

Reports and Analysis  
for  
PMBA Conference Session  
**Collaborations that Worked**

June 2, 2016



**Louisville Public Media**  
Collaboration Summary  
By Richard Tait

**public media futures**  
A Project of the Wyncote Foundation

# Contents

---

Louisville Public Media Collaboration .....	1
Description of the LPM Collaboration .....	1
Mission.....	1
Vision .....	1
Background/History .....	1
Organizational/Governance Structure: .....	2
Operational Structure and Focus: .....	3
Key Elements of the Collaboration Story.....	3
What were the motivating conditions that led to the decision to change? .....	3
What was the internal process that led to collaboration? .....	4
What problems emerged in the negotiations and in the early-stage implementation? .....	4
What has been the impact of the collaboration on the financial picture? .....	5
Has the reorganization substantially affected the sustainability and service capacity of LPM .....	5
Louisville Public Media FY15 Financial Picture:.....	6
Other Specific Items of Note .....	6
Conclusions and Key Learnings .....	7
You need to persevere.....	7
Leadership matters .....	7
LPM demonstrates "the action equation:" Change comes from D x V x NS (Dissatisfaction with the status quo, a Vision of Opportunity, and clear Next Steps forward).....	7
PRP provided a "proof of concept" that multi-station collaboration could work. Interest has expanded. ....	7
Shared reporting planned for Ohio Basin ecosystem .....	1
Kentucky public radio stations evaluate advantages of working together .....	1
Louisville Public Media president to step down .....	1

# Louisville Public Media Collaboration

Summary (rev 4/28/16)  
by Richard Tait



## Description of the LPM Collaboration

Louisville Public Media (LPM) is a public broadcasting community licensee formed in 1993 (originally named the *Public Radio Partnership*) with the merger of three public radio stations:

- WFPL – 89.3: NPR affiliate with 24/7 News/Talk
- WFPK – 91.9 Radio Louisville: Music – AAA with some jazz, blues and bluegrass
- WUOL – 90.5: Classical

## Mission

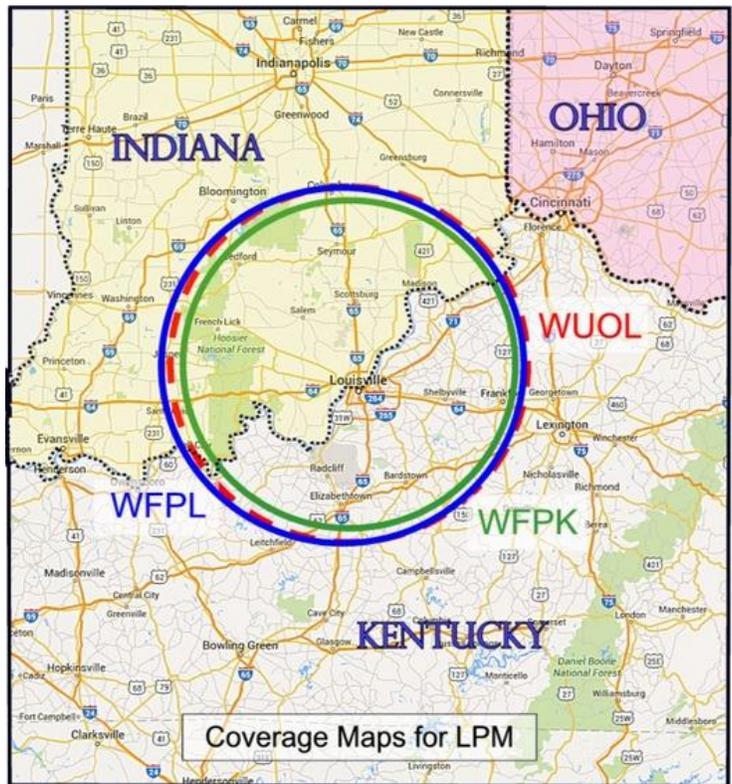
“Because an informed and educated citizenry is vital to a healthy democracy and a thriving city, *Louisville Public Media* provides broad access to news and cultural programming that is free from commercial and political influence.”

## Vision

“To be the essential community resource for news and culture, filling the void in local journalism and cultural programming; to lead the way in the development of new technologies which keep the public aware, informed, and engaged; to be the primary convener of discussion about the key issues affecting our diverse community.”

## Background/History

- WFPL starts operations in 1950 as a service of the Louisville Free Public Library (LFPL). LFPL launches WFPK in 1954 broadcasting only classical music. The stations were managed jointly with one GM.
- WUOL launched in 1976 as a service of the University of Louisville (U of L) broadcasting classical music that directly competed with WFPK. The launch and competition developed when Louisville's commercial station WHAS-FM Classical went off the air and its owners donated its equipment & music collection to the University.
- 1985 – Gerry Weston is named GM of WFPK/WFPL.
- Fall 1991 – A city of Louisville holds a referendum which, if successful, would create a special tax district for library funding. The referendum is overwhelmingly rejected by the city voters, putting a cloud over library's financial future.



