

Recovery Plan for WBAI

[and the Pacifica Network]

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I. The Problem.

We have been told that WBAI is in a financial crisis. But it is not. A financial crisis requires – not only that there be a shortage of money – *but that there also be no way of obtaining more.* This is not the case with WBAI.

On the contrary. There is plenty of money available to WBAI, if we look in the right places. And if we do so before WBAI passes the point of no return – which is very close.

Fortunately, the recommendations in this Plan can be implemented quickly. Even better, they require no cash outlays or the hiring of additional staff. Nor are they “radical,” or even new. They involve commonplace techniques and procedures known and used by most fund-raising organizations in America. Except, as the record shows, by Pacifica.

Many of these recommendations could have been implemented at WBAI as early as 1999, when they were first presented to management. They might have slowed or even prevented entirely the station’s subsequent financial meltdown. But management declined to act, and therefore bears a large share of the blame for where we are now.

Of course, we cannot blame all of our current problems on management. Other factors have contributed to WBAI’s current financial difficulties, as they have contributed to those of public radio in general. For example, the decline in the U.S. economy; the rise of the internet; satellite broadcasting; rival progressive programming from NPR and (until recently) Air America; as well as the popularity of left-leaning (and often more amusing) cable-TV personalities such as Jon Stewart, Stephen Colbert, Keith Olberman, Rachel Maddow, Laura Flanders, and others.

Nevertheless, as this Plan will show, these other factors, even when taken in combination, have not harmed us as much as the station’s own failure to take prompt action in its own best interests..

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II. The Solution.

Reports of this kind usually begin with a solemn disclaimer that there are no “quick fixes” or “magic bullets.” But in this case, there *are* quick fixes and magic bullets. In fact, quite a few. And they can help rescue WBAI from its present difficulties.

But their implementation will require political will and

managerial focus – qualities not in evidence at WBAI for the past 8 years.

Although this Recovery Plan is primarily concerned with financial issues, it will also touch on issues of policy, personnel, and programming, but only insofar as they impact on finances. Recommendations will, whenever possible, be listed in order of the size of their estimated impact. All have been structured to generate *rapid results* – some within a few weeks, others within 3 months to a year. Each recommendation is *specific*, and comes with step-by-step instructions for making it work *within the context of currently available station resources.*

There are three ways to improve our finances:

1. By reclaiming *lost* revenue that WBAI *used to get*
2. By bringing in *new* revenue that WBAI *never got*
3. By adopting *more effective management practices* that optimize station resources, encourage better programming, halt listener-flight, and actively facilitate the acquisition of new (paying) members. [See Appendix A: “Comments from the 1985 Pacifica Management Audit,” for a professional assessment of why “poor and destructive management practices” abound in Pacifica. Although more than 20 years old, these comments seem truer now than they did in 1985.]

The revenue enhancement recommendations that follow fall into 5 categories:

- A. **Stopping the Bleeding** (quick money, 3 to 6 months)
- B. **Stabilizing the Patient** (long-term money, 6 months to a year)
- C. **Starting the Healing Process** (locking in revenues of A and B)
- D. **Preventing Re-infection** (insulating management, policy decisions, and programming from factionalism, identity politics, and self-interest)
- E. **Accepting the Future** (restructuring to stay relevant and fulfill the Pacifica mission in a changing media environment).

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III. The Recommendations.

A. – STOPPING THE BLEEDING

Accessing “quick money” in 3 to 6 months

Part 1.

Increasing our fund-drive fulfillment rate from 63% to 95%

Estimated revenue gain: up to \$370,000 per drive or \$1.48 million per year

Pledge collection from WBAI fund drives has been falling steadily for the past 8 years. It is now at a low of 63%. This means that a typical \$1 million drive would generate only \$630,000 in actual funds – leaving as much as \$370,000 uncollected.

Assuming four such drives per year, our loss approaches \$1.48 million annually – or the equivalent of throwing nearly half our yearly income down the drain. No wonder we are hurting,

Yet for the last 8 years no serious (let alone effective) attempt has been made to collect this money, even though it dwarfs by a factor of 50 times any revenue we could possibly hope to realize from special events, concerts, book sales, or even foundation grants (after all, what foundation would give us \$1.48 million every year? What foundation even *has* \$1.48 million to give these days?)

The station’s (and the foundation’s) apparent lack of interest in uncollected pledges is doubly surprising, since they represent *actual*, not “speculative,” money. They are promises that have *already been made*, by listeners who *willingly made them*, and who (presumably) *intended to make good on them*. One would *expect* such pledges to be collected – except for the fact that WBAI’s fund drives seem almost deliberately constructed to *discourage* such collection.

The following steps will help WBAI reclaim a significant percentage of uncollected pledges, and do so in a way that is not only *easy*, but also a richer and more reliable source of revenue than the fruitless pursuit of such “will-o-the-wisp” sources as foundation grants and underwriting allotments – of which too many in Pacifica still foolishly dream, and whose acquisition (even if feasible) would require the hiring of high-powered, and equally high-salaried, development

directors, who historically seldom deliver enough foundation grant money even to cover their own salaries.

It cannot be emphasized too strongly that following *all* the steps below – not just one or two “easy” ones – is the best way for WBAI to maximize its revenue potential. For unless station management is willing to explore promising new techniques – instead of reflexively falling back on “the way we’ve always done it” – WBAI will continue to lose its way, along with its listeners and their financial support.

STEP 1

Increasing the proportion of credit card donors in our fund drives (currently about 50%) to at least 80% .

A typical million-dollar pledge drive will generate approximately 8,000 pledges at an average of \$125 each. Approximately half will come in by credit card – *and will (or should be) virtually 100% collected*. The other half will be nothing more than promises to pay at some later date. But unfortunately few of these promises to pay are kept. In fact, currently only 26 out of 100 non-credit card donors ever send in their checks.

WBAI simply cannot survive this way. Although improved on-air pitching has now increased the amount of pledge dollars we receive, what good does this do us if those pledges are never collected?

Obviously, if we could persuade the 50% of our donors who pledge by check to switch their pledges to credit cards, we would collect 95-100% of our pledges. This would increase revenue by up to \$370,000 per drive, or as much as \$1.48 million per year.

Of course, expecting *all* of our non-credit card donors to switch is unrealistic. But we can persuade a *significant percentage* to switch simply by applying a few common-sense techniques widely used in the fund-raising field.

What constitutes a “significant percentage”? A mere 10% switch to credit-card pledging would boost revenue by \$37,000 per drive or \$148,000 per year. A 25% switch would boost revenue by \$92,500 per drive or \$370,000 per year – enough to cover the salaries (or avoid the firing) of nearly ten paid staff members.

But is a 10% switch – let alone a 25% switch – to credit card pledges a reasonable expectation? Yes, and here is why. Although we only get 50-55% credit card pledges, KPFFK, in its last pledge drive (ending Feb. 28, 2010) *achieved a credit card percentage of 80%*. If KPFFK can do it, so can WBAI. But in order to do so,

**we must first show our phone volunteers
a better way to answer pledge calls.**

The traditional practice at WBAI (per my experience in the pledge room) has been to leave phone volunteers on their own. They get virtually no guidance on how to structure a call.

For example, the question of whether to pledge by credit card – *which should be addressed at the start of the call* – is almost never addressed until the end of the call. At which time it is brought up almost apologetically, seemingly as an afterthought. As in: “*Er, um, How would you like to pay for this?*”

This is flat wrong. Operators should politely, but persistently, begin persuading donors to pledge by credit card *as soon as they get on the phone.*

For example, a good way to start each phone call might be:

i. – “Hello. Thank you for supporting WBAI. May I have your phone number and the credit card you’ll be pledging with?”

ii. – If the caller replies that she will mail a check later – perhaps because she doesn’t happen to have her card handy – the operator might reply, “No problem. I’ll gladly wait while you look for it.”

iii. – Or, if the caller replies that she *prefers* to pledge by check, the operator might then reply, “Oh, can’t I persuade you to change your mind? It will mean so much to us, because credit-card money comes in right away, and we urgently need it for bills that are already past due.”

iv. – If the caller still expresses a wish to pledge by check, the operator might then add, “By the way, the station manager asked me to let you know that – because it is so important to us – we’ll send you a free WBAI t-shirt worth \$19.95 [*for Truth Torch, Coffee Mug, or Democracy Now CD or whichever premium we decide is appropriate*] just for making your pledge by credit card instead of by check.”

v. – If, in spite of the all the gentle urging above, the caller still doesn’t agree to pledge by credit card, then the call will proceed as usual. But at its end, just before saying goodbye, the operator should change tactics, as follows.

“Oh, I forgot to mention that even though you are pledging by check, you can still get the free \$19.95 WBAI t-shirt [*for Truth Torch, or Coffee Mug, or Democracy Now CD*] if your check is mailed within the next 48 hours. Just let me know, and I’ll put it aside

in your name. That way you’ll be sure of getting it – since we only have a limited number left and they are going fast. Do you think you’ll be able to mail your check within the next 48 hours? Should I hold your [*name of free gift premium*] for you?”

Or words to that effect. Most will say, “Yes, I can mail my check within the next 48 hours.” The remainder will offer variations on the words “I’ll try.” We must then follow up immediately – by phone, email, and postal mail to remind the donor of his or her good faith pledge to the station. [*Examples of follow-up phone calls, emails and letters – and when to send them – are provided elsewhere in this report*]

You might wonder: Will giving away free gifts, as in “iv” and “v,” above, be cost-effective? Can WBAI really afford to give away a t-shirt or other gift simply to encourage credit card conversions? The answer is yes.

Here is the math. The average fund-drive pledge is \$125. But unless it is a credit-card pledge, odds are as high as 4-to-1 (*against!*) that we will never collect it. So if a 74¢-to-\$2 premium (the cost of a t-shirt or Truth Torch or CD) can help make a credit card conversion, it is well worth it. For even if *all* of the approximately 4,000 non-credit-card donors in a \$1 million fund drive were persuaded to convert to credit cards (not that I predict such a high success rate), and consequently we had to give *all* of them a free premium, the total cost of those free premiums (the downside) would only be \$2,960-\$8,000 per drive, but the revenue increase (the upside) could be as high as \$370,000 per drive, or \$1.48 million per year.

To make sure our phone volunteers are able to maximize credit card pledging, we must furnish them with a “*branching script*,” similar to those used by professional fund-raising organizations. Such scripts will provide operators with non-confrontational – but persuasive – responses to donors who may be reluctant to pledge by credit card (or reluctant to give us their email address or mail their checks promptly). All of which will significantly increase our pledge fulfillment rate.

I repeat (because it bears repeating): Our program director and staff should certainly be thanked for increasing the pledge totals of recent drives. The numbers have risen significantly since the arrival of new management in May 2009. But what good is it to bring more money in the front door if we lose it out the back door – by failing to collect our pledges?

STEP 2

Stop telling non-credit card donors to wait for an invoice before mailing their checks. (Estimated gain: up to 40% increase in non-credit card pledge collection – about \$148,000 per drive or \$592,000 per year.)

During pledge calls, operators are instructed to tell non-credit card donors – many of whom are eager to write a check that very instant – *not* to mail their checks until they receive an invoice. ***This practice should be discontinued at once. It is a huge fund-raising blunder that costs us hundreds of thousands of dollars.***

Delay of any kind decreases response. *Always.* This is an “iron law” of fund-raising, and is especially true of on-air fund-raising. It applies not only to WBAI pledge drives but also pledge drives for NPR, PBS, and “Jerry Lewis’ Kids.”

That is because pledges prompted by an on-air appeal are not the result of a long and carefully thought-out decision process. *They are impulse acts.* And impulses are fleeting. Barely ten minutes after making a pledge, let alone days or weeks later, when an invoice finally arrives, 74% (three-quarters!) of all non-credit card donors will forget their pledges, lose interest, undergo a change of heart – or decide to use the money for some other purpose. In short, they will never mail a check. Our dismal fulfillment records confirm that this is so.

That is why it cannot be emphasized too strongly that asking donors not to send their checks until they get an invoice has been catastrophic for us. It is one of (if not “the”) primary reasons we fail to collect up to \$1.48 million in pledges per year.

So why do we do it? Why do we tell non-credit card donors not to mail a check till their invoice arrives? The explanation – given by our Business Department – is that the bottom half of the invoice (which the donor is supposed to tear off and return with his check) identifies the donor and tells us which premium we are supposed to send this donor.

But there is a better way to match donors to their premiums. It not only eliminates the need for invoices, thus raising our collection rate; it also eliminates the delay in sending out premiums that the invoice system causes; and thus eliminates the anger that donors feel when they do not receive their premiums for 3 or 4 months (or perhaps never).

