

# 2010 TELEVISION FINANCIAL SURVEY

Enter station name here

Please complete and return by April 23, 2010

You may complete this survey "on-line" by going to: [www.hanc.com/nabFinancialSurvey/](http://www.hanc.com/nabFinancialSurvey/). Your "User Name" is your call letters, the "Password" is your 8 digit ID as shown on the above label. Security is in place to protect the confidentiality of electronically submitted surveys.

2   Channel      3     Call Letters

- 4 Primary Affiliation:**
- ABC       Fox       CW       Univision       Other \_\_\_\_\_
  - CBS       Independent       MNTV       Telefutura
  - NBC       ION       Telemundo       Azteca

- Check if:**
- 5  Survey responses are for less than 12 months: \_\_\_\_\_ **5A Number of months being reported**
  - 6  This parent station survey includes data from satellite stations  
*If so, please indicate number of satellite stations included in survey data:* 6A \_\_\_\_\_  
 6B Please list below the call letters of each satellite station *included* in this survey:  
 \_\_\_\_\_

- 7  This parent station survey includes data from multicast stations  
*If so, please indicate number of multicast stations included in survey data:* 7A \_\_\_\_\_  
 7B Please list below the call letters of each multicast station *included* in this survey:  
 \_\_\_\_\_

- 8  Call letters shown in item 3 above are for a TV satellite station  
**Please indicate call letters of parent station if you checked box 8:** 8A

- 9  Call letters shown in item 3 above are for a multicast station  
**Please indicate call letters of parent station if you checked box 9:** 9A

- 10  Survey response includes data from brokered and/or LMA station(s)  
 10A Please indicate call letters of station(s) if you checked box 10: \_\_\_\_\_

Are you currently streaming content to mobile devices? 11 Yes  No   
 If no, do you plan to stream content to mobile devices in 2010? 12 Yes  No

Name of person completing form: 13 \_\_\_\_\_

Phone Number: 14     -

E-Mail: 15 \_\_\_\_\_  
(a confirmation via email will be sent to you upon receipt of survey).

In accordance with the NAB's business review letter submitted to the U.S. Department of Justice, all individual station financial data are confidential.



For assistance please call (616) 949-3200,  
 Chris Harper, CPA, Hungerford, Aldrin, Nichols & Carter, P.C.—CPA's & Consultants  
 2910 Lucerne Drive, SE Grand Rapids, MI 49546-7175  
 Fax: (616) 949-7720; E-Mail: charper@hanc.com

Hungerford, Aldrin,  
 Nichols & Carter, P.C.  
 CPAs AND CONSULTANTS

**IMPORTANT -- DO NOT LEAVE ANY ITEM BLANK!**

2009 Revenue Data (1/1/09-12/31/09)				Total Amount			Check If Not Known
				Millions	Thousands	Dollars	
<b>1. National Advertising (Gross)</b> <i>(do not include political, trade-outs &amp; barter, or multicast adv. rev.)</i> <b>Does this include regional advertising? Yes <input type="checkbox"/> No <input type="checkbox"/></b>				\$			
<b>2. Local Advertising (Gross)</b> <i>(do not include political, trade-outs &amp; barter or multicast adv. rev.)</i>				\$			
<b>3. Political Advertising (Gross)</b> <i>Please break-out (3a. plus 3b. should equal line 3)</i>				\$			
	Millions	Thousands	Dollars				
<b>3a. Candidacy</b>	\$						
<b>3b. Issue/Advocacy</b>	\$						
<b>4. Gross Advertising Revenues</b> (sum of lines 1 through 3)				\$			
<i>From Gross Advertising Revenues, how much was paid for:</i>				\$			<input type="checkbox"/>
<b>5. Agency Commissions</b>							<input type="checkbox"/>
<b>6. National &amp; Regional Rep Commissions</b>				\$			<input type="checkbox"/>
<b>7. Network Compensation</b> <i>(if payment, enter as a negative number)</i>				\$			<input type="checkbox"/>
<b>8. Total Trade-Outs &amp; Barter Revenue</b> <i>Please break-out: (8a. plus 8b. should equal line 8)</i>				\$			<input type="checkbox"/>
	Millions	Thousands	Dollars				
<b>8a. Total Trade - Outs:</b>	\$						<input type="checkbox"/>
<b>8b. Bartered Programming:</b> <i>If you do not record barter, please check this box: <input type="checkbox"/></i>	\$						<input type="checkbox"/>
<b>9. Multicast Revenue</b> <i>(Any revenue that is derived directly from your subchannels.)</i>  <i>If you do not derive any multicast revenue, please check this box: <input type="checkbox"/></i>				\$			<input type="checkbox"/>
<b>10. Other Broadcast Revenues, please explain: _____</b>				\$			<input type="checkbox"/>
<b>11. Net Revenues</b> (line 4 minus lines 5 and 6 plus lines 7, 8, 9 & 10)				\$			<input type="checkbox"/>

