets
Based on dealer/corporate dollars; expressed in millions
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While the economic downturn is reflected in Network Radio's automotive category, it did not negatively impact all advertiser spend. While parent General Motors Corp. decreased its Q3 '08 outlay (-19.1%), it still came out year-to-date up 9.4% (to \$34.6M). However, the category was fueled by increases from other advertisers. Carfax used Network Radio in Q3 '08, bringing its year-to-date figure up to \$5.8M). Also mirroring the Local and National sectors, Mercedes-Benz used Network Radio, adding \$1.6 M to the quarter and closing out year-to-date at nearly \$5.0M.

Communications/Cellular/Public Utilities

AT&T scaled back Radio spending slightly in Q3 (-1.5%), but remains Local and National Radio's largest advertiser this period and for the year (at \$199.2 million and \$466.8 million, respectively). Competitors Verizon Wireless, MetroPCS, T-Mobile, and Leap Wireless all called for more Radio in Q3 '08 -- and two are pacing well ahead for the year:

**Communications/Cellular/Public Utilities
2008 vs. 2007 Local & National Growth Leaders**

Category	\$Q3 '08 (in millions)	\$Q3 '07 (in millions)	% Change	\$YTD '08 (in millions)	\$YTD '07 (in millions)	% Change
Verizon Wireless	\$125.8	\$117.8	7%	\$361.6	\$388.0	-7%
MetroPCS	\$22.8	\$14.8	54%	\$60.2	\$28.5	56%
T-Mobile	\$28.7	\$13.1	120%	\$49.5	\$30.7	61%
Leap Wireless	\$16.9	\$15.1	12%	\$41.0	\$41.5	-1%

Source: Miller, Kaplan, Arase & Co.:X-Ray Markets

(Extrapolated dollar amounts based on the 35 market X-Ray pool may not be fully indicative of industry results as a whole.)

Local and National Advertiser Category analysis is based on data from Miller, Kaplan, Arase & Co. X-Ray Market Reports. X-Ray Market Reports are compiled from advertiser expenditure data direct from station billing in 35 markets, and include all top 25 markets, except Miami. X-Ray Markets represent approximately 80% of the dollars from the pool of 100 markets. Network Radio Advertiser Category spending analysis is based on data from TNS Media Intelligence.