- Late 1991 –The LFPL Head Librarian initiates conversations with President of the Kentucky Center for the Arts (KCA) about the future of public radio in Louisville. Gerry Weston included as active participant.
- 1992 – The GM of WUOL asks to join this conversation. The discussions quickly come to focus on how all three public radio stations can best serve Louisville. Late in 1992 the Center for the Arts withdraws from the discussion.
- 1992/1993 – The conversations converge on creating a separate board selected to manage all three stations. Additional members of University of Louisville administration join talks, leading to a proposal to bring all operations under one management structure in a tax exempt, nonprofit corporation.
- Nov 1993 – Kentucky Public Radio, Inc. (a stand-alone 501 (c) (3) corporation d/b/a the **Public Radio Partnership or PRP**) is chartered. Gerry Weston is named as president in early 1994.
- Mid-1995 – A capital campaign is launched by PRP for new facility to house joint operations.
- Jan 1996 – PRP launches with a new array of station formats that continue to the present: WFPL becomes an NPR-affiliated 24/7 News/Talk station; WFPK becomes a AAA (adult alternative and acoustic) music stations with some jazz, bluegrass and blues; WUOL remains 24/7 classical music.
- Mar 1997 – PRP purchases an option on the historic Electric Building in downtown Louisville. In June 1997, a fire ravages this building, which is still owned by the City. PRP convinces the City of Louisville to donate the full \$1.3 MM insurance settlement to PRP capital campaign.
- Late 1998 – The Kresge Foundation offers to provide \$400K challenge grant to PRP capital campaign with a key stipulation: namely, the University of Louisville and the City of Louisville must transfer all three broadcast licenses to PRP. The capital campaign eventually raises \$5.3MM.
- 1998/1999 – All three broadcast licenses are transferred to PRP.
- Apr 2000 – All three stations begin broadcasting from a new state-of-the-art digital technology facility, developed with capital campaign funds.
- 2006 – Donovan Reynolds becomes CEO/President of PRP, replacing Gerry Weston.
- 2008 – PRP changes its name to **Louisville Public Media (LPM)** aimed “to reflect the increasing diversity of content delivery systems and the decreasing reliance on any single medium.”
- 2013 – LPM launches **the Kentucky Center for Investigative Reporting (KyCIR)** using grant funding.

Note: Louisville Public Media now provides one of the nation's most complex, highly coordinated public radio services in a mid-sized market. Louisville, ranked 49 as media market in the U. S., has a metro population of about 1.3 MM.

#### **Organizational/Governance Structure:**

- Louisville Public Media is a stand-alone 501 (c) (3) nonprofit corporation (community licensee) chartered in Kentucky as Kentucky Public Radio, Inc. LPM owns the broadcast licenses for WFPK, WFPL and WUOL.
- Members of the LPM board (currently numbering 24) are selected by the University of Louisville (3 seats), the Louisville Mayor (3 seats) and from the community at large (remaining 18 seats).
- LPM files a single IRS Form 990, issues a single annual report to the community and receives a single radio Community Service Grant.

[Note at the time of the consolidation of the three licenses, WUOL was not receiving a CSG grant due to its duplicative format with WFPK (both classical). Therefore, the potential loss of a CSG base grant was never a consideration in the merger discussions/planning.]

### **Operational Structure and Focus:**

- LPM has a single GM/President who oversees operations, including, a combined business office and combined development staff in membership, underwriting, and grant solicitations.. All three stations-- and the Investigative Reporting Center (Ky CIR)--operate out of the Fourth Street facility occupied in 1999/2000.
- Each of the three stations has its own programming/content leadership and staff.
- WFPL (with its Ky CIR component) offers 24/7 local, national and international news, culture and public affairs.
  - WFPL does not produce any regularly scheduled long-form local radio programs. Instead, it inserts local/regional news and information into national programming, and it airs occasional documentaries, such as the *Next Louisville* series, whose 2016 focus is on “race, ethnicity and culture, and how they intersect with the news and community affairs”.
  - WFPL provides extensive news coverage on its website including local/regional reporting and investigative reports.
  - WFPL also hosts events, forums, discussions, etc. on topics of key interest specifically including those covered in its continuing *Next Louisville* series.
  - WFPL’s newsroom and on-air host ranks (now including the three KyCIR staff) has grown to 20 from being less than 10 in 2006.
- WFPK and WUOL provide 24/7 music streams with a range of live on-air hosts.
  - They host a variety of live performances, events, discussions, etc. This is highlighted by *WFPK’s Waterfront Wednesday’s* concert series which are the largest outdoor concerts in Louisville. The series includes 6 free performances each year on the last Wed each month from April through September, held on Louisville’s Ohio River waterfront. Launched in 2001, the series had record-breaking attendance of more than 15,000 in 2015.
  - WFPK has built on the waterfront concert success by launching in 2014 the indoor concert series titled *WFPK Winter Wednesday*.
- The three stations have linked but fairly independent websites and continue to operate on their original frequencies. Each station has its own logo and clear identity.

