

JULY 2022

## The issue:

A service known as "ZoneCasting" would allow advertisers to target their messages on radio to air only in certain neighborhoods. The company that licenses this new technology – GeoBroadcast Solutions (GBS) – is actively lobbying the Federal Communications Commission (FCC) to allow its use, claiming this will benefit radio. However, nearly all radio stations and the National Association of Broadcasters vehemently oppose the adoption of ZoneCasting because it would threaten radio listeners' access to timely news and information about emergencies, move advertising away from less affluent communities and limit information in diverse areas and destabilize radio's advertising-based business model.

## Here's why:

Radio's unparalleled reach across local markets keeps listeners informed, safe and connected - particularly in the diverse communities they serve. GBS is pressing the FCC to approve a policy that would undermine local radio by splintering broadcast markets across the country. Here's why the vast majority of local radio stations strongly oppose GBS's proposal:

- **It could limit emergency information.** Both the Federal Emergency Management Agency and broadcasters have serious concerns about ZoneCasting's impact on the broad dissemination of emergency news and information. Local radio stations provide a lifeline for our communities - but if emergency information is aired only in parts of a market, listeners may lose access to updates, particularly if they are traveling by car, and may unknowingly head into an emergency-stricken area. Most radio listening occurs while listeners are driving, and thus may traverse across various "zones" in a market daily.
- **It will divert information from less affluent neighborhoods.** ZoneCasting will encourage ad buyers to target ads to more affluent parts of a radio market, diverting information from less affluent parts, which could result in discriminatory practices. Broadcasters will have no meaningful recourse against ad buyers seeking such arrangements.
- **It will upend the advertising market.** Many radio stations rely primarily on advertising revenue to support their operations. ZoneCasting will cause advertising rates to plummet, as ad buyers leverage the availability of cheaper, targeted ads to demand lower rates across the board, including on stations choosing not to deploy ZoneCasting.
- **It particularly hurts small and minority-owned stations.** These stations would be particularly vulnerable, which is why a coalition of minority and women-owned companies strongly oppose ZoneCasting, including the nation's largest Black-owned radio group.

(Continued)

- **It will cause interference for radio listeners.** Particularly for listeners in a car traveling across a zone boundary, ZoneCasting will cause interference as the radio transitions from receiving the main signal to receiving the zone signal from a booster. This will lead to a poor listening experience, cause listener confusion and lead some to switch to a competing source for audio.

### The bottom line:

The FCC should reject GBS's request to allow ZoneCasting, which threatens local radio stations' ability to provide emergency news and information, their financial viability and signal quality and will result in the inequitable treatment of listeners.