This is the way to eliminate invoices: Simply ask donors to write the Code Number of their premium (every premium has a Code Number, or is supposed to) on the “memo” line of the check. *The donor’s own check then*

becomes the invoice.

This simple solution will help us to collect up to 40% or more of our non-credit card pledges each year. That would bring us an extra \$148,000 per drive (the equivalent of 7-1/2 days of pitching) or \$592,000 year. As an extra bonus, it will also save us the \$15-\$20,000 a year it costs to prepare, print, mail, and administer the sending out of invoices to donors.

But as they say in the TV commercials, “Wait, there’s more!” There is another benefit to eliminating the invoice process and replacing it with a Code Number written on the check. The very act of getting the donor to *physically write down* the premium Code Number on his check (or on a piece of paper if his checkbook is not handy) is an act of involvement that will further impress the transaction on his memory, and thus further increase our chances of getting his check.

Here is how our phone volunteer should give the premium Code Number to the donor and ask him to write it on the check. This should happen at the very *end* of the call, right after the phone volunteer says:

“I hope you can mail your check today – or tomorrow at the latest – because we really do need it. Will you be able to do that?” [Virtually every donor will say yes to this plea – what does it cost to say yes? – and many actually *will* mail their checks immediately.]

Then the operator will add:

“Ok, we’re almost finished. There’s just one more step, but it’s really important. I’m about to give you the Code Number of your premium. You have to write this Code Number on your check to make sure our Order Department ships you the correct premium. Do you have a pen handy? That’s ok, I’ll wait. Because this is important. Ok? Ready? The code number for your [operator says name of premium] is XXXX-XXXX. I’ll say it again. The code number is XXXX-XXXX. It would be great if you could write it on your actual check right now, so it doesn’t get misplaced. I’ll wait while you get your checkbook, if it’s handy. [Pause] Oh, it’s not handy? That’s ok. Just write the Code Number down on a piece of paper and put it somewhere you won’t forget. I’ll give you the code number again. It’s XXXX-XXXX. That’s XXXX-XXXX. Bye, now. Have a good day, and thanks again for supporting WBAI. I’ll be watching for your check in the mail – and don’t forget that Code Number.”

NOTE: I don’t know how Code Numbers are presently

assigned, but an easy and widely employed method is to use an 8-digit number, of which the first 4 digits are the month/year of the drive, and the last 4 digits identify the premium itself. Thus the Code Number for a premium offered in the February 2010 drive would be 0210-XXXX. (The same premium offered in a different way or in combination with something else in that drive would, of course, have a different 4-digit end number.)

Obviously, to accomplish the above, we must provide our operators with printed scripts (which we should have done years ago) – and train them to *follow* those scripts. This can be taught in 5 minutes.

But – what if a donor *forgets* to write down the Code Number, and his check arrives without it? How will we know which premium to send him? No problem. That information will already be available in MemSys and available to the Business Department with just a few mouse clicks.

What if a donor *wants* an invoice, and *asks* for one when making his pledge? Again, no problem. The phone volunteer will simply answer: **“Certainly. An invoice for your records will arrive in a week or two. But please mail your check today – or tomorrow at the latest – because we really need it. Please don’t wait for the invoice.”** – or words to that effect.

Unfortunately, the real question is not whether we should eliminate the invoice process – *clearly we should* – but whether WBAI’s inertial resistance to change will block this important step.

STEP 4

Vital things our phone volunteers should do, but too often don’t

In addition to starting every pledge call by asking for a credit card number, operators should also:

A. Get all the donor’s phone numbers (both day and night numbers and/or cell numbers, so we have a better chance of reaching them when we begin phoning delinquent donors). If any demur, the operator will explain that, **“We need your phone number in case we have to contact you about delivery of your premium.”**

B. Get the donor’s email address (also vital for our collection efforts). Unfortunately, many if not most operators do not ask for an email address, or, if they do, give up too easily if met with resistance. If a donor is reluctant to provide an email address, assure him that (1) **“we do not share your email address with other organizations,”** and that (2) **“we need your email address so we can send you a confirmation**

of your premium, which our rules require us to do because your donation is tax-deductible.”

C. Give the donor the Code Number of his premium and ask him to be sure to write it on the “memo” line of his pledge check. *No invoice will mentioned*. If a donor requests and invoice on his own, our answer should be: “We’ll gladly send one out in a week or two, **“but please mail your check today, because we really need it. Please don’t wait”**”).

STEP 3

Premiums must be in-house, ready to ship, before a drive begins

Traditionally, premiums are *not even ordered till a drive is over*. The defense for this practice is that “we need to know how many orders we have for each premium, so we don’t over-order and get stuck with excess premiums.” This sounds sensible, but it is not. It is simply wrong (and is counter to industry practice).

First, on the simplest level, it greatly delays delivery of premiums, which angers donors and discourages them from pledging next time. Especially since they have become used to the many firms that now that guarantee “Same Day Shipping..” (You can order a book, a DVD, even a toaster or carton of coconut water from Amazon.com on Tuesday and often get it on Wednesday or Thursday.)

Compare that with our delivery times, which are not only long, but unconscionably so. For example, we wait a month till the drive ends before we even *think* about ordering the premiums.. Then another week or two or more is needed to count the pledges and decide how many of each premium we will need to order. (If we have the money.) Then perhaps 2 months (often longer) go by until the premiums are either made in house or delivered to us from outside vendors. Then maybe another month will pass before they are finally addressed and taken to the post office. Then maybe another 1 to 4 weeks until they are actually delivered. So total time from pledge to receipt of premium by the donor could be as long as *4 to 6 months* (!).

This is not only criminal; it is stupid. It infuriates members, dissuades them from pledging in future drives, and ties up our staff and our phones and our mails to answer increasingly resentful donor demands for undelivered premiums.

This is not necessary, and can easily be corrected by handing premiums in the following manner.

First, all premium submissions **must end** two weeks before a drive is to start. At that time, we must *guess* (it doesn’t have

to be accurate) how many of each premium will be needed. We then should order and bring in-house one third of that guess. These premiums should be on hand, ready to ship, the day the drive starts.

By the second or third day of the drive, we will be able to project with near-certainty the actual number of each premium we will need. At that time we should order the remaining two-thirds of the premiums. They should arrive just as we run out of the first shipment of premiums.

STEP 5

Ship out each premium the same day the pledge is made

WBAI can easily accomplish this. Here is how.

Each day of the drive, a laptop operator in the pledge room will record the data from each pledge card, right after the donor hangs up.

At day's end, he will print out a list of premiums that will be needed for that day's orders. Those premiums will be pulled from the premium storage room and stacked on the pledge room table (which will now be now free).

The correct number of shipping envelopes will be stacked on the table beside them.

The laptop will also print out shipping address labels for all of the premiums (the address labels will include premium Code Numbers). The labels will then be affixed to each envelope, the correct premiums inserted, and the envelopes sealed and taken to the mail room for metering.

IMPORTANT: The laptop will also print out a receipt (for credit card orders) and an invoice (for non-credit card orders), which should be included with the premium

How long will this all take? Fewer than 250 pledges are received per day during an average fund drive. They can be labeled, inserted, and sealed at the rate of 8 per minute. Thus one volunteer can dispose of 250 orders in a half hour. It will take another 9.5 minutes to meter them in the mail room.

The packages can then either be put in the building mailbox or taken to the 34th St Post Office (about 15 minutes away by #2 or #3 train).

VERY IMPORTANT: Do not wait to receive the donor's check before you ship out his premium. This is a mistake. You must ship all premiums the day they are pledged, even if they are *not* credit card orders (i.e., even if we have not been paid).

Why is this important? It may seem foolhardy to recommend shipping out non-credit card premiums before we receive payment for them (especially when collection rates have been so low). In fact, the intuitive and eminently sensible-seeming objection to shipping unpaid-for premiums might be: *“What if the donors don't send a check and we get stuck?”*

But in this case, the sensible is the enemy of the successful. Shipping all premiums immediately, paid for or not, will actually bring us more money than withholding the premiums until a check arrives (which is our current practice).

The explanation is simple and well understood in the fulfillment industry. It is much easier to entice a check out of a donor who has *already* received his premium than from someone who has not. That is because a donor who has not yet received his premium is no longer acting on impulse. He may no longer want the that premium as much as he did a few weeks ago, when he reached for the phone in a moment of enthusiasm to call in his pledge. Or he may have simply decided that he'd rather spend his \$125-\$300 pledge money on a trip to Atlantic City or two tickets to the Super Bowl.

A donor who has *already* received his premium, and may even be staring at it on his coffee table or on top of his DVD player – as we are speaking to him on the phone about his missing check – will be under considerable moral pressure (thank heaven for liberal guilt) to honor his promise and send us his pledge check.

Here is how such a phone call from us might go:

“Hello. I'm Amanda Stiles calling from radio station WBAI. I want to make sure that your [operator names premium] arrived, and that it arrived in good condition. Did it arrive ok? [Operator waits for response.] I'm glad, and I hope you're enjoying it. I also want to thank you – really thank you – for the generous pledge of [dollar amount] you made during [name of usual host]'s program. Were you and your friends listening when we announced your name and pledge over the air?”

“It's such a good feeling to know that there are so many people out there – on the other side of the microphone – who really value what we are doing.

“But I'm also calling to ask you for a special favor. And that favor is ... if you haven't mailed your check yet, could you possibly make your pledge by credit card, instead of sending us a check? That way, WBAI will get its money immediately, and we really need it. Our

transmitter bill must be paid, and we can't fall behind if we want to stay on the air.

Right now, our staff is literally counting every dollar – and holding their breath. So will you help us by pledging with a credit card instead of sending a check? I can take your credit card information over the phone – I'll hold on while you find your card. [Or whatever words seem appropriate to the donor's answer.]

If the donor agrees, we take down his credit card information and cross his name off the phone list. If he does not, then we continue (more or less) as follows.

“Well, if you can't pledge by credit card, could I ask you at least to mail your check as soon as you possibly can? We'd really appreciate it. Can we count on your mailing it, like, today, or tomorrow at the latest? Thanks so much, this will really help us.” [Or words to that effect.]

STEP 6 Data from each pledge card should be entered directly into a laptop – in the pledge room – as soon as each donor hangs up

Our present practice is to give each day's pledge cards to the subscription manager at the end of the day. This data will then be entered into MemSys whenever he or she gets around to it, which might be days or weeks later.

When the data finally is entered into MemSys, there are invariably – due to the hastily scrawled nature of the pledge card process – many errors, such as misspelled names, wrong addresses, incorrect phone numbers, and, worst of all, scrambled credit card numbers. But by then, it is too late to correct those errors, which are the cause of numerous declined credit cards, mis-delivered packages, and other problems.

These data entry errors, which can run as high as 10%-15% or more, result in loss of revenue and angry members.

Of course, a 15% problem may not sound like much. But consider that a 15% error rate on the approximately 8,000 pledges we receive during each drive translates into 1,200 “problems” per drive or 4,800 per year. At an average of \$125 per pledge, that adds up to a potential loss of \$600,000 per year.

To avoid this problem, a laptop operator will sit in the pledge room. Each time a pledge card is filled out, it will be passed to him so he can enter it into a MemSys interface on the

laptop. If the laptop operator cannot read the pledge card, the phone volunteer who wrote it will still be in the room and can be asked to decipher it. This will greatly reduce data entry errors and declined pledges.

NOTE: Ideally, this laptop will contain software that links with our Merchant Account to verify credit card numbers as they are keyed in. Or there will be a hand-held terminal in the pledge room that can do the same thing (while the donor is still on the phone). These terminals cost as little as \$120; wireless ones about \$350 and up.) Even if the donor has already hung up, if a credit card number is declined by the laptop or the credit card terminal, it can be corrected during the mandatory phone call [see Step 6] placed to every non-credit card donor ten minutes after a pledge is taken, in order to persuade him to switch his pledge to a credit card.

STEP 7 How an operator should conduct the initial pledge call

■ Start every pledge call by asking for the caller's phone number, in case you are disconnected. ■ Then ask which credit card the caller will be using. ■ If he won't use a card, try to persuade him (i) by telling him how much we need the money and how much faster we will get it with a credit card pledge; and (ii) by offering him a special gift for credit card pledging [discussed elsewhere in this report]. ■ If that fails, get him to promise to mail his check today or tomorrow. ■ Take his name and address information. ■ Make sure to get both a day and night phone number (and/or cell phone number). ■ Make sure to get his email address. ■ Make a last attempt to switch the pledge to a credit card or to plead for speedy mailing of his check. ■ Finally, give the (non-credit card) donor his premium Code Number; repeat it several times; and impress on him the importance of writing it on the “memo” line of his check.