Special Items (Please include in line 10)	Total Amount			Check If Not Known
	Millions	Thousands	Dollars	
<b>12. Internet Revenue</b>	\$			<input type="checkbox"/>
<b>13. Retransmission Consent Revenue</b>	\$			<input type="checkbox"/>

Employment (As of last 2009 pay period)	Total Number	Check If Not Known
<b>15. Number of part-time employees</b>		<input type="checkbox"/>

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*see inside* ⇒

## Helpful “How-To’s” for Accurate Questionnaire Completion

- **DO NOT LEAVE ANY ITEM BLANK.** This is critical. If an item is left blank, somebody from Hungerford, Aldrin, Nichols & Carter, P.C., will be required to call you to determine the accurate number.
- 0 **PLACE A “0” IN THE RELEVANT CATEGORY IF THE AMOUNT IS ZERO.** We cannot determine if your amount should be “not known” or “zero” if the item is left blank or completed with an “N/A”.
- MARK THE BOX IN THE COLUMN “CHECK IF NOT KNOWN” IF YOU DO NOT KNOW THE DOLLAR AMOUNT FOR THE ITEM REQUESTED.** This is also important to determine accurate survey results.

### How To Report Advertising Revenue:



- Do not include political advertising, trade-outs, barter or multicast advertising revenue in national or local advertising.



- Political advertising revenue *must* be reported separately in order for gross advertising revenue to be accurate. If a station does not report political advertising separately, its respective market totals will have “Not Known” for gross advertising revenues, net revenues, and cash flow.

### How to Report Trade-Out and Barter Expenses:



- Trade-out expenses should be allocated to the appropriate departmental expense line.
- Barter expenses should be reported in line 17, Program Expense and in line 26a, Amortization Expense.



### How to Report Some Common “Other Expense” Items



- Internet Expenses should be included in the Sales Department.
- Traffic Expenses should be included in the Sales Department.
- Public or Community Affairs should be included with Advertising and Promotion.
- Kids Clubs should be included in Advertising and Promotion.
- Building and Maintenance costs should be included in G&A.
- Sports expenses, other than amortization, should be included in the News Department.
- Amortization of sports programming should be included in the Program Department.

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2009 Expense Data (1/1/09-12/31/09)	Total Amount			Check If Not Known
	Millions	Thousands	Dollars	
<b>16. Engineering</b>	\$			<input type="checkbox"/>
<b>17. Program</b> <i>(include salaries and bonuses of program personnel, music license fees, program rights amortization, barter and other costs of broadcasts)</i>	\$			<input type="checkbox"/>
<b>18. Production</b> <input type="checkbox"/> <i>(if production is included in Programming, check this box)</i>				<input type="checkbox"/>
<b>19. News</b>	\$			<input type="checkbox"/>
<b>20. Sales</b> <i>(Please include salaries and commissions of local sales personnel and other selling expenses. Include internet-related expenses and ratings services. Do not include agency &amp; rep commissions)</i>	\$			<input type="checkbox"/>
<b>21. Advertising &amp; Promotion</b>	\$			<input type="checkbox"/>
<b>22. General and Administrative</b> <i>(do not include interest or depreciation &amp; amortization of tangible or intangible assets)</i>	\$			<input type="checkbox"/>
<b>23. Other, please explain:</b> _____ <i>(if the total trade-outs from line 8a. are not included in lines 16 to 22, please specify and report here)</i>	\$			<input type="checkbox"/>
<b>24. Total 2009 Expenses</b> <b>(sum of lines 16 through 23)</b>	\$			<input type="checkbox"/>