### **Key Elements of the Collaboration Story**

What were the motivating conditions that led to the decision to change?

Three elements combined to provide the conditions for change in Louisville public radio: (1) unsustainable service duplication in the form of **two** full-time non-commercial classical music stations in a smaller mid-sized market; (2) the electoral defeat of a referendum aimed at establishing an politically independent tax base for the Louisville Public Library (which controlled two of the three public radio licenses); and (3) supportive leadership, both at the Library and in the City of Louisville, who allowed--and at times encouraged--the evolution of what became "the Public Radio Partnership."

Much credit is due to WFPK/WFPL GM Gerry Weston, who from his early days managing the Louisville Library stations, believed that public radio in Louisville was seriously underperforming its potential. "I am a Public Radio nut," he told us, "I could see that two classical stations in Louisville was crazy!" In 1987, far ahead of the talks about merger, Weston launched a successful effort to diversify and expand the WFPK/WFPL's funding base to sustain operations. Also he expanded local operations by using more live announcers on-air and expanding local news. These efforts were constrained by the financial and institutional conditions of a city-controlled public library, which held the broadcast licenses.

One of the "triggering event" in the evolution of LPM came in 1991, with the failure of the special tax district referendum. According to Weston, this electoral loss injected a element of financial uncertainty for the Public Library--and thus, created some financial uncertainty for the stations that were subsidized by the Library budget. Soon after the referendum defeat Weston's supervisor, Chief Librarian Harriet Henderson, suggested that "we have to do something [to provide for the stations future]," and this lead directly to the initial exploration new organizational options. Those initial conversations eventually led to the merger with WUOL. When asked, Weston observed "If the special library tax district had passed maybe PRP would not have happened."

#### What was the internal process that led to collaboration?

The key people "around the table" during the collaboration discussions in 1991 were, initially, Gerry Weston, Library Director Harriet Henderson and Marlow Burt, President of the Kentucky Center for the Arts (KCA). Jay Landers, GM of WUOL, joined the discussion in 1992. The early conversations centered on "the best way to further public radio in Louisville," and the discussion deepened in 1992. At that point, KCA dropped out and the conversations among the remaining participants focused on the need to form a stand-alone 510-c-3 to manage all three stations.

The discussion evolved in 1992 - 1993 to the point where these players were joined by additional representatives from the actual *license holders*, namely the University of Louisville administration and then, later, the City of Louisville. By the fall of 1993 this expanded group agreed to a full-scale merger, in the form of Kentucky Public Radio, Inc. (KPR), d/b/a the *Public Radio Partnership* (PRP), formed in the fall of 1993. The PRP board members reflected the major stakeholders: one-third selected by the University of Louisville, a second third, selected by Louisville's Mayor, and the final third representing the community at large.

At this stage, PRP *operated* the three Louisville public radio stations. But the original FCC license holders, the U of L and city of Louisville, still retained formal ownership of the broadcast properties. Development of a fully independent, autonomous PRP that *owned and operated* the stations would take another five to six years.

#### What problems emerged in the negotiations and in the early-stage implementation?

By the end of 1993, this separation of operations and ownership meant that Gerry Weston had a complex reporting relationship. "I had three bosses," he told us, "I had to deal with... the head of the Library, the head of my board and the Assistant to the President of the University of Louisville." As important, KPR/PRP itself had no direct claim on many of its revenue streams. Money raised or money coming through CPB grants went to the licensees, not PRP. So Weston had to gain "ownership" of the membership and underwriting revenue streams through negotiations with the "owners." Talks with with the city were, according to Weston, straightforward. But relations with the University proved more challenging, and revenue-provision negotiation dragged on for 18 months.

But even as the key issues, like access to working capital, were tucked away, the deeper issue of FCC license ownership remained unresolved, until a second "triggering event," that surfaced during PRP's first capital campaign.

According to Weston, the University of Louisville was reluctant to accept an "all in" type of consolidation, where PRP could both manage and own all the stations. One University-appointed board member stated early on "As long as I am on the board I will not let the license go to PRP!" The sticking point was long-term sustainability. PRP was new; the library support was in question; City funding would always be subject to the shifting winds of politics. The University position was: "show us financial viability and we will relinquish control." But, according to Weston, they kept moving the goal posts on what "financial viability" meant. And, until the formal license transfer was signed PRP had little leverage. The University, Weston noted, "could walk away anytime."

