

**COMMUNITY TELEVISION FOUNDATION OF SOUTH FLORIDA, INC.
BOARD OF DIRECTORS 2007**



Channel 2 Strategic Plan

Prepared by the WPBT Staff and Board of Directors

(This Edited Copy Contains Only Sections Authored by Jaime George)

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CURRENT STRATEGY

Channel 2 provides valuable content and services locally and nationally. To better understand what drives the organization's overall content and services strategy, we will examine five major areas of strategy: Financial, Program Services, Local Production, Nightly Business Report, and Interactive.

Nightly Business Report

Nightly Business Report (NBR) gives viewers thoughtful analysis of the top business and financial news stories of the day as well as a thorough review of what has taken place in the equity markets. NBR differentiates itself from other television competitors with the quality of its content. As a half-hour program presented after the market closes, NBR filters out the chatter of our cable competitors and provides a clear picture of the business, economic, financial, and investment news that is most significant and meaningful to our viewers on Wall Street or Main Street.

Through the years, NBR has evolved from the daily television business news program of record to a program that helps viewers better understand and use business and related news. While NBR still reports the day's top business stories and the market's closing numbers, a greater portion of our reporting is dedicated to analysis and commentary. This emphasis makes NBR's content more valuable to an audience that can track business news and market statistics throughout the day.

By improving the business, economic, financial, and investing IQ of the American public, NBR supports the educational mission of WPBT and PBS. However, it is important to note that NBR is part of a larger media universe. It directly competes with commercial enterprises that have access to far greater resources. Thus, a major part of NBR's strategy is to work within PBS's sponsorship guidelines to develop the funding needed to maintain our competitive relevance. Historically, the program has had great success in attracting major funders willing to commit to multiple-year contracts. In recent years, program underwriters have been reluctant to sign long-term agreements. Our current goals include finding additional sponsors willing to underwrite the program for shorter contract periods.

NBR's strategy also embraces brand extension. Currently, this brand extension is visible in the educational product and Internet arenas. NBR partners with educational publishers to create content for use in the classroom. NBR has also dedicated some resources to increasing the robustness of its website, adding a blog, podcasts, and RSS feeds in 2007. Still, our web offerings lag those of many of our competitors. The long-term goal is to develop our website into our broadcast's equal partner.

BACKGROUND

ENVIRONMENTAL SCAN

This section details changes in the market and changes in media that have impacted the way WPBT has operated for the past three to five years. It includes a look at demographics, broadcast and web audience trends, and competitors. While WPBT is a community organization serving South Florida, it also produces national content, such as *Nightly Business Report* (NBR). As a result, this market analysis reflects both local and national audiences.

Changes in Market - National

National Demographic Trends

We can identify and detail major trends within the U.S. population by utilizing the Census Bureau's American Community Surveys (ACS). Of all the current population trends, four are particularly relevant to WPBT and its flagship production, *Nightly Business Report* (NBR).

The first two trends (See Graph 8) are the aging of the Baby Boomer generation and the surge in the number of Hispanics or Latinos. In 2000, more than 59 million Americans (21% of the population) were 55 years old or older. By 2006, the number of 55+ Americans increased to nearly 69 million (23% of the population). The number of Hispanics or Latinos in the population increased from more than 35 million (13% of the population) in 2000 to more than 44 million (15% of the population) in 2006.

Trends three and four (See Graph 9) are the increase in the number of households in higher income brackets and the increase in the number of college graduates. In 2000, the annual income of nearly 24 million U.S. households (23% of all households) was \$75,000 or more. By 2006, the number of households in that income level increased to 33 million (30% of all households). This growth in income attainment mirrors growth in educational attainment. The number of Americans 25 and older with a Bachelor's degree or higher increased from more than 44 million (24% of the population 25 and older) in 2000 to nearly 53 million (27% of the population 25 and older) in 2006.

National Audience Trends - Broadcast

WPBT's reaches a national audience through *Nightly Business Report*, so it is important to examine NBR's audience trends. We can identify and detail these trends by utilizing Nielsen Media Research data from November ratings periods.