Selected Expense Items:	Total Amount			Check If Not Known
	Millions	Thousands	Dollars	
<b>25. Total Compensation</b> <i>(total of all compensation paid to employees that would appear in an IRS W-2 form.)</i>	\$			<input type="checkbox"/>
<b>26. Costs of Broadcast Rights: 26a. Amortization</b> <i>(please include in line 17)</i>	\$			<input type="checkbox"/>
<b>26b. Cash Payments</b> <i>(actual payments made in 2009)</i>	\$			<input type="checkbox"/>
<b>27. Music License Fees</b> <i>(please include in line 17)</i>	\$			<input type="checkbox"/>
<b>28. Ratings Services</b> <i>(please include in line 20)</i>	\$			<input type="checkbox"/>
<b>29. Depreciation and Amortization</b> <i>(do not include in line 22) (tangible and intangible assets and leasehold agreements)</i>	\$			<input type="checkbox"/>
<b>30. Interest</b> <i>(do not include in line 22)</i>	\$			<input type="checkbox"/>
<b>31. Corporate Allocation Charges</b> <i>(please include in line 22)</i>	\$			<input type="checkbox"/>
<b>32. Internet Expenses</b> <i>(please include in line 20)</i> <i>Is this included in your corporate allocation charges? Yes <input type="checkbox"/> No <input type="checkbox"/></i>	\$			<input type="checkbox"/>

Special Items (do not include in expense categories)	Total Amount			Check If Not Known
	Millions	Thousands	Dollars	
<b>33. Capital Expenditures</b>	\$			<input type="checkbox"/>
<b>34. Digital Plant Upgrade</b> <i>(total costs incurred by your station to upgrade your equipment to digital. Include costs incurred in 2009 and all prior years.)</i>	\$			<input type="checkbox"/>

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## DEFINITIONS

*If you have questions, please contact Chris Harper, Hungerford, Aldrin, Nichols & Carter, P.C. (616) 949-3200*

### REVENUES

**National Advertising** – Gross cash spot revenue from the sale of station time and paid program revenue commissionable to national or regional rep firms. Do not include trade-out, barter, political advertising or multicast advertising revenue in this category.

**Local Advertising** – Gross cash spot revenue from the sale of station time, paid program revenue and per inquiry revenue generated by the station's sales staff. Do not include trade-out, barter, political advertising or multicast advertising revenue in this category.

**Political Advertising: Candidacy** -- Sale of station time to political candidates.

**Political Advertising: Issue/Advocacy** -- Sale of station time related to advocacy campaigns and political issues.

**Gross Advertising Revenues** – Revenue before internal salespersons, agency or rep firm commissions but after adjustments.

**Agency Commissions** - Commissions paid to advertising agencies.

**National and Regional Rep Commissions** - Commissions paid to national and regional rep agencies, but *not* to station sales personnel.

**Network Compensation** - Gross revenues from the sale of station time to networks. If you pay your affiliate network for programming enter as a negative number.

**Total Trade-Outs** - Trade-outs are any advertising in exchange for goods and/or services. Trade sales should be estimated as the amount of cash the station would have paid for the merchandise or services received.

**Bartered Programming** – Bartered programming is booked advertising revenue in exchange for syndicated programming. Revenue should be the estimated value of the commercial spots given up in return for the syndicated programming.