STEP 8 10 minutes after every pledge, we must phone the donor to verify.

Every donor should be phoned and thanked for his pledge *no later than 10 minutes after he hangs up*. This is not just good manners. It is to verify that the donor is “real” – i.e., that the phone number is good (and correctly recorded), and that the pledge itself is not phony.

If the donor has pledged by credit card, we will ask him to verify the card number. (***“I just want to make sure I wrote it down correctly.”***) This will eliminate incorrect or fraudulent credit card pledges.

[NOTE: We won't have to verify credit card numbers by phone if we quickly keypunch each credit card number into an electronic verification module *while the donor is still on the phone*. If the card number is declined, we can ask the donor to repeat it. If it is still declined, we can ask him to use another card – or send a check. **Using a credit card verification module:** The pledge room monitor should have a hand-held electronic credit card verification machines in her possession. (We already have one in the Business Office.) Each operator would be instructed to raise his hand when a credit card donor is on the phone. The monitor would quickly go to that operator's side with the credit card verification machine. She would listen to – or read – the number written down by the operator, and then punch it into the machine. It would be verified or declined instantly, while the donor is still on the phone. If declined, the operator would then say, **“Oh, I must have copied the number wrong, can you repeat it.”** If still declined, the operator can ask the donor to substitute another card, or send a check.]

If the donor has *not* pledged by credit card, then the operator should use this call to try to convert him [*per the scripts elsewhere in this report*] **“because we really need the money, and using a credit card will get it to us faster.”** Up to 10% may convert to a credit card at this time. That will bring us as much as \$50,000 more per \$1 million drive (equivalent to 2 days of pitching!) or \$200,000 more per year (equivalent to nearly 7 days of pitching!) that we can be sure of collecting.

If the donor still won't convert to credit card, then he should still be urged to mail his check **“today or tomorrow, because we really need it.”** (Almost all donors will promise to mail their check today or tomorrow. Some won't, of course. But certainly more *will* – after this personal appeal from a live person at the station – than if no phone call had been made at all.)

There is yet another benefit to the station from phoning each donor 10 minutes after he pledges. In the case of a non-credit card donor, the call will reinforce the pledge, and nail it down psychologically in the donor's mind. It is a very effective technique for ensuring that the pledge will be honored and a check mailed.

STEP 9

Phone each non-credit card donor the day after you know he has received his premium. Then phone him every 5 days thereafter until he sends his check

We wait too long to begin our collection efforts. Since up to 74% – three-quarters – of all non-credit card donors will

default on their pledges, we must not wait until they become delinquent. Rather we should be pro-active, and take immediate steps to *prevent* that delinquency.

It is an axiom of fund-raising that the sooner one initiates collection efforts, the more money will be collected. The longer one waits, the less will be collected. We know this only too well from our own low fulfillment rates.

In Step 6 I discussed making a phone call to *all* donors 10 minutes after they pledge. *In addition*, we should phone every non-credit card donor the day after we know he has received his premium (which should be only a few days after he has pledged!) to urge conversion to a credit card, or, failing that, to urge speedy mailing of his check. **(See sample phone call for this purpose at the end of Step 3.)**

Then we must begin phoning and emailing him every 5 days thereafter until we get his check (or see his obituary notice in *The New York Times*).

Here is a simple script for the phone calls beginning the day after we know a non-credit card donor has received his premium, and continuing every fifth day thereafter until we receive a check.

“Hello. I'm Amanda Stiles calling from radio station WBAI. I want to thank you – really thank you – for the generous pledge of [dollar amount] you made for [name of premium] during our fund drive on [date] during [name of usual host]'s program. Were you and your friends listening when we announced your name and pledge over the air?”

“It's such a good feeling to know that there are so many people out there – on the other side of the microphone – who really value what we are doing.

“But I'm also calling to ask you for a special favor. And that favor is ... if you haven't mailed your check yet, could you possibly make your pledge by credit card, instead of sending us a check? That way, WBAI will get its money immediately, and we really need it. Our transmitter bill must be paid, and we can't fall behind if we want to stay on the air.

Right now, our staff is literally counting every dollar – and holding their breath. So will you help us by pledging with a credit card instead of sending a check? I can take your credit card information over the phone – I'll hold on while you find your card.” [Or whatever words seem appropriate to the donor's answer.]

If the donor agrees, we take down his credit card information and cross his name off the phone list. If he does not, then we

continue (more or less) as follows.

“Well, if you can’t pledge by credit card, could I ask you at least to mail your check as soon as humanly possible? We’d really appreciate it. Can we count on your doing it, like, today, or tomorrow at the latest? Thanks so much, this will really help us.” [Or words to that effect.]

Few if any donors will be able to say no to this personal phone appeal. So even if they can’t or won’t use a credit card, they will still – *every one of them* – all promise to mail their checks “as soon as humanly possible.” Especially when requested by an actual voice from the station – in real time, and in person, over the telephone.

These are, after all, not strangers. They are *our* listeners. They *want* to help us. And they really *did* give us their word – their pledge – that they would send us this money.

And since most of our supporters regard themselves as honorable people – they tell the truth, observe the speed limit, pay their taxes, and keep their promises – our phone call will simply remind them of this particularly important promise that they need to keep.

If begun early enough – and repeated often enough – phone calls like this could result in fulfillment rates as high as 95% or more, instead of the 63% we now get. Which means that instead of collecting only \$630,000 from a \$1 million drive, we might collect up to \$950,000 or more.

Will making all these phone calls place an extra burden on the station? The answer is no – in fact, they will place no additional burden on the station at all. Fewer than 250 pledges per day come in during a typical \$1 million fund drive. At 2 minutes per call, just 4 people could make all 250 phone calls in less than 2 hours.

Who will make the actual phone calls? The calls should *not* be made by station staff (who will certainly not have the time), although there is no denying that the effect on donors would be electrifying if actual producers made these calls.

So instead of station staff, one alternative is to use a professional call center. But their charges can be quite high. We may wind up giving them from 33% to 70% or more of every pledge dollar they collect. This has been happening in some of our stations, including WBAI, which has just begun using a professional service.

Another suggestion is to use the volunteers of the same type we use in the pledge room. I would strongly urge against this. Some of those volunteers, it is true, are capable and well

motivated, but many are barely articulate, and sometimes more interested in the free food than in the pledges.

The best source of phone operators. The most workable and effective solution is to *hire* college students to make these phone calls. There is an almost unlimited supply of college students in the NY Metropolitan area who will happily call our delinquent donors for \$10 an hour. They are bright and conscientious (and the experience may even turn them into WBAI listeners). I estimate that one \$10-an-hour operator can make 12 five-minute phone calls an hour. If he converts only half of them, he will bring in up to \$774 per hour. Which means we will be paying only 1% of what we collect, instead of paying 33% to 70% to a professional call center.

[NOTE: It may also be a good idea to replace our volunteer pledge-room operators with college students hired at \$10 an hour. The cost is negligible compared to what they bring in, and the superior performance of these paid college students will increase the quantity and quality of pledge information that we record. Such a policy would also ensure that we had enough operators to answer all our calls, which is not currently the case. Loss of calls through lack of operators may cut our fund-drive revenue by 15-25%.]

Best of all, these \$10-an-hour operators could work from their own homes, during their own free time, at all hours of the day. How is that possible? At the end of each day, the laptop operator would email each operator a list of phone numbers and relevant information about each donor. Each operator would be responsible for contacting all the names on his list within the next 24 hours. We would evaluate operators on the basis of how many donors they were able to convert to credit cards or persuade to mail their checks. We might even institute bonus system for the most productive operators.

The idea would be to call every non-credit card donor starting the day after he pledges, and then every 5 days thereafter until we received his check. As ultimately we surely would.

[Some may object to using out-of-the-station operators because of alleged “security concerns” – as in, *How can we dare allow information about our donors and their credit cards out of the station, for “strangers” to possibly compromise?* This is a bogus issue. When information is taken by operators who work for a call center – out of the station – we face the same risk. In fact, we run a risk that is just as great from volunteers we currently use in our own pledge room. After all, we do not interview our pledge operators. We know nothing about them, and most of them simply walk in off the

street. They are free to copy any donor information they wish. It is virtually impossible to supervise their actions – let alone judge their trustworthiness – in the pledge room. As I said, this is a bogus issue.

If we decide not to use a professional call center, because it is too costly – and do not want to pay college students to phone donors from home because we are afraid they would compromise private information – there is still one more option.

I refer to the 24 members of our own Local Station Board. This would seem to be an ideal job for them. And no doubt they will welcome the opportunity if they are asked – as they should be – to discharge an important part of their fiduciary responsibilities by spending an hour a day calling donors to help WBAI raise money during its fund drives.

Is it really worth the effort to make all these phone calls to donors?

You decide – here is the math. The average fund-drive pledge averages about \$125. If we multiply this by the number of non-credit card pledges per day (which coincidentally also happens to be about 125), and then multiply that by the approximately 30 days of a typical fund drive, our potential upside is hundreds of thousands of dollars more per drive, or over \$1 million more per year.

Will we alienate donors by phoning them to honor their pledges?

If a donor promises to send a check, but we still don't receive it, should we really risk annoying him by phoning again? Absolutely. And we should keep calling, him, every 5 days thereafter, until he finally sends a check. Which he surely *will*, sooner or later. Because he knows he is in the wrong. Invariably during each phone call, you will note that the donor will often apologize for letting the pledge slip his mind – and promise to mail his check right away. After enough phone calls, he actually will do exactly that.

There should be no embarrassment on our part for being persistent in our solicitations

A promise was made to our station, and we should make every reasonable effort to see that it is kept, no matter how many times we have to call. Finally, the shame, the embarrassment, the guilt, or simply the annoyance of getting our polite phone calls each week (during every moment of which the donor will be acutely aware of being totally in the wrong) will have their effect. Especially if we take the clear-headed, albeit hard-hearted, point of view that *the donor's discomfort at receiving our phone calls does not outweigh WBAI's (desperate) need to make them.*

Above all, we might do well to remember that these uncollected pledges are “morally ours” – *they belong to us*. Moreover, they constitute such a large sum that merely plugging this one “leak” will generate far more money than we could ever expect from any other source. (Which means we should pursue it more vigorously than money from any other source.)

STEP 10 **Begin postal and e-mail collection efforts immediately after a pledge is made.**

To reinforce the phone calls described above, a postal letter and an email letter should go out to each donor the *next day* after a pledge is made. The emails, of course, will reach donors on the same day they are sent. The postal letters will reach them 4-5 days later.

The letters and emails will be signed by a phone-pledge volunteer. [Appendix B and C for copies.] They will thank donors and strongly urge them to convert their pledges to credit cards or write their checks “right now, this very day, since we need the money so much.” A post-paid BRE will be included to encourage and facilitate the mailing of a check.

The letter will include the URL of a *dedicated page* on our website (e.g., www.wbai.org/FundDrivePledge) to accommodate donors who wish to honor their pledges online – sparing them the inconvenience of looking for checkbooks, writing out a check, putting it in an envelope, and walking two or three blocks to the nearest mailbox (no small issue when, according to our survey records, so many of WBAI's most loyal supporters are looking at age 60 from the wrong direction).

[NOTE: We should *always* use post-paid BREs when soliciting money by mail, since we only pay return postage for the ones that come back with checks, and the average \$125 check is surely worth the BRE postage we have to pay for it. *Not including a BRE in such cases is penny-wise and pound-foolish.* Interestingly enough, the reverse is true for our LSB elections. We should *never* include a post-paid BRE, since anyone who has willingly taken the time to read through a booklet full of fatuous candidate statements, and then spent still more time deciphering our arcane STV voting rules in order to cast a ballot, is certainly sufficiently motivated to find his own stamp.]

The email message will be the same as the letter, and will incorporate the same URL. However, the URL link will be “live” – bringing the donor instantly to our pledge fulfillment page with a module that allows him to fulfil his pledge online..

A second set of e-mail and postal letters – with a different message – should go out a few days later, this time over the signature of the station manager.

What if we mistakenly phone or send collection letters and emails to donors who have already paid?

Of course that will happen, probably often. And so what? If a donor whom we phone says that he has already sent his check – fine! We simply apologize for the call, cross his name off our list, and no longer solicit him. What if a donor who has already paid receives a collection letter or email? No problem. The letters and emails will be “self-apologizing” – that is, they will all include a disclaimer paragraph such as:

“Be assured that the premium you ordered is being processed and will be shipped to you as quickly as possible. *And if by chance you have already sent your pledge check, please ignore this letter.*”

Who will write these postal and email letters?