NBR's overall broadcast audience trend is flat. While the program did experience a steep decline in viewership in the late 1990's and early 2000's, that decline ended in 2003. NBR's total number of nightly viewers currently hovers between 700,000 and 800,000, with the audience in many of the major age demographics trending upwards in recent

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BOARD OF DIRECTORS 2008

years (See Graph 10). Viewers in the older demographics (55+) continue to make up the majority of the program's audience.

Men make up the larger portion of the program's audience (See Graph 11). The number of men and women in both the 25-54 and 35-64 age demographics has been trending upwards in November. Some of these age demographics have shown weakness in February ratings periods.

National Audience Trends – Web (pbs.org/nbr)

Every month, NBR's website records between 80,000 and 110,000 user visits (See Graph 12). Until recently, we had little demographic information about these users. We knew many of them were our broadcast viewers – older, affluent, and interested in investing. We also knew which of our web pages they liked to visit most – transcripts, video, and Robert Drach's model portfolio (See Graph 13). However, we did not have a robust online statistical software package to help us form a unique picture of our online users. In late 2007, PBS Interactive started trials of both the ComScore Internet audience measurement system and Google Analytics. We look forward to using these systems to better define our website users and to better tailor our online offerings to them.

NBR's website is mainly used to expand the reach of our half-hour broadcast. It allows us to compete with news outlets that operate 24 hours a day, providing regular updates about world markets in constant fluctuation. The website offers transcripts and streaming video of our broadcast (the two most popular sections of the site), business news updates three times a day, exclusive columns and blogs, the occasional extended report, and features designed to help users find in-depth information about a topic. Financial tools, such as customizable portfolios, and educational tools, like our Investor FAQ, provide resources for the seasoned market veteran as well as the inquiring newcomer.

In the last year, we added RSS feeds and podcasts to the online offerings. We also added a pay-per-view video option to the NBR store. This option allows users to purchase online streams for instant viewing. Many of these advanced web features were made possible by the distribution agreement NBR signed with PBS in 2005. Among other things, the agreement gave NBR the funds to redesign the website and the ability to access PBS's servers. These changes helped NBR's website remain relevant in a world where a majority of our competitors have greater resources to devote to online content.

National Competition

When NBR first premiered in January of 1979, it was television's first and only daily business news program. Competitors gradually emerged as cable television gave news producers additional channels for content distribution. Today, NBR faces an abundance of competitors. While the number of television news producers has increased, it is the Internet that has most dramatically altered the competitive landscape for NBR. Thanks to the Internet, established sources of business news, like *The Wall Street Journal*, can more directly compete with NBR. In addition, websites like Minyanville.com also offer users business news and analysis.

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BOARD OF DIRECTORS 2008**

Nightly Business Report's major competitors are listed below. They are categorized by their primary distribution platforms, but it is important to note that nearly all of these companies offer unique content, including video, on the web.

Television Competitors

Bloomberg Television
CNBC
Fox Business News

Radio Competitors

American Public Media's Marketplace
Bloomberg Radio
National Public Radio's regular business reports

Newspaper Competitors

Financial Times
Investors Business Daily
The Wall Street Journal

Magazine Competitors

Barron's
Biz 2.0
Business Week
The Economist
Fast Company
Forbes
Fortune
Kiplinger's Personal Finance
Money
SmartMoney

