

INSIDE RADIO®

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“Personalities *INSIDE RADIO*”

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Entertainment Elberg's End

by Mike Kinoshian, Personality Editor

Over the Peace Corps' exemplary 46-year history, virtually each of the approximately 200,000 volunteers has at some point within his or her stint either verbalized or internalized the service group's "It's the toughest job you'll ever love" slogan.

Hearing similar sentiments voiced about Air America Radio within its Gotham City walls would be completely understandable.

Its past and present employees have endured numerous and, at times, seemingly insurmountable obstacles yet the progressive network is still in operation.

Red ink bled to the tune of \$9 million in 2004; nearly \$20 million in 2005; and over \$13 million last year.

Nevertheless, optimism again reverberated throughout AAR this March (2007) when Green Family Media officially acquired the network with Steve Green and Mark Green installed as Chairman and President, respectively.

Lean Liberal

Two-year network executive *Scott Elberg* became COO, a perfect fit for the exuberant Brooklyn-born veteran of several sets of ultra-familiar NYC call letters. "There's a business discipline [which] never existed here before," he beams. "Steve Green began a [real estate] company by himself more than 20 years ago and built it into a publicly-traded company [having] a \$15 billion market cap. He knows his stuff; is an involved owner; and a smart business guy. I talk with him every day and he's helped tremendously. Mark and I spend a [tremendous] amount of time talking about moving this business forward. I didn't know him at all before we began working together but we've become good friends."

Especially in light of its well-publicized volatile financial history, AAR maneuvers today as a considerably lean organization.

Day-to-day running of the business is Elberg's responsible. "Mark and I report to Steve," Elberg explains. "That's it. I

don't have to deal [with multiple decision-making people] all of whom have different opinions."

Non-traditional revenue flows into Air America Radio from such organizations as the Teamsters, Service Employees Union and American Federation of Teachers. "They have plenty of money and it's not cost-per-point driven," Elberg notes. "They want to reach the audience [through] sponsorships in the terrestrial part of our business."

Special pricing is being offered in a concerted attempt to get XM satellite radio receivers in various trucks so drivers can sample AAR. "We have to do things [like that] to be successful," Elberg points out. "We realize Air America delivers a niche product and has a very passionate audience."

First Frustrations

Perhaps the most significant perspective Elberg brings to the table rests with previous GM responsibilities at Air America's original New York City affiliate (now Gospel) WLIB; Access.1 Communications' WWRL is AAR's current NYC flagship. "I've been a local radio guy all my life [and] still see myself that way," he proclaims. "That's an advantage for me, this company and our affiliates. When I visit [Clear Channel KTLK-AM/Los Angeles GM] John Quinlan, he's talking with someone who has been in his seat."

Former Clear Channel colleague and then-Air America President Gary Krantz recruited Elberg to the company since he needed someone to build an organization from scratch. "There was no sales or marketing," Elberg recalls. "The first 60 – 90 days were great but I knew there were some issues. Six people in leadership roles ran into each other and stuff couldn't get done. This is an entrepreneurial company which needs to be fluid in its approach to doing things. We can't sit and wait [before] making decisions. I was very frustrated as a GM because I was supposed to have been given [materials] to help build and market the product. Six or nine months into it, people began scrambling and that's when things went downhill."

Also at that time there was, in Elberg's estimation, a "dysfunctional" Board of Directors in-place. "Everyone had an agenda," he maintains. "They thought since they put up a certain amount of money, they had a say in what went on. That, along with the organizational structure, led to chaos."

Loyal Leader

It was at age 12 when Elberg decided he wanted to be an on-air radio talent and gained such experience several years later while attending Hamden, CT's Quinnipiac College but candidly acknowledges, "That wasn't for me. I did an internship [at New Haven rocker WPLR]. Three days after [college graduation], I started [there as a fulltime AE] making \$150 a week. I thought I'd died and gone to heaven."

Following a six-month hitch at New York's WPIX, Elberg landed at famed WNBC-AM (1984 – 1986) in advance of being appointed WNEW's National Sales Manager. "It was everything in the [Howard Stern] movie 'Private Parts' and then some," Elberg fondly comments of the WNBC experience. "It was a lot of fun and good radio."

A 1990 move to Boston's WBZ-AM as GSM (and subsequent four-year Beantown stay) coincided with the arrival of the station's newly-named PD, highly-respected Talk programmer David Bernstein, who until last week was Air America's most recent VP/Programming.

Returning to The Big Apple, Elberg worked for WINS and WFAN before receiving a November 1995 invitation from Evergreen's Jimmy de Castro to become WKTU's GSM.

The first few years at the rhythmic CHR provided some outstanding memories for Elberg who remained with the instant-impacting outlet until 2002. "It was the best of the best," he declares. "Think about it: These guys had a vision to [take Country WYNY which] did \$8 million in gross revenue in 1995 to [just] shy of \$20 million in WKTU's first year. It went up to \$40 million and we were cash-flowing \$26 million. WKTU was #1 12+, 18-34 and 25-54 [Spring 1996]. Always the showman, Jimmy de Castro had brooms up in the hallway [to designate] a clean sweep. Jimmy [constantly] remembered something about each employee. People in our business have lost that skill. That personal touch goes a long way. It's [difficult] to do but is critical."

That explains why each workday begins with Elberg stopping in everyone's office for a quick chat. "It's important I have the kind of relationship with them so they know I have their back," he stresses. "They are loyal and I'm loyal to them."