**Multicast Revenue**—Any revenue that is derived directly from your subchannels.

**Other Broadcast Revenues** - Receipts of all kinds, net of direct expenses, that are NOT from time sales on the station but are related to the promotional efforts of advertisers and/or the station. This would include, but not be limited to, production work, events and Internet revenues. This also includes rental of studio facilities, fees received for use of station paid talent, and cash retransmission consent revenue received. Do not include tower rent.

**Net Revenues** - Total of gross advertising revenues, plus network compensation plus trade-outs and barter plus multicast revenue plus other broadcast related revenues minus agency and rep commissions.

### SPECIAL ITEM

**Internet Revenue** – Net revenue derived from Internet-related endeavors. This would include, but not be limited to direct advertising, advertising that is part of a traditional broadcast spot advertising package, video streaming, podcasting, pre-roll video, paid searches, commissions and product sales net of direct cost. This revenue should already be included in line 10 - Other Broadcast Revenue.

**Retransmission Consent Revenue** -- Revenue derived from carriage of your station's programming on cable or satellite operators or other multichannel video programming distributors. Also include in line 10.

### EMPLOYMENT

**Full-time Employees** - Count all employees as "full-time" when they are employed for 30 hours or more a week as of the last pay period in 2009.

**Part-time Employees** - All employees working less than 30 hours per week as of the last pay period in 2009.

### EXPENSES (Including Salaries)

**Engineering** - The direct costs of operating and maintaining the studio and transmitter equipment, including salaries and wages and bonuses.

**Program** - Includes talent fees, music license fees, booked bartered programming, *amortization of broadcast rights*, etc.

**Production** - Includes the salaries and wages of those engaged in the production department and other expenses incurred by this department.

**News** - Includes the salaries and wages of those engaged in the production and presentation of news and other expenses incurred by this department.

**Sales** - Salaries and wages, commissions, and related other expenses of those engaged in selling air time, including traffic. Include internet-related expenses. *Ratings services and other related research are also included.*

**Advertising and Promotion** - The cost of advertising and promoting the station directed towards prospective audiences and advertisers, including salaries and wages of those engaged in such functions. Include Public Affairs and Kids' Club.

**General and Administrative** - The cost of services, supplies, etc., other than engineering, program, news, sales or advertising and promotion expenses. Also includes utility costs, legal and auditing fees, bad debts and corporate allocation charges and all taxes except federal and state income taxes. **Does not include depreciation & amortization of tangible property & intangible assets, leasehold agreements and interest expenses.**

**Total 2009 Expenses** - Total of departmental expenses.

### SELECTED EXPENSE ITEMS

**Total Compensation** - The cost of all compensation including all salaries, commissions, bonuses, over-time etc, as reported on your IRS W2 compensation form.

**Total Cost of Broadcast Rights - Amortization:** The accrual basis expense included in programming expense for syndicated programs (series, booked barter and first run), films, specials, and sports events.

**Cash Payment:** Actual dollar amount paid in 2009 for syndicated programs (series and first run), films, special, and sports events.

**Music License Fees** - The cost of license fees payable directly to ASCAP, BMI, SESAC and other similar music licensing organizations for calendar year 2009.

**Ratings Services** - The cost of audience measurement services.

**Depreciation and Amortization** - Includes depreciation of tangible and intangible assets (not film or programs), and amortization of leasehold improvements.

**Interest** - The expense accrued on the station's obligations including notes, bonds and mortgages payable.

**Corporate Allocation Charges** - Represents amounts paid for management services, including accounting, computer services and management fees to either the home office or an affiliated branch or company under common control.

**Internet Expenses** - Expenses related to the operation of the station's Internet-related activities. Include any expenses pertaining to internet programming, video streaming, podcasting and other expenses incurred for the generation of internet revenue. Also include any expenses used in the maintenance or operation of the station's web site. Include this expense in line 20 (sales).

### SPECIAL ITEMS

**Capital Expenditures** - Total amount spent in 2009 on all purchases of station's capital equipment.

**Digital Plant Upgrade** - Total costs incurred by station to upgrade equipment to digital. Include costs incurred in 2009 and all prior years.