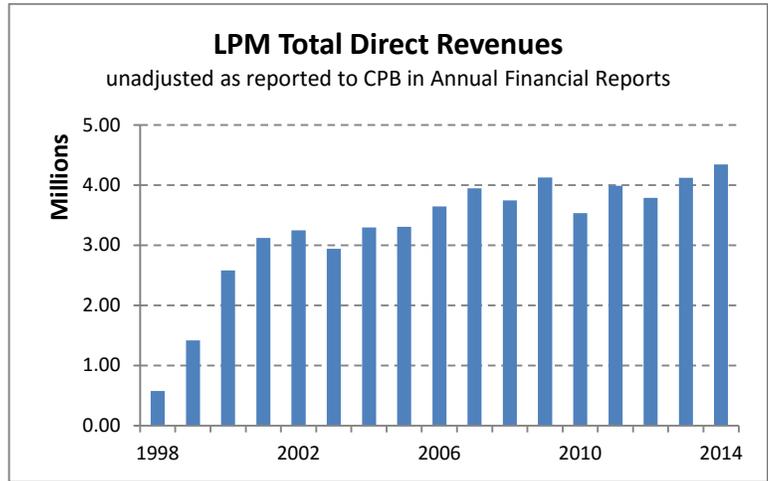
The tipping point came in 1998 (five years after the creation of PRP) when the Kresge Foundation offered to provide a \$400K challenge grant to PRP capital campaign--with stipulation that both University and the City transfer the broadcast licenses.

The offer proved too much to refuse, and full license transfer came in 1998/1999.

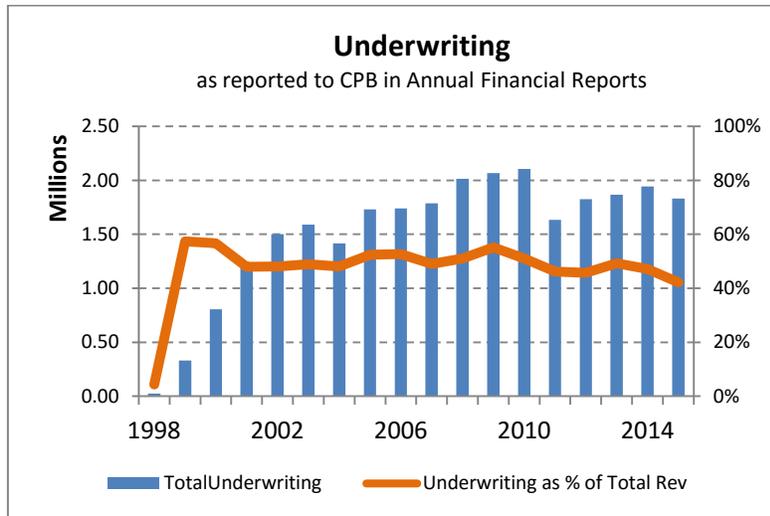
What has been the impact of the collaboration on the financial picture?

Few or none of the people who in 1993 started the consolidation process could have predicted the revenue growth that propelled PRP in the next two decades. Total operating revenues (in aggregate for all the three stations) grew by 600%: from less than \$1MM in FY89, to \$1.4MM by FY95, to more than \$3MM in FY06 and, now, more than \$6MM in FY15. At the same time, PRP successfully completed a major five year \$5.2 MM capital campaign in 2000 to renovate an historic building into a state-of-the-art broadcast facility.

Budget growth from FY89 to FY96 was fueled mainly expanding local membership revenue, driven by the increasing popularity of NPR news on WFPL. LPM has also been very successful at driving up membership revenues since the merger – taking it to almost \$1.9MM in FY15 from less than \$1MM in FY06 (noting that it took a measurable dip during the Great Recession of 2008/2009 before recovering.)



However, in the next half-decade, from FY96 to FY01, corporate underwriting became the main revenue-growth driver, with much of the success credited to Gray Smith, initially Director of Corporate Support and since 2012 Director of Corporate Support and Marketing. Smith successfully implemented an underwriting strategy that positioned LPM as a “super-station,” with efficient/effective access to three segments (news, AAA, and classical) in Louisville’s well-educated audience. Under Smith’s leadership, LPM has been among



the top-performing corporate underwriting operations (scaled to the market) in all of public radio. As shown in the chart above, underwriting at LPM routinely provided 40%+ of LPM’s total operating revenue – compared to ratios under 20% at the vast majority of public broadcasting licensees.

More recently, following the Great Recession, budget growth has come from mainly from a combinations individual giving, capital campaigns and funding for the newly created Kentucky CIR.

Full Revenue and Expenses for FY14 and 15 are shown below.

Has the reorganization substantially affected the sustainability and service capacity of LPM

LPM is a very successful and vibrant part of the Louisville community as demonstrated by their ability to launch and sustain the Kentucky Center for Investigative Reporting. Listening audience (from Nielsen Audio reports) is strong. The newsroom has grown to 15-16 (from about 4 or 5 in 2006) and LPM has become in many ways the primary source of news in the Louisville community with the *Louisville Courier-Journal* significantly contracting its urban coverage.