Product Passionate Partisans

Business opportunity rather than political inspiration led Elberg to join progressive/lib network Air America but he states, "From listening and being around these very smart people, I'm much more politically savvy than I've ever been. I've never been around smarter people [or] seen people work harder. They're so committed to make this part of Talk radio work. [Noon – 3pm, Eastern Time personality] Thom Hartmann works 18-hour days. This guy is amazing. Rachel Maddow is here at 11am to prepare [her show which airs from 6-8pm, Eastern Time]. She stays late and [often makes appearances] on MSNBC, CNBC or CNN. These people are tireless in their work ethic. You want to work harder because they work so hard."

Activating "that God-awful Blackberry" to see if there are any issues from the previous night is literally the first chore Elberg does when he awakes at 6am. "I'm here to move the needles on affiliate and ad sales [so] I spend a lot of time with the people at Westwood One who [help us in those areas]," he explains. "Three or four of our shows generate 80% of our revenue. Our big focus is to put content on as many different platforms as we possibly can. The web and interactive part of our business is really where we're going to [concentrate because] that's where we see growth coming from in the company."

Audience satisfaction is evident on AAR affiliates such as KTLK-AM/Los Angeles and CBS Radio's KPTK/Seattle which led their respective markets in TSL (Spring 2007) but Elberg maintains he'd trade 30% – 40% of some stations' time spent listening for "respectable" cume numbers. "[AAR 3-6pm talent] Randi [Rhodes] has the highest 25-54 TSL in New York," he notes. "It's just incredible and points to listeners who are passionate about the product. They're staying a long time but we need to get more of them in the store."

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Originally modeled to be a 24/7 program content provider, Air America has adapted to the reality which strongly suggests few stations will put on its entire product lineup so Elberg rationalizes, "I'd rather be on a quality station with one show where we can have a breakout audience. That's where we need to take this."

It's frustrating when he hears AAR affiliates can't generate ratings and/or revenue. "Some stations image it well – [KTLK-AM] is probably the best at it," Elberg declares. "They spend a lot of time working at it. Don Martin is a phenomenal PD; [John] Quinlan is a great GM; and they have a dedicated sales staff. I can listen to [Randi Rhodes] on [KTLK-AM] and on another affiliate and it is like hearing two completely different shows [because the pacing] is so different. It is [done well] in Madison on [Clear Channel's 'The Mic'] WXXM and Bob Agnew does a phenomenal job [on Clear Channel/San Francisco's 'Green 960' - KQKE]. Some people in our affiliate base [such as Saga's] Steve Goldstein really get it and are committed to it. They believe this product can work if done the right way."

Dedicated Decision Maker

Once upon a time not that very long ago, it was rare hearing a progressive/liberal radio voice.

Some exceptionally talented folks on AAR's roster, as well as (among others) Stephanie Miller, Ed Schultz and Bill Press have drastically changed that and Elberg wishes them all success. "If the water level rises, all the boats will rise," he reasons. "It [disappoints] me [though] when we take shots at each other so I try not to do that."

While Elberg isn't sure if people actually look to Air America for voting advice, the lib net could end up playing a significant role in the 2008 election. "That will happen as long as we put issues out there in an entertaining way," he states. "We have a new web strategy and are working to provide content for XM's Presidential Channel, Huffington Post and Daily Kos. A lot is happening here but, first and foremost, it has to be entertaining. Our shows are getting better than they've ever been at [that] but aren't 100% there yet. It's about the messenger not the message. Liberals/progressives come to us because they [know] we'll tell them the truth."

When WNEW/New York VP/GM Mike Kakoyiannis promoted Elberg from AE to National Sales Manager in 1986, he said in the course of a typical day, Elberg would be asked to make as many as 100 decisions. "He hired me because he thought I'd make the right [ones]. He said I'd be successful if 70% - 80% of the decisions I made were right. If they weren't, he said he'd fire me. The important thing was I shouldn't be afraid to make decisions. That was some of the best advice I've ever received."

In addition to Kakoyiannis and Jimmy de Castro, Greater Media/Philadelphia's John Fullam has significantly inspired Elberg. "I met John in the early-1980s when he was GM of WRKI/Danbury, CT and I was selling [at WPLR]," Elberg points out. "Everyone has a rabbi or mentor. He is clearly first or second on my list and we remain friends to this day. It sounds corny but my wife [Annette] is another [influence]. She's always a great sounding board. I trust her opinion because she doesn't [necessarily] tell me [only] what I want to hear."

Forward Thinker

Hoops junkie Elberg is President of his son's high school basketball booster's club. "He's a junior and plays varsity basketball," the proud father proclaims. "My oldest son is a college sophomore and was captain of the high school tennis team. I'd make sure I was at his matches. After I had dinner, I'd go back to the office to get caught up. I can always get a job. Outside of [that], my wife and kids are most important to me. I play golf and enjoy my time when I'm [out of the office]."

Having AAR product carried on more than 100 terrestrial stations and seeing the network's web segment business be where progressives go for news/information are among Elberg's top priorities. "I'd love to see the hard work people have put in these last few years reap big dividends," he declares. "There's still work ahead of us but we'll get there."

Special meaning exists for him regarding an "All That Jazz" scene where Roy Scheider (as Bob Fosse) looks in a mirror and snaps his fingers. "He then says 'show time.' I don't do that but everyday when I get off the elevator, that's what's in my mind. It is show time and we have to be on our game. There's no doubt about it that some days we're not. We're nowhere near where we need to be but, for the first time in a long time, we're well capitalized. That's half the battle. You have to go forward [which is] why the front windshield is bigger than the rearview mirror."

(no picture available)

WHO: Scott Elberg

WHAT: Chief Operating Officer

WHERE: Air America Radio

WHEN: Since March 2007

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