The letters and e-mails must be carefully crafted by a direct mail fund-raising professional if they are to be maximally effective. And in fact those letters have already been written by a direct mail fund-raising professional and saved electronically to disk, ready to be emailed and/or mail-merged and printed if and when this Plan is implemented. *[See copies in Appendix B and C]*

Will this series of collection letters and emails be difficult or expensive to implement?

Neither difficult nor expensive. That is because all the donor postal addresses (and approximately 70%-80% of donor email addresses) will already be on our pledge cards and in MemSys. The cost of sending out the two emails, of course, will be zero. The cost of sending out the two postal letters (approximately 125 per day or 7,500-8,000 pieces per drive) would be \$1,296 for postage. [Non-profit Standard Mail is 16.2 cents per piece, dropped by hand because turnaround time is too short and quantities too small for a letter-shop to handle, even though using a letter-shop would bring non-profit Standard Mail postage down from 16.2 cents per piece to 8.5 cents per piece]. Cost for paper and printing would be approximately \$600.

Each day’s 125 letters would be mail-merged with contact and pledge information from the satellite laptop in the pledge room (which would also generate the labels), and inserted into envelopes that would be sealed, metered, tied in a bundle, and dropped off at the local post office by a volunteer.

The purpose of the letters and the emails – and the dedicated website page – is to generate as much moral suasion (or ethical arm-twisting) as possible in the interests of persuading the donor to honor his or her good-faith promise to WBAI by sending in the amount that was pledged.

Who will do the actual work involved in these emails and postal mailings. Will the station need to hire additional personnel?

The answer is no. One volunteer in less than an hour could easily insert, label and seal each day’s approximately 125 non-credit-card collection letters that need to go out to donors on the first and third days.

STEP 11

Finally get rid of pledge cards altogether

To increase the speed and accuracy of pledge-data entry and processing even further, we should replace pledge cards with direct entry into laptops by pledge operators wearing noise-cancelling headsets (which will increase the accuracy of what they hear). *Ideally we will be hiring college students for this job at \$10 an hour, all of whom will be laptop competent.*

The current pledge-card system involves considerable duplication of effort. It is also labor-intensive, time-consuming, and – worst of all – results in hastily scrawled and nearly indecipherable pledge cards that are full of errors that reduce our fulfillment rate, and then become embedded in our permanent database.

These errors not only prevent us from getting correct credit card numbers, or contacting delinquent donors to ask for their checks. They also cause our premium packages to go to the wrong addresses, resulting in angry exchanges, by letter and phone, between donor and the station, which often lose not only the pledge, but the donor.

[Note: An additional piece of “collateral damage” resulting from errors on the pledge cards shows up at election time. Because our addresses are wrong, we are unable to send ballots to many members who are entitled to vote in our LSB elections. In the last election, some of those members sued Pacifica. The legal and administrative costs of that suit have topped \$200,000, and may continue to rise, since, as of this writing, the suit has not yet been settled. Although these legal costs are not, strictly speaking, “uncollected pledges,” nevertheless their loss is a consequence of the procedures responsible for uncollected pledges, and therefore, I think, deserving of note in this section.]

STEP 12

Stop turning away “low-pledge” donors (who then get mad at us).

Listeners who call in to make donations of under \$25 are informed (as our operators have been instructed to inform them) that their donations are “too small to be taken by phone.” Instead, they are told to hang up and send a check by mail or other method.

Evidently, someone in WBAI management decided that, in terms of operator time, data processing effort, and administrative paperwork, we lose money on every phone pledge under \$25.

Even if this were true (which it is not), such a calculation is beside the point, and short-sighted. To any listener who has been inspired by devotion to WBAI to make a donation – even a small one – such a rebuff, no matter how politely or delicately phrased (and I have heard several that were offensively phrased), can only lead to humiliation and anger. This is a poor way to build loyalty and respect among our supporters.

I might point out, as a practical objection to this practice, that today’s \$10 donor (if not alienated) may become tomorrow’s \$100 donor. But a better, if less practical, objection is that the practice simply stinks. It is not worthy of WBAI, and should stop.

STEP 13

Offer a special low-cost “mystery” premium to every donor.

WBAI has 200,000 listeners – but only about 14,500 paid member donors. This is not a ratio to be proud of. Obviously these 185,500 non-paying listeners approve of our station, or they would not be listening. So why don’t they support us?

One reason [see STEP 8, above] is that perhaps they feel they cannot afford to – because we discourage them with pledge drives premium that typically start at \$100-\$250 and go as high as \$600, or even \$2,000 (if you want to have dinner with Amy Goodman).

Instead of discouraging such small donors, we should woo them, by announcing that *all* pledges, of *any* size, no matter how small, will receive a special mystery premium gift from WBAI worth \$19.95.

There are many such items available to us (described elsewhere in this Plan) that cost less than a dollar, but have high perceived value, and whose cost would easily

be amortized by even the smallest donation.

Why do this? Giving a special mystery premium – for a donation of *any* size – will not deter wealthy donors who want, say, “Loose Change,” and can afford to pay \$250 for it. But it *will* entice into our donor pool a whole new audience – those who listen and, although perhaps not poor, do not pledge because they may not feel comfortable paying \$100-\$250, let alone \$600-\$2,000, for our regular premiums.

These listeners will gratefully respond to a low-cost mystery premium offer – not so much to get the premium itself – but because it will allow them to phone in a pledge *that is within their means*. They can thus hang up feeling fulfilled at being able to help a station they admire – instead of offended, and perhaps subconsciously humiliated by our current practice that tells them, in effect: “Either pony up \$150- \$250 for one of our regular premiums – or don’t bother us.”

We may claim, on the air, that “Every donation is welcome, no matter how small.” But that claim rings hollow and hypocritical when virtually nothing is offered for less than \$75-\$150. Even more so when our operators tell \$10 donors (who may, for all they know, be on food stamps and regard a \$10 donation as something of a sacrifice) – “Sorry, we can’t take pledges under \$25 over the phone. Why don’t you put in an envelope and mail it in.” [That is an exact quote.]

But this phantom audience of 184,500 invisible listeners – who tune in but never pledge – is our largest potential source of revenue. We have never been able to tap into this audience simply because we do not know the identities of those who are in it, and how to reach them. One way to find out (and there are other ways, which are described later on) is to offer this special low-cost mystery premium with *every* pledge, no matter how small.

Once these invisible donors make their first pledge, we have their contact information and they are no longer invisible. We can then start promoting them on a regular basis, and turn many of them into committed member-supporters.

How many is “many”? I estimate that by using the mystery premium and other techniques described later in this Plan, WBAI will be able to identify at least half of our 185,500 “invisible” listeners within 6 months – and, through the use of targeted direct mail, email, and phone calls, convert approximately 2%-5% of them into paid members every 3 months thereafter. This could add as many as 12,000 new members to WBAI’s rolls per year.

How much would 12,000 new members add to our bottom line? Since the average worth of each WBAI member is approximately \$150 a year [this value is derived by dividing

the station's listener revenue by its membership], those 12,000 new members would add approximately \$1.8 million to WBAI's bottom line every year – *without increasing operating costs*. This would stabilize WBAI's finances, end staff firings, pay off all our debts, and keep the station solvent indefinitely.

Attempting to enlarge our membership database from this pool – i.e., listeners who *already* know us, and presumably value what we do – offers far more hope of immediate success than attempts by the national office to solicit “strangers” via direct mail campaigns to outside lists, which have not only been costly, but have for the most part either failed or proved marginal, despite claims to the contrary by Pacifica's former CFO, Lonnie Hicks.

[Note: I do not disparage direct mail to outside lists. I believe in it strongly, and recommend it elsewhere in this Plan. I am critical only of the manner in which the national office has conducted its direct mail campaigns, and of the lack of transparent plans and cost figures for those campaigns, which members of the PNB and several LSBs have tried to obtain for years, without success.]

How should these mystery premiums be offered during our fund drives? Our on-air pitching crews might announce the following:

“In addition to *[name of regular premium item being pitched]*, WBAI is also offering a special mystery bonus premium to *every* donor who pledges today – regardless of the size of the pledge. This mystery gift has a retail value of \$19.95. But how much you pledge for it is entirely up to you – although we hope it will at least be enough cover cost of shipping it to you. Simply tell our operator that you want to pledge for the mystery premium – then tell her how much you want to pledge.

“IMPORTANT: If you've already pledged for one of our regular premiums, such as *[name of regular premium being pitched on that show]*, or intend to – you don't have to request the mystery gift. It will be added to your regular premium order at no extra cost.

“What is the mystery premium? Well, it wouldn't be a mystery if we told you, would it? All we will say is that it has a retail value of \$19.95, and that our ability to offer it was facilitated by a long-time WBAI supporter, who wishes to remain anonymous. **But if you really want to know what it is before you pledge, you can find out by going online to www.wbai.org/mystery.**”

When listeners visit the web page to find out what the mystery premium is, they will see a large colorful photo of

the item with copy appropriately written to convince all who reads it that the rest of their lives will be miserable unless they acquire this precious item immediately.

Visitors will then either be directed to phone in their mystery-item pledge or to make their pledge right there online. Or they can pledge for one of our regular fund-drive premiums, which should be accessible for examination and acquisition online [see Step 10, below] via a link from this page. (If they do pledge for one of our regular premiums, then the mystery premium will be included as a free gift.)

STEP 14

Offer every single fund-drive premium online – *while the drive is going on*

Many listeners are logged on to their computers, doing other work, as they listen to our fund drives – this is very common and becoming more so every day. The ability to pledge online – for premiums being offered over the air – will permit this group to support the fund drive without having to stop work, or without having to stop listening to whatever is on WBAI because they need to pick up the phone to call in a pledge.

The ability to pledge for fund-drive premiums online will also encourage more *credit-card* pledges (since that is the only way to pledge online). This in turn will increase the amount of money we actually collect from our drives, since credit-card pledges are collected 100%, whereas 44%-55% of non-credit-card pledges are never collected at all.

Online pledging will also encourage those who may have been listening in a car or while at work or school, and were unable to respond when a certain premium was being offered. With online pledging, they can time-shift and still be sure of getting the premium they wanted, even though it might no longer be offered on the air by the time they get home.

These groups comprise a large part of our audience, which we are foolishly writing off. In addition, enabling donors to pledge online will take the pressure off our volunteer phone operators – whom we seem to have difficulty attracting in sufficient numbers (a problem that I address later in this Plan).

We should see a significant rise in revenue after implementing online pledging for all our premiums during the fund drive.

How should online pledging be handled by broadcasters?

Simply announce, during a drive (and as frequently as possible), that every premium, including the one being

pitched at that moment, is available for pledging online. Programmers can then direct listeners to log onto www.wbai.org/pledge (or whatever URL we decide on).

Announcers should actually *urge* donors to pledge online. For example:

“If you can possibly use your computer to pledge – instead of your phone – we’d really appreciate it, because it takes the pressure off our phone operators. And your premium will be processed faster, too. Simply go to www.wbai.org/pledge. That’s www.wbai.org/pledge.”

On that web page, each premium should be compellingly photographed and fully described – i.e., *marketed*.

This means NOT offered in the way we traditionally offer merchandise on our website – with tiny, ugly photos that are often unrecognizable, and have no descriptive (let alone persuasive) copy other than the bare name of the item.

If we want to use our website as a revenue generator, then we should do it as professionally as we can. And that means it will be necessary to engage professional – or professional level – assistance. Currently there is no one at the station capable of offering premiums – and making persuasive pleas for donations – in print or on the web with the same passion and power of those who do so during our fund drives on the air. *[I can, if desired, assume responsibility for the reorganization, redesign, photography and promotional copy of our premiums and fund-raising efforts online in conjunction with the new webmaster.]*

STEP 15 A friendly “Please don’t hang up” message keeps donors from hanging up while waiting for an operator

When our pledge lines are full (or there are not enough operators), donors either get put on hold, or have to listen to the phone ring endlessly, or – worse – simply get a busy signal. But fund-raising industry data makes it very clear that donors will not hang on for more than 15-20 seconds if no one answers – and will hang up immediately if they get a busy signal. *Few if any will call back.*

These hangups may be reducing our total pledges by 10%-15% – i.e., \$100,000-\$150,000 per drive or up to \$600,000 per year.