## Louisville Public Media FY15 Financial Picture:

Kentucky Public Radio, Inc. dba as Louisville Public Media Statements of Activities and Changes in Net Assets Years ending June 30, 2015 and 2014						
	2015			2014		
	Restricted	Temporarily Restricted	Total	Restricted	Temporarily Restricted	Total
<b>SUPPORT AND REVENUES</b>						
Contributions and Grants	2,175,808	2,089,400	<b>4,265,208</b>	1,726,355	1,459,431	<b>3,185,786</b>
Underwriting revenues	2,023,661		<b>2,023,661</b>	1,887,754		<b>1,887,754</b>
Investment income, net	164,580		<b>164,580</b>	395,900		<b>395,900</b>
Fundraising events, net	20,588		<b>20,588</b>	44,579		<b>44,579</b>
Other Income	9,692		<b>9,692</b>	4,235		<b>4,235</b>
Net assets released from restrictions	801,432	-801,432	<b>0</b>	704,967	-704,967	<b>0</b>
<b>Total Support and Revenues</b>	<b>5,195,761</b>	<b>1,287,968</b>	<b>6,483,729</b>	<b>4,763,790</b>	<b>754,464</b>	<b>5,518,254</b>
<b>EXPENSES</b>						
Station Programming and Operations	3,616,880	0	<b>3,616,880</b>	3,488,584	0	<b>3,488,584</b>
<b>Total Program Services</b>	<b>3,616,880</b>	<b>0</b>	<b>3,616,880</b>	<b>3,488,584</b>	<b>0</b>	<b>3,488,584</b>
Supporting Services						
Fundraising	383,380	0	<b>383,380</b>	466,939		<b>466,939</b>
Membership and General	846,778	0	<b>846,778</b>	803,102		<b>803,102</b>
<b>Total Supporting Services</b>	<b>1,230,158</b>	<b>0</b>	<b>1,230,158</b>	<b>1,270,041</b>	<b>0</b>	<b>1,270,041</b>
<b>Total Expenses</b>	<b>4,847,038</b>	<b>0</b>	<b>4,847,038</b>	<b>4,758,625</b>	<b>0</b>	<b>4,758,625</b>
<b>Changes in Net Assets</b>	<b>348,723</b>	<b>1,287,968</b>	<b>1,636,691</b>	<b>5,165</b>	<b>754,464</b>	<b>759,629</b>

### Other Specific Items of Note

- LPM is the lead station in the *Ohio River Regional Journalism Center*, a CPB funded \$450K multi-station journalism collaboration. Grant awarded in Nov 2015.<sup>1</sup>
- WFPL and Ky CIR have fully integrated/coordinated operations.
- WFPL views itself as becoming the primary source of news and information for Louisville, with this statement of aspirations: **Louisville's NPR News Station is the trusted source for independent, fact-based news.....As other media outlets narrow their scope and reduce local coverage, we are working to expand the breadth of local news and give voice to multiple perspectives. We know that local news informs, engages, and draws a community together.**

<sup>1</sup> Discussions that eventually led to this new entity had been ongoing since at least 2010.

- In a similar vein, the **Kentucky Center for Investigative Reporting (KyCIR)** *strives to protect society's most vulnerable citizens through journalism that exposes wrongdoing in the public and private sectors and to increase transparency in those areas, holding public officials accountable.*

## Conclusions and Key Learnings

### You need to persevere.

Every step of the process took years. Even after the formation of PRP, which eventually evolved into Louisville Public Media, the full consolidation process took more than 5 years. To “close the deal” key leaders (particularly Gerry Weston) just kept pushing

### Leadership matters

Much credit goes to the CEOs who championed and guided the process, WFPK/WFPL GM Gerry Weston, Chief Librarian Harriett Henderson, Louisville Mayor Jerry Abramson who supported a process--full consolidation of their major public radio stations--that very few American cities have experienced. Because of their effort LPM has emerged as a widely-admired model of robust, sustainable public media service in a mid-sized American market.

LPM demonstrates "the action equation:" Change comes from D x V x NS (Dissatisfaction with the status quo, a Vision of Opportunity, and clear Next Steps forward)

D: Both dissatisfaction with the financial capability of the Library to effectively support WFPK/WFPL and the dissatisfaction with the less than strong position of public radio in Louisville drove action

V: Pretty much from the start of the consolidation discussions everyone had a vision for the potential of the three stations working together – in particular consolidating operations under one board – and this enabled the formation of KPR/PRP to happen. However there were seriously differing visions among the players (particularly key people from the University) around the potential ultimate “merger” where the licenses would be owned by the 501 (c) (3).

NS: There was a pretty quick understanding developed about the formation of the 501 (c) (3) with Weston as President that guided the effort.

PRP provided a "proof of concept" that multi-station collaboration could work. Interest has expanded.