Pure Internet Competitors

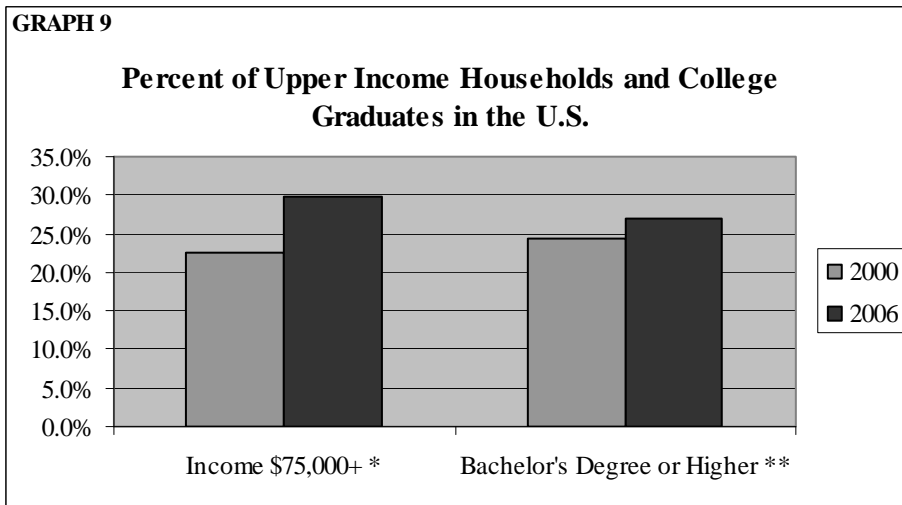
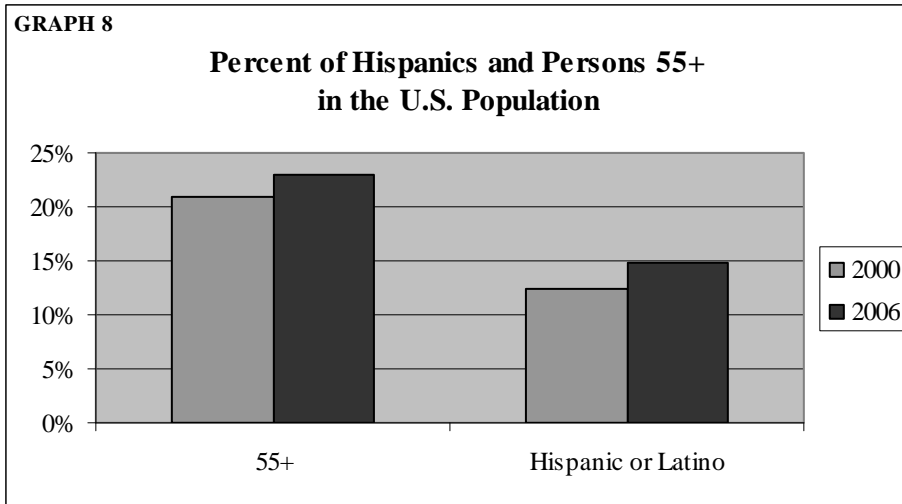
AOL Finance
Briefing.com
MarketWatch
Minyanville.com
Seeking Alpha
Wall Street Journal Online
Yahoo! Finance

Additional Competitors

Financial services information providers, like Standard & Poor's and Thomson Financial
Independent bloggers
Local news outlets
Wire services, like Reuters and Associated Press