But we can avoid this loss by adding a friendly recording to our pledge lines that says:

“Hi, thank you for supporting WBAI. Our operators are all handling other calls – but please don’t hang up. We’ll be

with you very soon.” Then add: “Of course, you don’t have to wait for an operator. You can pledge for any WBAI premium online – without waiting. Simply go to www.wbai.org/pledge. That’s www.wbai.org/pledge. Otherwise, you can continue waiting till an operator is with you. It will only be a moment. Thank you.”

Or words to that effect. (KPFK is already doing this, and very nicely.)

STEP 16 Increasing our pool of phone operators will increase the number of pledges we get

Our heaviest phone volume often occurs when too few operators are available to handle it. This may lose us 10%-15% of our pledges – since (as noted in STEP 9) potential donors will not hang on for more than 15-20 seconds if no one answers. *And once they hang up, few if any will call back.*

These hangups may be reducing our total pledges by 10%-15% – that’s \$100,000-\$150,000 per drive or up to \$600,000 per year.

At other Pacifica stations, when incoming calls overwhelm the operators, staff members leap from their desks to answer calls in the pledge room. But to our knowledge, this does not happen at WBAI, perhaps because management has not made this an official policy requirement – which it *should* do, and can easily do, by assigning specific staff members the role of “emergency backup operators.” They would be on call for only a few hours a day, ready to respond immediately whenever the pledge-room manager signals for help.

But this would be an emergency measure only – it is obviously not desirable for staff members to interrupt their work to handle pledge calls. The real solution is to hire college students to take pledges at \$10 an hour.

Otherwise, we must use proven techniques to persuade more listeners to volunteer as pledge operators (as indeed they used to) – or we will continue to lose at least 10-15% (and possibly more) of our pledge calls.

How do we get more listeners to volunteer as operators? The answer lies in two simple concepts that WBAI does not often deploy well in its own behalf. They are (1) **Advance Planning** and (2) **Star Power**.

As regards Advance Planning,” it is clear that WBAI does not begin the process of recruiting volunteer-operators far enough in advance of a drive. This is self-evident – since

however long our present lead-time may be, it fails to produce a sufficient number of volunteers. Instead, we should start the process of gathering volunteers for the next drive *as soon as the previous drive has ended.*

And we should do this – not as we do now, by asking listeners merely to “apply” – but by asking them to *vie! compete! beg! plead!* even offer to sell their first-born for a chance to win one of the highly coveted but strictly limited seats that will be awarded to only a few incredibly lucky supplicants whose names will be selected in a special secret drawing held precisely at the stroke of midnight on the Fourth of July by a selection committee composed of the Pope, the Queen of England, and Noam Chomsky.

Put less melodramatically, volunteering for WBAI should be presented – not as a tedious *duty* – but as an exciting *reward.* We must start this process the very moment each drive is over, *by devoting a full 2 minutes at the end of every hour* to describing what an absolutely wonderful time was enjoyed by all those who volunteered for the drive that just finished..

Which brings us to (2) the use of Star Power. Radio audiences do not listen to stations, but to *programs.* More specifically, they listen to particular *voices* on the air that they respect and, presumably, would like to meet and rub shoulders with.

Therefore, during a pledge drive, we should require all on-air broadcaster/producers to be present at the station for at least one hour before and one hour after his or her regular program time. Moreover, we will announce this on the air, so that fans of that broadcaster/producer can arrange to volunteer during the hours that they know their “heroes” will be present – serving them bagels and cream cheese, laughing and joking with them, and of course personally thanking them for their efforts on behalf of the station.

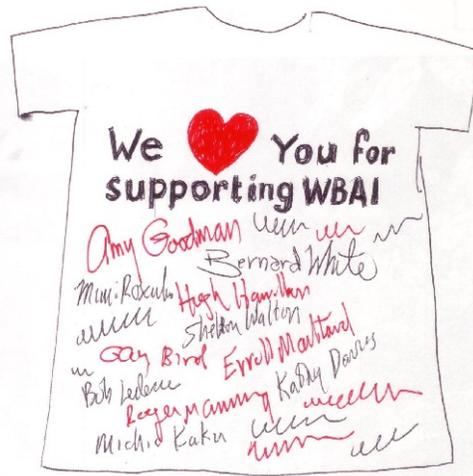
Certain broadcaster/producers come to mind as having particularly devoted followers.

They might therefore be especially effective as “volunteer magnets,” viz: Armand DiMiele, Amy Goodman, Deepa Fernandez, Chris Whent, Jim Freund, Simon Loekle, David Rothenberg, Tiokasin Ghosthorse, Majid Ali, Hugh Hamilton, Earl Caldwell, Michio Kaku, Ralph Schoenman & Mya Shone, Emanuel Goldstein, the Computer Show cast, Delphine Blue, and, I am sure, many others.

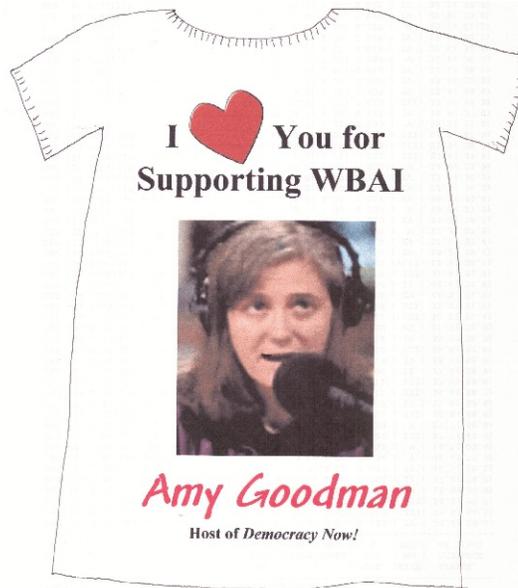
In addition to our own staff “stars,” we should try to recruit some of the guest stars heard on our airwaves. In their case, it would obviously not be a “requirement” that they spend time in the pledge room, but merely a “request.” They would only need to put in brief “appearances” at pre-announced times. Many such “stars” live in or often come to New York and might be glad to help in this way – especially if it involved little more than sticking their heads in the door on a

couple of days and shaking hands with a few dozen volunteers. Some who come to mind as possible participants are Harry Belafonte, Tim Robbins, Susan Sarandon, Michael Moore, Ralph Nader, Noam Chomsky, Howard Zinn, et al.

The pledge room manager should be prepared to snap quick group photos of our volunteers posed with whichever broadcaster or “star” was in the room, and to provide those volunteers with souvenir copies of those photos via emails. The photos would also be posted on the WBAI website as an incentive to other volunteers.



T-shirt 1



T-shirt 2

Give a special Pledge Drive t-shirt to every volunteer

All volunteers would receive, at the end of their stints, a special WBAI t-shirt [see sample illustrations] printed with the words “I TOOK THE PLEDGE FOR WBAI” or “WE ♥ YOU FOR SUPPORTING WBAI,” inscribed with the signatures of all our staff members. Or a t-shirt imprinted with the photo and signature of Amy Goodman, Hugh Hamilton, or other listener-favorite, with the words “I ♥ YOU FOR SUPPORTING WBAI” – or any other appropriate variation.

Such t-shirts would cost us about \$2 apiece – certainly worth the 4 hours, 8 hours, or more, during which a

volunteer might be responsible for collecting thousands of dollar in pledges.

Naturally, the appearances by programmers and guest stars, as well as the group photos with stars, and the free T-shirts, should all be talked about on the air during our volunteer-recruitment pitches in those 2 minute announcements (either live or pre-recorded) at the end of each hour.

STEP 17

Insert a bounce-back (BB) in each donor's premium package

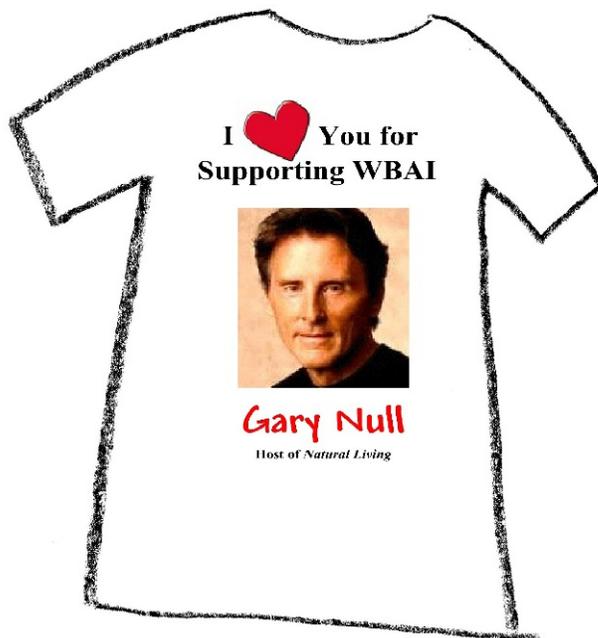
The premiums that donors receive in response to a fund-drive pledge are typically sent out "naked" – i.e., the packages contain only the premium and an excruciatingly lame pre-printed letter. According to 2005 budget figures, it cost us an average of \$6.25 to ship out each premium package (i.e., our cost for premium item, postage, and shipping materials). That's \$50,000 per drive, or \$200,000 per year.

As long as we are paying to communicate with these donors, we should turn that communication into another fund-raising opportunity. To that end, a powerful sales and/or donation flyer should be inserted into each premium package to generate additional revenue. Needless to say, the flyers must be professionally written and designed, or they will be useless.

The flyers might make the following appeal:

"Save up to \$500 or more on WBAI premiums. As a special thank-you, in grateful recognition of your recent pledge, we offer you the privilege of selecting any premium or premiums (limit 3) from our recent fund drive – not for the \$100 or \$250 or \$350 pledge required during the drive – but for only \$25 each."

We would offer only CD or DVD premiums, because they have a high perceived value but cost only about \$1.25 to manufacture and very little to ship. Books will not be offered because they are too costly to buy or produce and, being heavy, require considerable postage. There would also be a



T-shirt 3

URL provided in case the donor wanted to take advantage of this offer online, e.g. www.wbai.org/thank-you

This promotional flyer would add only 4 cents to the cost of the package.

How much could it generate in revenue? If we assume a 1% response from the approximately 32,000 fulfillment packages mailed per year, and an average order of \$33, we would earn ca. \$10,560 per year. A 5% response would earn \$52,800 annually (enough to keep 1-1/3 staff members from being fired).

Or we might even get a 10% response (remember, this is our own list of donors, who

presumably value both the station and the premiums it offers). That would generate up to \$105,600 a year in additional revenue. (which could keep 2-1/2 staff members from being fired).

STEP 18 **Credit card donors should be emailed a new pledge offer one day after they make their original phone pledge**

The offer and appeal would be the same as in STEP 11: "Save up to \$500 on WBAI premiums."

The premiums would be from the same drive in which he has just pledged. But instead of having to spend \$100-\$250, he will pay only \$25 each. A link in the email would take the donor directly to the appropriate website page at, say, www.wbai.org/thank-you

As in STEP 11, we would offer only CDs or DVDs as premiums, because they have a high perceived value but cost only about \$1.25 to manufacture and very little to ship. Books will not be offered because they are costly to buy or produce and, being heavy, require considerable postage.

The cost of this email would be zero.

How much could it generate in revenue? Direct marketers have long known that the best time to sell a prospect something is right after he has already purchased something from you – *and before it has actually arrived.* (You can

confirm this by noting, if you have ever subscribed to a magazine, that only days after you have subscribed, and before your first issue has arrived, you will almost invariably receive an offer to upgrade your subscription to a longer term at a favorable price, or some other offer.)

If we assume a 1% response from the approximately 16,000 credit card pledges we get each year, and an average order of \$33, we would earn ca. \$5,280 per year. A 5% response would earn \$26,400. A 10% response would generate up to \$52,800 in additional revenue.

STEP 19 **Reduce delivery time of premiums (from 6-9 weeks to 3-5 days) by having all premiums ready before the drive starts**

Currently, the station does not order its premiums until *after* donors actually order the items. Thus it is often months after a pledge is made before these premiums even arrive at the station, let alone until we finally get around to mailing them out to the donors who requested them.

This delay frustrates and infuriates donors, who are (as our records confirm) unwilling to pledge during the next drive. But this long delay is unnecessary. Instead, we should follow standard industry fulfillment procedures, which embody not only good practice but good faith. This entails ending premium selection two weeks before a drive, then making our best guess as to how many of each premium we think will be sold, and ordering one-third of this amount so that it is *on hand when the drive starts*.