Under the leadership of [Donovan Reynolds](#), Weston's successor, PRP (now Louisville Public Media) has encouraged--successfully--in developing multi-station collaboratives: in 2010 expanding collaborative news coverage to the Ohio Valley (see [Shared reporting planned for Ohio Basin ecosystem](#) below), and more recently encouraging collaboration on content creation, journalism and revenue generation among Kentucky public radio stations (See [Kentucky public radio stations evaluate advantages of working together](#), below)

### People interviewed

- Donovan Reynolds
- Gerry Weston
- Gray Smith

## Shared reporting planned for Ohio Basin ecosystem

The project is based in Louisville, more than midway down the Ohio River, which drains a number of states east of the Mississippi. (Map courtesy of Purdue University's [Conservation Technology Information Center](#) (red dot added). See the other [major U.S. watersheds](#).)

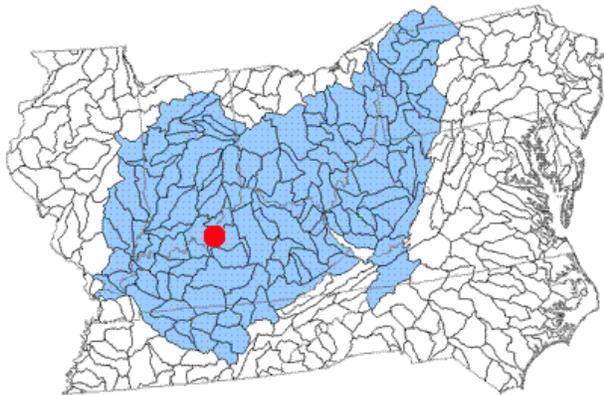
Published Feb. 8, 2010

By **Karen Everhart**

If any news subject lends itself to coverage by multistation collaborations, it's the environment of places like the Ohio River Valley, a region of 25 million people who share the river's assets and liabilities.

Louisville Public Media's WFPL is leading plans to build a pubradio reporting consortium for the region, starting with a public conference this month.

The project, which was turned down for funding by CPB's initiative supporting local journalism centers, is moving ahead after securing grants from three foundations. It will produce on-air and online reporting from journalists throughout the watershed that reaches from New York to Tennessee.



“What we’re trying to do is raise awareness of the fact that environmental issues don’t stop at state borders,” said Kristin Espeland Gourlay, managing editor at WFPL. “What we put into the air from power plants in Louisville flows north and east, and run-off from a farm in Pittsburgh runs down stream to Cincinnati

and Cairo, Ill.”

Collaborative reporting isn't new to public radio. The Great Lakes Radio Consortium of stations — based at Michigan Radio when Louisville Public Media chief Donovan Reynolds was at Ann Arbor — launched in 1993 to provide an environmental news service for Upper Midwest stations; it now operates as [The Environment Report](#), producing four-minute daily stories that air on outlets as far west as Utah.

Since 2003, public radio stations in Oregon, Washington and Idaho have collaborated on regional coverage via the [Northwest News Network](#). More recently, Connecticut's WNPR established the [Northeast Environmental Hub](#) as a project of NPR's Local News Initiative. Eighteen stations in New England and New York produce and air the stories.

WFPL's project adopts a radio/online strategy similar to that advocated for stations by CPB through its local journalism centers grant program and by NPR through its Argo Project: specialized reporting by journalists who know the subject, work collaboratively, and produce multimedia coverage for radio and the Web. "It will take some time to build an active network," Gourlay said. "Right now, people are excited about the additional content and the opportunity for the reporters to make a little money."

Gourlay, who signed on as WFPL's environmental reporter in 2007 with the long-term assignment of building content-sharing partnerships with other stations in the region, was drawn to the subject area as a reporter for Wyoming Public Radio. "I felt there were so many compelling environmental stories to tell, and they had to be told, and be told more often," she said.

Before moving to Louisville Public Media and its new environmental news collaboration, Gourlay (above right, in snowshoes) reported for Wyoming Public Radio. Pictured: She interviews an outdoor-skills instructor about avalanche safety.

There are plenty to tell in the Ohio River Valley, too. "This watershed is home to one of nation's largest concentration of people," Gourlay said. "Its storied industrial past helped to grow the economy and it gave people jobs, but the concentration of people and industry has left some unhappy legacies of pollution."

Gourlay is one of two reporters in the state of Kentucky reporting on the environment; the other writes for the *Louisville Courier-Journal*. "I feel really lucky that I can focus on this beat," she said. "A lot of stations' budgets are stretched and most reporters have to be generalists."



With \$100,000 in funding that she hopes will last two years, Gourlay will commission stories from station-based reporters and freelancers — mainly four-minute pieces, but also long-form and series reporting. She's working up a series about water pollution caused by antiquated sewer systems.

The website [ohioriverradio.org](http://ohioriverradio.org), still under construction, will feature audio and scripts from radio coverage, blogs, multimedia elements, social networking, and, eventually, a podcast. "I'd also like to build educational content of the watershed itself," Gourlay said.