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BOARD OF DIRECTORS 2008

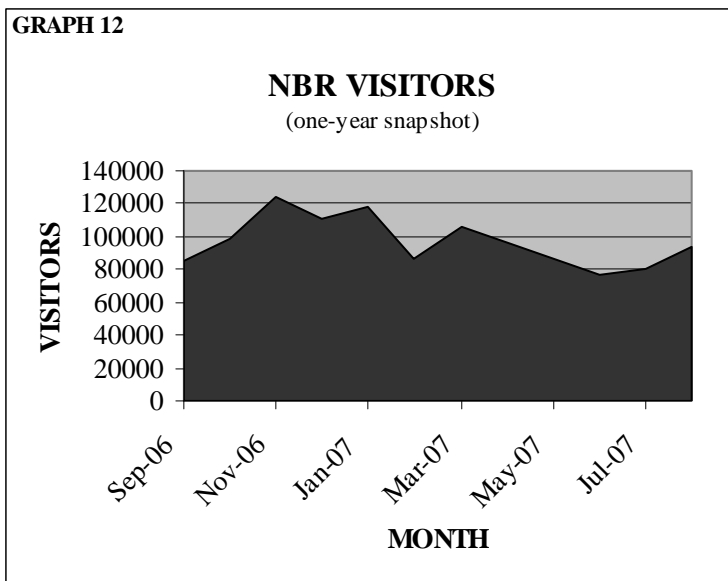
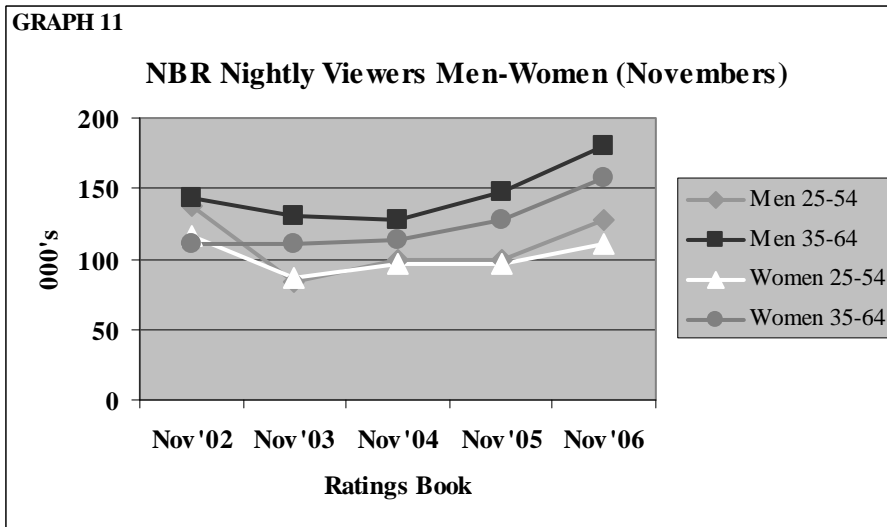
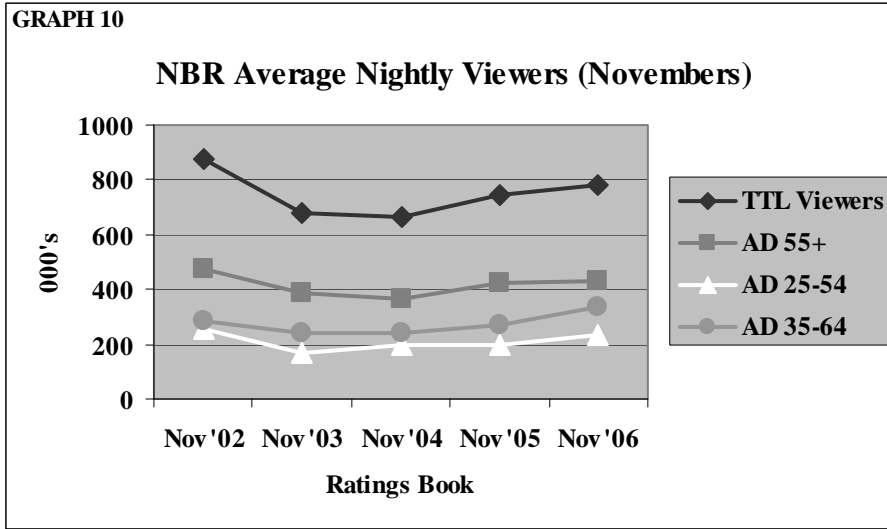
GRAPHS



**Percentage of all U.S. households*

***Percentage of population 25 years and older*

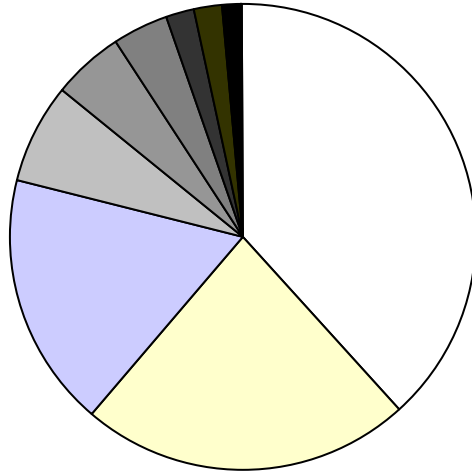
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BOARD OF DIRECTORS 2008**



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BOARD OF DIRECTORS 2008

GRAPH 13

NBR's Top 25 Visits by Page



□	Home (39%)
■	Video (23%)
■	Transcripts (18%)
■	Drach (7%)
■	Search (5%)
■	Stocks (4%)
■	Special (2%)
■	Tune-in (2%)
■	RSS (1.4%)