Then, once the drive starts and the first three days of orders are tallied, we will be able to estimate fairly accurately how many of each premium will be needed by the end of the drive. At that three-day point, we should then order the remaining two-thirds of those premiums, so that by the time we have mailed out the first third, the next two-thirds will have arrived and be ready to mail out to the remaining donors.

Following this procedure will allow premiums to be packaged, addressed, and shipped out to donors without delay *at the end of each day* – provided, of course, that we have taken the steps (described earlier in this report) that will enable us to have contact information and shipping labels for each donor ready to be accessed at the end of each day.

What if we order too many of a premium in advance, and are “stuck” with them after the drive ends? Couldn’t we face a huge loss? That is the reason usually given for delaying the ordering of premiums until after pledges come in. But it is an unwarranted fear. The quantities we deal in are relatively small. If we guess wrong, the overage can be quickly

liquidated for cash in special “flash” promotions – via email, mailing inserts, and the website (as discussed earlier).

In these flash promotions, premiums would be offered for only \$25 each, whereas the fund-drive has already established their “perceived value” at \$100-\$250. Consequently, they will be snapped up quickly and, even at \$25, still generate a considerable profit over their cost.

STEP 20 **Stop making duplications of our CD and DVD premiums “in-house” – let commercial vendors do it better and faster**

Physically mastering and duping our own CDs and DVDs in-house, especially when the content is our own programming material, may seem like a money-saving proposition for the fund drive. But it is not. When all the costs of labor, equipment, materials, and weeks of delay are computed, any “economy” turns out to be illusory. Pressing and duping CDs and DVDs is labor-intensive, diverts staff from other tasks (or requires paying staff for the task), takes up precious station space, demands up-front money for duplicating machines, CD/DVD blanks, jewel boxes and shipping envelopes, and, because our equipment is very low-tech, takes a very long time and causes long delays in fulfillment.

But aren’t the money-savings worth it? *What savings?* The last estimate (May 2004) of cost-plus-labor required to physically master and dupe CDs in-house was only a few cents lower than that of outside vendors. Moreover, our in-house product was crude, poorly labeled, badly packaged, with no explanatory notes or station promotions, and could take weeks to produce.

Whereas outside vendors could turn around our needs in two days – with 4-color labels plus a 2- or 4-page full-color insert explaining the premium and promoting the station, all pre-inserted in a high-quality jewel-case, protectively shrink-wrapped within a padded shipping envelope that needed only a label and a stamp before being dropped in the building’s mail chute and sent on its way to eager donors on the same day they made their pledges.

The cost of commercially manufactured CDs and DVDs ranges from \$1.25 to \$1.45 apiece, pre-inserted and complete with photo- or graphic label, full-color printed booklet, jewel case, shrink-wrapping and shipping envelope. Considering that we receive from \$75 to \$250 for such premiums, it is not prudent to tie up staff, money, equipment and office space, and delay fulfillment by weeks, in order to save ... *virtually nothing*.

STEP 21

Create premiums from our own programs instead of purchasing commercial books and videos.

I understand that WBAI management has already begun to shift emphasis from the purchase of outside books and videos to the creation of premiums from our own program material. This is a welcome step forward.

To help the process, when we schedule interviews with authors, instead of offering their new book or video as the premium (our usual practice), we should offer the interview itself as the premium. Thus instead of the premium costing \$7-\$20, we pay only the cost to manufacture the CD, about \$1.25.

What is the potential savings? In prior years, cost of premiums has been as high as \$175,000-\$200,000 or more. Based on approximately 32,000 premiums per year, wholesale cost per premium would have been about \$5.47 each. Using our own program material would bring our premium cost down to approximately \$40,000, for a net savings of approximately \$135,000-\$160,000 annually.

STEP 22

Summing up: 16 steps necessary to conduct a successful fund drive

1. Announce frequently during a drive that

“Our new fulfillment department is now able to ship your premium the same day you make your pledge. So you can start enjoying it right away.”

This should greatly increase pledges. But, of course, in order to make such a promise (let alone keep it) *we must implement the contingent recommendations that follow.*

2. Also announce frequently during each drive that

“If you pledged for a premium in a previous drive, but did not receive it, please email us at this address. NoPremium@wbai.org. That’s NoPremium@wbai.org. Don’t forget to include the name of your premium, your phone number, and the best time to reach you. Or you can phone us at 212-209-XXXX. But email will be best.”

Emails or phone calls from these disappointed donors *must* be followed up *by phone*, immediately. The donors should be humbly apologized to, and assured their premiums will be sent out ASAP. If we no longer have a donor’s premium, admit it, apologize, and offer him *offered whatever it takes to make him happy*. Do not ask

for proof. Do *not* ask for records. Take them at their word and make a deal that satisfies them. They are, after all, our prime base of financial support. We cannot afford to alienate them—yet this is what we have done. They sent us money, and we betrayed them. We must remember that each one of them is worth at least \$150 a year to the station, and thousands of them, right now, are *ver-r-r-y* angry at us. (Which we cannot fail to notice, every day, in our falling membership rolls and declining revenues.)

3. Teach phone operators to follow the scripts in this Recovery Plan – which *begin* by trying to turn every pledge into a credit card pledge. This will increase the number of pledges we can actually collect.
4. Discontinue telling donors to wait till they receive an invoice before mailing their check. Instead, urge donors to mail their checks *immediately*, when the impulse to pledge and the desire to get the premium are at their highest. This change in procedure alone can boost pledge collection significantly. (Currently collection rate from non-credit card donors is now down to 26%, a loss of \$365,000 for a \$1 million drive, or \$1,460,000 per year.)
5. To replace the invoices (which bookkeeping used for matching donor and check to the correct premium), pledge operators will give donors the code number of the premium they ordered, and ask them to *write that code number on the “memo” line of their check*. This will assure that the payment is properly credited and that we ship out the correct premium. Note: Even if the donor forgets to write the code number on the check, a match can easily be made with a few mouse clicks via the database.
6. The cut-off date for premiums to be submitted to the Program Director – and accepted for use in a drive – should be two weeks before the drive begins. No premiums submitted after that date should be accepted for use in the drive.
7. At that two-week cut-off date, we should estimate the number of each premium we will need for the entire drive (the estimate need not be accurate) – and then immediately order one-third of that amount to be in-house by the first day of the drive. These premiums should be ready to ship as soon as pledges start coming in.
8. After the first three days of the drive, we will have enough pledge data to recalculate the number of premiums that will be needed for the entire drive. Order those premiums at once, so they will arrive just as the

first order of premiums is exhausted.

9. Pledge operators must ask donors for both a day and evening phone number – and/or cell phone number. That will enable us to contact donors by phone if they fail to send their checks. Also request an email address, also for contact, and also to enable us to send out invoices and year-end statements at no cost, instead of at a cost of \$15,000-\$20,000 per year. (Scripts for persuading donors who may be unwilling to provide a phone number and/or email address are provided in the Recovery Report.)

10. When each pledge card is filled out, it should be passed to a laptop operator in the pledge room, who will immediately enter it into a MemSys interface. If any parts of the card are illegible or in doubt, the laptop operator can ask the volunteer who wrote that card (and who will still be there) to translate. This will eliminate the many errors in our database and prevent credit cards from being declined, invoices from going astray, premiums from getting sent to the wrong address, and eligible voters from failing to receive and election ballot. (Which costs us \$40,000-\$60,000 in fulfillment problems and, last year, over \$100,000 in legal problems.)

11. The pledge room monitor should have a hand-held electronic credit-card verification machine. (We already have one in the bookkeeping office.) If a phone operator gets a credit card pledge, he will raise his hand. The monitor will quickly go to him and key in the card number he has written down. This will be instantly verified while the donor is still on the phone. If the card number is declined, the operator will ask the donor to repeat it. If it is still declined, he can ask the donor to use another credit card, or send a check.

12. Ten minutes after each pledge is taken, a phone call will be placed to that donor to verify the phone number, check the credit card number, and ascertain that there really is such a person at that number who really did pledge. This will eliminate most or all of our phony pledges.

13. At the end of the day, the laptop operator will print out a list of all the premiums to be shipped that day. Those premiums will be pulled from the premium room and stacked on the pledge table (which will now be free). An equal number of shipping envelopes will be stacked beside the premiums.

14. The laptop will also print out pressure-sensitive shipping labels for each pledge. (These labels will include the premium code number.)

15. Volunteers will then affix a label to each shipping envelope and (referring to the premium code) insert the correct premium in each envelope, seal it, and send it to the mail room to be run through the automatic postage machine. Voila! Same-day shipping.

A normal drive averages about 250 pledges per day. One volunteer can label, insert, and seal them at the rate of 8 per minute. Therefore he can complete all 250 in a half hour. The postage machine will meter them all in under 9 minutes. They can then be dropped in the building mailbox or taken by subway or cab to the 34th Street Post Office.

16. At the end of each pledge day, using the information in the pledge room laptop, all donors should be sent an email *and* a postal letter over the signature (and including a photo) of the show-host or producer during whose time-slot the pledge was made. (It is reasonable to presume that the donor is a fan, otherwise he would probably not have tuned into WBAI at that time.)

This email and postal letter will be the same for all donors, except for inclusion of the donor's name, the premium, and the producer, *which will be automatically merged into each email and letter by the software program.* [If necessary, I can write these emails and letters.]

In the email and postal letter, the producer will thank the donor **"... not only because your donation helps the station, but because it also helps me, as a programmer, by showing our Program Director that you and others like you are listening, and are willing to support WBAI, which in turn will help keep my program on the air"** [or words to that effect].

In the case of a *non-credit card donor*, the email will further contain a plea to convert the pledge to a credit card ("**... simply write down your credit card information and hit Reply**") or, if unwilling, a plea to "**... please mail your check today.**" The postal letter will also urge a switch to credit card; it will also include a URL so he can pay online by credit card, and a BRE if he still prefers to pay by check.

All of the above procedures are within our present capabilities and can be implemented fairly quickly. But only if we decide to do so, and agree to dedicate the necessary resources and volunteers to this purpose. We don't have much time in which to make that decision.

[To be continued]

Part 2. Switch routine administrative notices from First Class Mail to Email

WBAI currently sends a First Class Mail acknowledgment for every fund-raising pledge – approximately 8,000 pledges per drive or 32,000 per year. We also mail approximately 16-20,000 year-end tax statements to every member and donor; plus 16-20,000 renewal letters per year; perhaps two additional fund-raising letters of up to 60,000 names; and as many as 35-40,000 pieces of miscellaneous correspondence. This total (which may vary considerably from year to year) can be as high as 232,000 pieces annually.

Depending on the mix of First Class-, Standard- and Non-Profit Standard Mail, our cost might range from \$65,000 to \$116,000 per year. Much of this mail could be replaced with email at zero cost. For this reason, in 2003 the station was urged to add an email request to all pledges taken during its drives, and for a while the station was collecting large numbers of emails. In recent times, however, despite repeated reminders, the station has become delinquent in impressing upon pledge-takers how important it is to request an email address, and therefore many if not most fail to do so. (I have verified this several times during our most recent pledge drive.)

The first step in implementing this program is to clean our present email lists and make vigorous efforts to collect additional email addresses from any member whose address we do not have. (It is estimated that 80% of WBAI's audience has email and the number increases daily.) The second step is to substitute email communication, wherever possible, for postal mail. But these emails must be carefully and expertly scheduled, drafted, designed, and written. (I have 30 years of professional expertise in this area, and could, if desired, oversee and coordinate this project with station staff, including the training of station staff to continue the project once it is launched.)

Part 3. How to cut WBAI's \$360,000 yearly rent in half

Many consider WBAI's present location at 120 Wall Street to be inappropriate by virtue of its politically incorrect address. A more practical objection would be its high rent, which is approximately \$360,000 per year, including utilities.

Why do we not relocate to cheaper quarters? Because many are under the impression that – because we have a lease – the financial problems are "insurmountable." But they are mistaken, and do not understand either the NY real estate market – or rental contract law.

The fact is, now is an ideal time to think of moving, and even of acquiring our own building.

True, we are bound by a lease that has several years to run. But that is not a difficult issue to deal with. First of all, we could almost certainly negotiate a friendly departure with our landlord (who doesn't particularly want us as a tenant; we are too much trouble).

But even if the departure were *not* friendly – even if we simply broke our lease and walked out – we would still be well off. For although the national office claims that, if we broke our lease, we would be on the hook for the remaining 4 years of rent – or about \$1.2 million – this is not so.

That is because we would be protected by the legal doctrine of "mitigation," which forces the landlord to exercise "best efforts" to find a new tenant. When he does, which should not take too long, especially if he reduces the rent by a few thousand dollars a month, our obligation would be only for the short time that the property was unoccupied (plus any rent reduction). We could easily pay this out of the savings from our new site.

