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# Berner Positions Radio As ‘One-Stop Shop’ For America’s ‘Grand Reopening.’

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In an abbreviated call with investors Wednesday, Cumulus Media CEO Mary Berner spent little time discussing the broadcaster's first quarter results, focusing instead on the "positive momentum" she is seeing across all of Cumulus' divisions and how the company will capitalize on what she called an imminent "grand reopening" for the country. Berner made a case that with its promotional prowess and digital extensions, broadcast radio is well positioned as a "one stop shop" for local and national businesses that "want to leverage this moment in time."

Contrasting today's economic climate with the start of the pandemic, she noted how some pundits were predicting as many as one third of local businesses might be forced to shut their doors. Yet the latest wave of The Small Business Pulse Survey conducted by the U.S. Census Bureau found less than 2% of small business surveyed had closed permanently and less than 8% anticipated they would be operating at a lower level. Factor in the high levels of government spending and the highest consumer sentiment reading in the past year, and the stage is set for "a period of robust economic activity," she said.

As more states roll back COVID restrictions and consumers shun their computer screens to return to travel and live entertainment, Berner said Cumulus is seeing "a kind of grand reopening of life as we knew it. And holistically, with its unparalleled reach and efficiency, local promotion capabilities, and well established track record as the most effective advertising vehicle for generating foot traffic, there has been no greater marketing partner for grand reopenings than radio," she added.

Berner singled out a pair of categories to make her case to investors. Sports betting is experiencing massive growth as more states legalize sports gambling. There are 10 or more sportsbooks vying for market position in some states where sports gambling is permitted. Cumulus already has twice as many ad commitments from this category than it had for all 2020. With its local presence, sports talk show hosts and NFL rights, Berner said Cumulus is a desirable marketing partner for the likes of FanDuel, DraftKings, BetMGM and others that are advertising heavily to corner the market. "We're having more conversations every day about how we can best use our beachfront property to drive sign-ups from high value depositors for sports betting companies," she said.

The company is also making a play in the content side of sports betting. In April, Westwood One tapped Millennial- and Generation Z-targeting media platform Barstool Sports for its new weekday program "Picks Central," adapted from Barstool's sports betting podcast and video series. Airing weekdays from 3-4pm Eastern, "Picks Central," hosted by Brandon Walker along with Dave Portnoy and Dan "Big Cat" Katz, adds to a growing list of sports betting programs for radio.

In another sign of momentum, Berner said they're seeing a big uptick among venues planning new or expanded events and concerts. While event ad spending will remain below pre-pandemic levels for Q2 and Q3, "the pace of partnership conversations with live promoters has increased substantially," she said.

Podcasting was the big revenue gainer for Cumulus during the first quarter, as revenue jumped 35% compared to a year ago, helping lift overall digital revenue by 23.7% from a year ago to \$27.1 million. Berner said the company is happy with the results of its efforts to leverage podcast talent on its broadcast properties. "This strategy has been tremendously successful as it optimizes our ability to monetize content and talent across platforms and build audiences through both digital and over the air distribution," she said.

First quarter revenues at Cumulus totaled \$201.7 million, an 11.5% decline from the first three months of 2020, a period largely unaffected by the advertising pullbacks from the COVID-19 pandemic. The declines were far steeper at the company's local radio segment than at its network division. The nation's third largest radio broadcaster's net loss tripled to \$21.9 million, from \$7.3 million in the year ago period.