Participating stations fetch audio files of the stories from [dropbox.com](https://www.dropbox.com), an online file-sharing site. Stations can air the stories simply by asking Gourlay for access to its account. "It's free content, free feature material, of really great quality," she said, "and it's making our environmental coverage as a network that much better."

Later this month, WFPL plans to unveil the service to the general public at a conference in Louisville, "[Covering the Ohio River Valley: A Convergence of Scientists and Media](#)." Researchers, reporters and educators will convene Feb. 26-27 to examine regional scientific and environmental issues and strategies for covering them.

The consortium launches with funding from the Alice S. Etscorn Charitable Foundation and the Gheens Foundation, both based in Louisville; the Energy Foundation; and a gift from Alice S. Etscorn.

Web page posted Feb. 15, 2010  
Copyright 2008 by Current LLC

## LINKS

The collaborative journalism project [launches with a conference this month](#), Covering the Ohio Valley, co-sponsored by Louisville's WFPL and Hanover College, at the college's Rivers Institute, Hanover, Ind.

U.S. Geological Survey map of the [Ohio River watershed](#).

[The Environment Report](#) grew out of the Great Lakes Radio Consortium.

More than 15 stations are participating in the [Northeast Environmental Hub](#) based at Connecticut Public Radio, Hartford. See [map](#). It's participating in NPR's [Local News Initiative](#).

[Northwest News Network](#).

## Kentucky public radio stations evaluate advantages of working together

By [Mike Janssen](#) | August 12, 2013

Leaders of Kentucky's public radio stations are considering how they might collaborate and consolidate operations, with a goal of cutting costs and boosting reporting on local and regional issues.

Six of Kentucky's seven public radio stations have enlisted [Public Radio Capital](#) to assess benefits of closer collaboration and to help advance the process if all agree to move ahead. Universities hold licenses to five of the stations and may need to join future negotiations as well.

The state has some history of successful station mergers. In 1993, [WUOL](#), licensed to the University of Louisville, and two stations operated by libraries merged under the auspices of the Public Radio Partnership, a newly formed community licensee.

Now [Louisville Public Radio](#), the multiple-service broadcaster has the financial wherewithal to build a new facility and develop an investigative-reporting unit while operating in the black, says Donovan Reynolds, president.

"It's a demonstration that consolidation and collaboration can really work to turn around failing stations," Reynolds says.

Discussion of broader collaboration among Kentucky pubcasters grew out of the November 2012 Public Radio Regional Organizations conference in New Orleans, where CPB reps discussed possible new financial incentives for stations to work together. Reynolds spoke on a panel about collaboration.

Asked whether Kentucky's stations should work together more closely, Reynolds hesitated, knowing collaboration can be a touchy subject, but said yes. He worried about how colleagues would respond, but after the session two told him they agreed.

Station leaders discussed the idea at the next meeting of the Kentucky Public Radio association, which Reynolds chairs. They expressed enough interest to merit calling on Public Radio Capital.

"It's a huge amount of work," Reynolds says of the collaboration process. "But it's really the first time we've taken a look at the entire state public radio system."

### Intriguing possibilities

Pressures to cut costs are building on Kentucky's stations: Universities have been looking to trim their budgets, and threats to federal funding of public broadcasting have been increasing. "It's time for us to come up with a plan now, before disaster strikes," Reynolds says.

At the same time, some station leaders see a need to devote less money and staff time to business matters, and to focus on producing local and regional reporting that listeners will value. "The model that everyone has to have a completely separate station is a little outmoded," says Roger Duvall, g.m. of WEKU in Richmond.

Duvall's station shares a market with another public station, WUKY. Both are doing well despite the competition, but Duvall asks, "What could we do if we weren't competing against each other?"

Louisville Public Media's success highlights the benefits of collaboration, says Kate Lochte, station manager of WKMS in Murray. "All of us are intrigued with the possibilities," she says.

Lochte and other Kentucky managers are considering how they can work together on both programming and back-office operations. Joint reporting efforts could lend stability to Lochte's newsroom, which sees half a dozen student interns rotate through on a regular basis.

Kentucky stations outside Louisville have already forged some partnerships. They share a statehouse reporter and have a system for exchanging news stories. LPM has sold underwriting on behalf of other stations and with WEKU co-produces Kentucky Center Stage, a series featuring performances by Lexington and Louisville orchestras.

### **Time for change?**

As the stations move ahead, leaders say they want to preserve each station's local character. "This is not an exercise in big fish eats little fish," says Erik Langner, director of acquisitions and legal affairs for Public Radio Capital. "Stations each have value in their local communities that should be preserved."

One station, WNKU in Highland Heights, is not participating. "We don't have time to take part in it," says Chuck Miller, station manager. The station airs more music than others and serves listeners in Ohio, Indiana and West Virginia as well as Kentucky. Some listeners think of WNKU as a Cincinnati station, Miller says.