And what if the landlord failed to exercise best efforts (i.e., listing the space with real estate brokers, placing "industry standard" advertising, etc.) and did not find a new tenant? *In that case, we would legally owe the landlord nothing.*

How much could WBAI expect to save by moving to a cheaper location (especially if it was our own building)?

Let us consider a concrete example. Less than a year ago, I located an ideal property for WBAI. It could reduce rental expenses by more than half, for a saving of approximately \$181,000 a year (or more, given the escalation clause at our

present locale). It would also put WBAI "back on the street," in an area whose demographic the station claims to serve. And there would be extra space in which to grow.

The property was located in the South Bronx, at the convergence of major subway lines, in an area undergoing rapid rejuvenation – an entire corner building with 25,000 square feet, or about three times our present space.

The owner was asking \$2 million, but would probably have taken \$1.8 million. [That was before the real estate collapse; today there is even more property available, at even lower prices.] That means it could have been purchased with a down payment of as little as \$180,000. A mortgage would have taken care of the remaining \$1.62 million. Since the prevailing national average mortgage rate is about 6.2%, our mortgage payment would have been only \$119,500 a year – or 60% less than the \$300,000 we now pay for rent and utilities.

Not to mention the fact that those payments would no longer be thrown away on rent, but would be paying for WBAI to acquire its own building. And because the building was three times larger than our current need, we could lease out a good portion of the excess space to other non-profits, and bring down our yearly payment even further.

Finally, by relocating to the South Bronx, we would be sending an "iconic" message to our audience about who we are, what we stand for, and how seriously we take our "mission.."

The only issues would have been:

[1] coming up with a \$180,000 down payment (but a special fund drive for this purpose could have raised this amount in 2 days); and

[2] renovating the new site to suit a radio station (for which we could have folded a construction loan into the mortgage, although for this, too, I believe that the excitement of owning our own building would have motivated WBAI's supporters to contribute up to \$1 million for renovations over a 4-month period of targeted one-day fund drives, the same kind of drives we regularly conduct for the Archives, and which raise \$100-\$200,000 in a single day).

But although a visit to the property was arranged, no one from WBAI management could seem to find time to look at the property[!]. Today it is no longer on the market, but comparable locations are still available. If management was serious, the entire relocation process – commissioning an LSB committee to find a site, raising the money to buy and renovate it, and then actually moving in – could be completed

in under a year. It all depends on how seriously management wishes to focus on getting it done.

Part 4. Bringing back Gary Null to WBAI

From the year 1977 – and for 27 years thereafter – Gary Null had been the most popular programmer on WBAI. According to Arbitron, his listeners accounted for up to half of the entire station audience.

During those 27 years, in pledge drive after pledge drive, Null raised huge amounts of money for the station, often as much as \$300,000 per drive -- or up to \$1.2 million per year. [See Appendix D] And his listeners were unique in honoring their pledges – not at 26%, but at close to 100%.

However, in December of 2004, Null was suddenly fired by Bernard White, the station's former program director, for personal reasons having nothing to do with the best interests of the station.

Null's listeners were furious and departed the station en masse, taking their financial support with them. As a result, WBAI lost – immediately – a full third of its income (the amount Null used to raise each year). This severely disrupted operations, curtailed station services, necessitated painful staff layoffs, crippled station morale, and sent the station into a financial tailspin from which it has never recovered.

WBAI only managed to survive by "borrowing" funds (often without informed consent) from its sister stations. But the task of propping up WBAI for the last 6 to 7 years has finally depleted the emergency cash reserves of our other stations to such an extent that they now face serious financial crises of their own.

It is a matter of record that, since Null's firing, virtually all of WBAI's fund drives have failed to reach their targets by almost the same dollar amounts that Null used to raise. Had Null continued to fund-raise for the station, WBAI would not now be in its present financial difficulties.

Null continues to broadcast regularly on other Pacifica stations, such as KPFK and WPFW, and to raise large sums for their pledge drives. According to KPFK records [see Appendix E], he almost single-handedly rescued several recent fund drives from disaster. Evaluated on a dollars-per-hour basis, Null was and is Pacifica's most powerful fund-raiser, outperforming Amy Goodman and *Democracy Now*.

If Null returned to WBAI, how much could he improve its finances – and how long would it take?

If Null agreed to come back (which he might not, but in any case this would have to be the subject of negotiations between him and the station manager), it is estimated that approximately 2,000-3,000 of his former listener-members would come back almost immediately.

Since each member is worth an average of \$150 a year to WBAI, this would add up to \$450,000 in cash to WBAI's bottom line. Within the next 6 months, as they learn of his return, the balance of Null's original 7-8,000 members could be expected to return, adding another \$750,000 in revenue, for a total of up to \$1.2 million. This would pay off the station's debts, relieve its cash-flow difficulties, and (not least) make further staff layoffs unnecessary.

It is also likely that if a special fund drive were held to celebrate Null's return, it might generate the largest outpouring of listener donations in WBAI history.

Is the return of Gary Null merely about money?

Lest it be forgotten (although it cannot be said that WBAI ever made it known), Gary Null is one of the most celebrated progressive broadcasters in America. He has won 24 Silver Microphones (the "Pulitzer Prize" of broadcasting) and more awards for excellence than all of Pacifica's producers combined.

He has written 70 books and published, hundreds of articles in peer-review medical journals. He has also produced and directed more than 25 award-winning film documentaries. He is the largest fund-raiser in the history of Public Television and his PBS-TV specials on health and the environment reach more than 40 million Americans each year.

In terms of dedication to the public good and to the Pacifica mission [See Appendices F and G], Gary Null has brought far more credit to WBAI than the station has lately brought upon itself.

**Part 5.
Create a new program
called "Taxi Talk"**

*Estimated revenue gain:
\$3,000,000+ per year*

Is this a serious suggestion?

How can the mere creation of a program called "Taxi Talk" add so much money – so quickly – to WBAI's bottom line?

The New York Taxi & Limousine Commission (TLC) licenses more than 50,000 vehicles and approximately 100,000 drivers of medallion taxis, limousines, car services, and "black cars." In addition, there are probably another 100,000 "gypsies" (i.e., unlicensed drivers) who work mainly in the outer boroughs.

If you add spouses, relatives, and friends, the size of this potential audience grows to nearly half a million. And what an audience for WBAI it could be!

Collectively these workers and their families comprise one of the most exploited constituencies in the city. They have many grievances, but they are voiceless, because they have no public forum on which to air their grievances.

WBAI could provide that forum.

A program such as "Taxi Talk" could electrify and unite this huge audience – and persuade a significant percentage to enroll as member-supporters.

How significant a percentage?

Unlike many audience segments, taxi drivers are "targetable." And they communicate with one another. As soon as a program like "Taxi Talk" goes on the air, practically every driver in the city will know about it in less than 72 hours. And if the program is as good as it should be, they will never miss a broadcast.

How will drivers learn that "Taxi Talk" exists?

Many cabbies already listen to WBAI (as anyone who has ridden in a New York taxi can attest). Also, cabbies and professional drivers tend to congregate in a few favorite places around the city – to eat, gossip, and commiserate – where they can quickly be reached with leaflets and flyers.

We can also place announcements in their language-specific newsletters. We can work through their fraternal organizations, and with their feisty driver's union (New York Taxi Workers Alliance, formed in 1998). And not least, we can also put out word on the mysterious "taxi grapevine," which somehow manages to ensure that whatever one driver knows will become common knowledge to all drivers in a matter of days.

So news of "Taxi Talk" will spread quickly. If drivers find the program worthwhile (see our recommendations below), we could expect at least 10% of New York's approximately

200,000 medallion cabbies, gypsies, and other professional drivers to join WBAI within 3-6 months.

In membership fees alone this would generate $200,000 \times 0.1 \times \$25 = \$500,000$ in immediate revenue. It would also generate up to \$3,000,000 in total revenue during the year (since each new member represents an average value to the station of about \$150 per year).

But “Taxi Talk” is not just about generating revenue.

As noted above, taxi and limo drivers and their families are among the most exploited, downtrodden, and voiceless groups in the city. Aren't they the very people WBAI should be championing?

Ninety percent of all New York City cabbies are immigrants. They come from a total of 84 foreign countries – 40% from the Caribbean (mainly Haiti and the Dominican Republic), another 40% from South Asia (mainly India, Pakistan, and Bangladesh), with tens of thousands more from Africa, Russia, and the Middle East.

Most work 12 hours a day – six to seven hours a week – in what has been called the most dangerous job in the United States (more cabbies are killed per capita than policemen). According to former U.S. Secretary of Labor Alexis M. Herman, “cabbies are 60 times more likely than other workers to be murdered on the job.”

Yet a 2003 survey indicates that the average driver must spend \$137 per day for operating costs (gas, maintenance, insurance, leasing the medallion and cab) to generate only \$160 per day in fares – for an average take-home pay of barely \$22 a day.

But drivers will not be the sole audience for “Taxi Talk”

Taxis are a daily fact of life for large numbers of New Yorkers in every occupation and at every level of income. Car services and gypsy cabs are often the only way for hundreds of thousands of low-income residents to get around Harlem, Bed-Stuy, and the outer boroughs, especially late at night.

In Manhattan alone, adult residents hail cabs an average of 100 times a year, and some jump into cabs several hundred times a year. In 1993, licensed cabs carried 34% of all fare-paying passengers traveling by bus, subway, taxi, or for-hire vehicle within Manhattan. If gypsies are added, the number becomes much higher (though no one really knows how much higher, since there are no “official” figures on gypsy cab rides).

But the point is clear. What might at first seem like a “niche” program is actually a “wedge” program of great interest to an audience of huge potential size.

With our help, drivers speaking many languages will have an opportunity to speak to the public – and to each other – as well as a chance to speak to fleet owners, city officials, and members of the taxi-riding public, in a series of ongoing discussions about an industry which, one way or another, impacts virtually every resident of this city almost every day of the week.

How long will it take to put “Taxi Talk” on the air – so that it can begin generating some of the income predicted above?

Almost no time at all. In fact, WBAI already has an excellent candidate for host/producer in John McDonagh (who currently hosts “Radio Free Eireann”). A long-time New York cab driver who knows the industry, the drivers, the fleet owners, and the city, John has frequently discussed taxi issues on his program, with encouraging response not only from drivers but also from the riding public. *[Disclaimer: I do not know if John would wish to become involved in producing a program such as “Taxi Talk,” since I have not spoken to him about it, nor does he even know that he is mentioned in this report.]*

NOTE: Creating a “Taxi Talk” program is really part of a much larger discussion, about the flawed method by which WBAI and Pacifica have traditionally created and produced many of their programs. Traditionally, Pacifica has created its programs according to what is called the BPM (Best Program Model) or, perhaps more accurately, the WAM (Waiting [for an] Audience Model). It is the “normal” method of program creation, employed universally by commercial stations. And it works well – for commercial stations. But it does not work well for Pacifica or any other non-commercial public radio station with limited funds. Later in this report I describe a more appropriate method of program creation called AEAM (Already Existing Audience Model). I believe that this is the method Pacifica stations should henceforth use, not only to create new programs, but to restructure and improve existing programs. AEAM will assure continued fidelity to Pacifica’s mission while at the same time promoting the healthy member growth and financial support necessary for the network’s survival and prosperity.

“Taxi Talk” – an example of AEAM program development – demonstrates how to create new programs that not only serve their communities (and the Pacifica mission), but that also

connect with *already existing* audiences eager to support the station – because the station supports them.

Several other such programs are suggested in the complete report [but not included in this partial draft]. They embody, as does “Taxi Talk,” the three pre-conditions necessary for the creation of an AEAM (Already Existing Audience Model) program, so that it can reach out to heretofore untargetable communities. (Each AEAM program is portable, able to be replicated and implemented at any Pacifica station.)

The three pre-conditions for an AEAM program are:

- (1) **Its potential audience must be large enough to matter** – i.e., capable of providing enough members and financial support to justify its air time.
- (2) **It must be “self-aware”** – its members must recognize themselves as a distinct group, with common interests and shared goals.
- (3) **It must be “targetable”** – i.e., reachable by means *other* than the radio, so potential listeners can be quickly made aware that a new program, addressing their vital needs and concerns, is now being broadcast on our station.

Part 6. Offer 3-month trial memberships for only \$1

*Estimated revenue gain:
\$3,000,000+ per year*

WBAI has only 14,500 paid members. But it also has an “invisible” audience of approximately 200,000 who listen but never send us a penny. Clearly they do not respond to on-air appeals to join or donate – because they have neither joined nor donated. But we cannot promote them off the air – by mail or email – because we do not know who they are.