PRC will examine a wide range of data to sketch each station's future if it were to continue business as usual, considering demographics, financial data, membership and audience, fundraising and underwriting revenue, and other factors.

The analyses will give participating stations a starting point for determining possible benefits of collaboration, Langner says. PRC is paying for some of its consultation costs from its Revolving Public Media Fund, which was created by New York-based nonprofit FJC.

Stations beyond Kentucky are feeling similar pressures to rethink operations, and not only in reaction to financial pressures. As listeners increasingly find national programs on other platforms, local pubcasters are recognizing that collaborations would allow them to expand local service, Langner says.

Meanwhile, many public broadcasters face flat or falling revenues, and states and universities are cutting subsidies. Four licensees have contacted Langner in the past two months to discuss selling stations, he says. (He declined to disclose who they were.)

“There needs to be a fundamental look at the architecture of the public broadcasting system and how we can work more closely with one another to find efficiencies and free up capacity for local efforts,” Langner says.

LPM’s Reynolds agrees. Public radio’s current system of independent stations with duplicative management structures won’t be sustainable in five, 10 or 20 years, Reynolds says. “We need to seriously rethink how public radio is delivered in this country, or it’s going to be very difficult,” he says.

At some point, stations might have to get university licensees involved in restructuring efforts. That could be challenging, but licensees may also be looking for changes, Reynolds says.

“This might be just the right time to make something happen, both at the station and at the licensee level,” he says.

Questions, comments, tips? [mike@mikejanssen.net](mailto:mike@mikejanssen.net)

## Louisville Public Media president to step down

Mar 24, 2016, 5:15pm EDT

Louisville Public Media president [Donovan Reynolds](#) plans to retire, effective Sept. 30.

Reynolds, 65, who has held the position for a decade, shared the news with his staff and the LPM board of directors on Thursday afternoon.

[Louisville Public Media board](#) chairman [Todd Lowe](#) told Louisville Business First that the board will take time to discuss the key qualities it wants in a successor, then enlist a consultant and conduct a national search.



"You always hate to lose someone of Donovan's quality," Lowe said, "but he stayed longer than we may have expected. It's a good time to go to the next step."

### A surprise relocation

Ten years ago, a head hunter called Reynolds about applying for a job to lead three public radio stations in Louisville.

Frankly, he wasn't interested. He had been director of broadcasting at WUOM-FM, the public station at the University of Michigan in Ann Arbor, and he didn't see himself moving south. And friends with knowledge of the situation at Louisville's Public Radio Partnership warned him there was too much turmoil. Then-president Gerry Weston had resigned amid controversy.

But Reynolds came down for an interview and was quickly intrigued by Louisville, a place he'd never visited. He started work as president of LPM on Sept. 6, 2006, and he hasn't regretted the choice.

In an interview, Reynolds said he believes he's leaving at a good time, with the organization financially sound and producing strong journalism.

For example, LPM, which consists of news station WFPL-FM, contemporary music station WFPK-FM and classical music station WUOL-FM, typically raises \$400,000 to \$500,000

during each of its twice-yearly fundraising drives, with about 60 percent of donors on automatic renewal. When he arrived, he said, fund drives typically topped out at \$180,000.

Reynolds also pushed to launch the Kentucky Center for Investigative Reporting and helped reorganize WFPL's news operation.

LPM also leads a statewide public radio consortium, he said, through which WFPL and stations at Murray State, Eastern Kentucky, Northern Kentucky and Western Kentucky universities share resources.

And LPM recently received a \$445,000 [Corporation for Public Broadcasting](#) grant to create a newsroom with resources from partner stations in Kentucky, Ohio and West Virginia. That newsroom will have eight journalists when it's fully staffed.

Louisville Public Media, which employs 51 and has an annual budget of \$6 million, is set to launch the public phase of its \$7 million "Raise Your Voice" capital campaign to renovate its headquarters on South Fourth Street, including a new digital newsroom to be named for Barry Bingham Jr., former publisher of The Courier-Journal. About \$5.25 million has been raised.

Lowe, president of the Louisville investment firm [Parthenon LLC](#), described Reynolds as a quiet consensus builder who gives his staff autonomy.

"Donovan's first major impact on LPM was professionalizing the organization in the way that was necessary to start growing it," Lowe said. "His primary legacy was recognizing the need for an additional source of news in Louisville. ... We're in a good place, things are working well, and Donovan deserves credit. I've found him terrific to work with."

Reynolds said he might consult and likely will pursue journalism projects while also becoming a "gentleman farmer," splitting time between Louisville and his native Michigan. He hopes to be remembered here for helping create a new and sustainable model for how public media can operate.

"I don't think a CEO should stay forever," he said. "You should go in, enact your vision and then move on and let new people come in with new ideas and new energy to take things to the next level."