Yet this is the best and largest pool of potential new members. They do not have to be persuaded to become listeners – they already are listeners. So this is where our efforts will produce the most results. The task, therefore, is to get these 200,000 invisible listeners to become visible – i.e., to send us their contact information so we can appeal to them by mail and email.

Here is how to do this. Beginning two weeks *after the end of a drive*, begin on-air announcements offering a special 3-month membership for \$1 *to new members only*.

Announcements should be made at the end of every hour, 24 hours a day, for an entire week.

We state that the reason we are doing this is to acquaint new members with the advantages and joys of being a WBAI members. We will make it clear that this special \$1 offer is limited – “This week only”. By doing it two weeks after a drive, we won’t siphon off regular donors.

The listener will be asked to put \$1 in an envelope with his name and address. When we receive it, we send out a Membership card w/discounts (if we still offer) plus a Survey to be filled out with demographic information, including race, class, which show he responded to for this offer, which shows he watches, would you like to vote, etc.

These people would not join – and in fact have not joined – at \$25 or \$50. But many *will* respond for \$1, and by giving *something*, even only \$1, they will assuage some of their guilt at having listened without ever supporting the station.

Now that we have the “invisible listener’s” contact information, we can then initiate a regular schedule of phone, mail and email appeals – some over the signatures of producers whose programs we know he listens to – informing him of interesting programs, of coming events, etc. This will create a bond, so that our appeals to upgrade to a full membership, or to pledge during a drive, will be more effective.

I think we could eventually get 30% to 40% of these invisible listeners to identify themselves and join for \$1. That is 60,000-80,000 \$1 members. Then, with regular phone, mail and email contact we could eventually – say, within 18 months – get a minimum of 10% of them (perhaps even 20% to 30% of them) to join as full members and/or to pledge during a drive.

That would generate 8,000-24,000 new members. In membership fees that is as much as \$600,000 per year alone. *But that is small change.* We must understand that getting a full-price \$25 membership fee from these invisible listeners is *not the real goal*. The real goal is to “bind” these listeners to the station *at whatever member price they want to pay* – even \$1. For they will soon give money later, during our donor pledge drives. Our records show that the average member actually donates an amount equal to *four times* his membership fee during the year, through pledges and premiums, or about \$150 each. Which means that these new members could be worth – not just their \$600,000 a year in membership fees (welcome enough) – but as much as \$3.6 million per year in extra revenue from pledges.

All fund raising organizations understand that it is

unimportant how large a supporter's first donation is – only that there actually *be* a first donation to bind a donor to you. Once he is a member of the “family,” he will give more and more throughout the year. A membership appeal at full price will, of course, generate a high average dollar response, but the number of responses will be small. Better to get a *low* average dollar response and a *large* number of new members to talk, to appeal to, and to convert to full-price members and generous donors in the subsequent months. (Magazines do this all the time.) Also, the more names you get, the more of their friends you can ask them to identify for you. These will be prime prospects, since a member's friends will likely have many of the same interests and beliefs, and can also be convinced to join.

The time and effort required to test this Plan is small, but the potential benefits could be quite large. We should develop a workable pilot program as soon as possible.

But that is not all we can do. Those additional names will not join in large numbers unless we change the kinds of membership appeals we make.

Traditionally, we have contacted our members as if they were a single uniform entity, with our appeals usually focused on “the station”, as an abstract entity that deserves their support.

But this is not correct. We should be promoting individual *programs*, not the station. That is because people do not tune into stations. They do not turn on ABC or CBS; they turn on Leno or Letterman. Our listeners are no different. They turn on Amy Goodman or Hugh Hamilton; they do not (except for a relative few) turn on WBAI.

We must also keep in regular touch with our members, otherwise we will lose them. Ideally, letters and other fund-raising solicitations should go out to members every week, or at least every month. By this I do not mean the impersonal “newsletters” or “bulletins” that sent out by stations. These are not personal communications. Instead we should send out emails addressed specifically by name to each member, if possible from the producer with whom each listener identifies. Such identification is easy to determine, since in a fund drive, a member will pledge during the program he usually listens to. Then simple database sorting will automatically address the correct letter to the correct listener at time of mailing. Such mailings might include a photo of that producer at work, a picture of his dog or cat, a preview of upcoming shows, or any personal data (within reason) that the producer was willing to share, in order to

replicate -- by mail or email -- the same strong personal bond that already exists between that producer and his listeners on the air. All our members should be contacted in this way, on a weekly or monthly basis. I believe this will greatly increase the success of our fund drives.

[Comment 1, to insert in programming section]

There is a serious flaw in our programming model and method of audience outreach. Many of our programs preach only to the choir – a series of knowing winks and nods to our small (and growing smaller) audience of like-thinking fellow travelers. Once upon a time, Pacifica's Left-leaning producers specifically reached out to those *not* on the Left -- in order to convert them. But we have grown haughty and self-referential. We want to talk only to “our” folk – those who have been pre-selected to agree in advance with whatever we broadcast. We do not challenge our audience; we confirm it in its prejudices. We need our audience to be – not (merely) the Left, who already know and support us – but also the far, far larger Middle, which comprises most of the population. Alas, we seem to have not only given up on them, but to scorn them. (A former Chair of the LSB and long-time staff member destroyed a successful membership campaign and publicly rebuked a former station manager for conducting it because, she said, it would bring “too many rich White liberals into our audience.” In other words, she (and many others on staff and in management) want WBAI to be “cosa nostra” – our thing. Keep the riffraff out. Yet it is with this so-called “riffraff” – the Great Middle that comprises 80% of our population – that the real power for change lies. We must reach and educate those who have *not* been exposed to ideas on the Left (other than when those ideas are ridiculed in the mainstream media). We must attract their attention, keep their interest, and ultimately change their minds. They will then change our society for the better (and become supporters of the radio station that showed them how to do it).

To this end, our shows should be interviewing counter-intuitive guests such as holocaust deniers, supporters of Israel's policies, opponents of single-payer health insurance, anti-immigration speakers, Republican politicians, police and firefighters, postal workers, civil servants, taxi company owners, bank presidents, disbelievers in global warming, etc. Most important, we should not invite them on to ridicule or attack them from our own positions of self-righteousness, but rather to draw out *their* positions and respond to those positions with respect. That is because it is not only good manners but good politics to accept the assumption that they hold their beliefs in good faith. Therefore we must debate

them in good faith, not with scorn and disdain.

[Comment 2 – to insert in programming section]

We should be sending out a flood of press releases for every program on our airwaves. We must take the position that every one of our shows and guests is newsworthy, every time they go on the air, especially if a controversial position will be taken by someone of prominence. If we don't believe this, then cancel the show. Each time you send out 20 press releases for a show, you can hope to get at least 2 or as many as 5 actually used by a media outlet. This will raise our public profile, attract more listeners, and build membership. Our press releases should go not only to the print media but also to the hundreds of news sites and blogs on the internet. One mass email is all it takes to reach them all. A show that is not interesting or provocative enough to generate a press release should not be on the air. Every producer should submit the topic and guests for each show 3 days in advance so that a release can be prepared and sent out widely. The media are LOOKING for content; if we give them something they can use, they will be grateful. And we will be publicized.

APPENDIX A

**Comments from the 1985 *Pacifica Management Audit*, by Florence Green
(a consultant hired by Pacifica at that time to produce this report).
As quoted in *Uneasy Listening: Pacifica Radio's Civil War* by Matthew Lasar, p 215.**

1. *Management of volunteers*: there seems to be no workable system in place for volunteer management, evaluation or training.

2. *Decision-making at all levels seems to be very ineffective*. Decisions are often not implemented. How decisions are made is inconsistent. People do not seem to feel they must follow decisions or directions if they disagree with the decision or direction.

3. *Local Board[s] are generally ineffective*. National and regional Board roles are unclear. Leadership is not always strong. Board and staff do not usually function as a team, but are often adversaries. Board purpose and function is confused.

4. *Relationships at all levels within [the] organization* are not well defined and when defined they are not usually followed.

5. *Political correctness seems more important than management or program skills*. People are given jobs that they sometimes do not have the skills to do. There does not seem to be a process to train people in the skills they need or to dismiss them if their work is not effective ...

6. *Pacifica operates as a therapeutic community or refuge for some volunteers and some staff*. That aspect of Pacifica creates an atmosphere which works against the needed problem-solving process and is exhausting and draining for everyone.

7. *There is ... is also a kind of "missionary zeal,"* which works both as a strength and as a weakness for Pacifica.

8. *There appears [sic] to be two forms of communication in use*, neither of which appears to be very effective:

a) *The Benevolent Dictator Approach*, where memos are issued, directing people to do certain tasks. They are often sent without regard to appropriateness or knowledge of whether or not those being directed have the skill, ability or resources necessary to the required task. Because those issues are not considered, many memos are disregarded.

b) *The Passive Approach*, in which communication is attempted so carefully and cautiously that the end result leaves the recipient unclear as to what is really being said or asked of them. Or direct communication is totally avoided and upsets and concerns are shared only in whispers behind each other's backs.

9. *Pacifica was/is a top notch, powerful, important organization*. During the 70s, many of the best and brightest left. Many who have remained at Pacifica did so because they had no other place to go. They resist change and work against Pacifica upgrading itself. ...

10. *Pacifica is no longer the only game in town*. Though it may be that no one does it like Pacifica, to be "Pacifica" is no longer enough to guarantee success.

#

WBAI Pacifica 99.5 FM

The Peace and Justice Station

Mailing label
(Mail Merge Field 1)

Thank you!
Thank you!
Thank you!

Dear WBAI Supporter,

Thank you so much for your recent phone pledge of *Amount of pledge (Field 2)*
to WBAI for *Name of pledge premium (Field 3)*

This letter expresses only my personal thanks. Our "official" thanks were expressed on the air, when we announced your name (and generous pledge) to our audience. I hope you and your friends were listening.

We look forward to receiving your check as soon as possible. It is only the support from listeners like yourself that keeps WBAI on the air -- especially now, when so many independent voices have been pressured, or frightened, into silence by a dangerous alliance of corporate media and unaccountable government.

The operator who took your pledge over the phone is an unpaid volunteer, one of many dedicated listeners (like myself) who come in early in the morning and often don't go home till late at night.

Sometimes we get awfully tired. But we always perk up and smile when pledge-calls like yours come in, because they let us know that you love WBAI as much as we do.

I'll be watching the mail for your check, and will smile again when it arrives. Which I hope will be in no more than a day or two -- because we really do need it.

If by chance you haven't yet sent your check, I've enclosed a WBAI reply envelope for your convenience. Or you can avoid the bother of writing a check and running out to the mailbox by pledging online by credit card. Simply go to www.wbai.org/funddrive.



Once again -- thank you! thank you! thank you!

Sincerely, *Delma Rhabart*

WBAI Volunteer

P.S. Be assured that the premium you ordered is being processed and will be shipped to you as quickly as possible. (And if you've already sent your pledge check, please ignore this letter.)

WBAI Pacifica 99.5 FM

The Peace and Justice Station

Mailing label
(Mail Merge Field 1)

May I add my own thanks?

Dear WBAI Supporter:

A few days ago you received a message from one of our volunteers, thanking you for your recent phone pledge of *Amount of pledge (Field 2)* to WBAI for *Name of pledge premium (Field 3)*

I would like to add my thanks to hers - and also urge you to send your pledge check as quickly as possible.

For our station faces a crisis in its ability to continue bringing you the important news and passionate voices now struggling to be heard above the cacophony of manipulation and deceit issuing from corporate media as well as from an increasingly out-of-control national government.

George Bush, Dick Cheney and the religious right would love nothing better than to cancel our license and yank us off the air. But your support is our protection.

Your generous phone pledge helps keep free speech and social justice alive through the voices of Amy Goodman, Noam Chomsky, Howard Zinn, Gore Vidal, Mumia Abu Jamal, Michael Parenti, Hugh Hamilton, Helen Caldicott, and many others.

As our phone volunteer said, we are eagerly watching the mail for your check, which I hope will arrive very soon -- believe me, we need it.

If you haven't yet sent your check, I've enclosed a reply envelope for your convenience. Or you can pledge online by credit card at www.wbai.org/funddrive.

Once again, my heartfelt thanks for your support.



Sincerely,

Tony Riddle

Tony Riddle, General Manager

P.S. Be assured that the premium you ordered is being processed and will be shipped to you as quickly as possible. (And if you've already sent your pledge check, please ignore this letter.)