

PRESS RELEASE

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**MINNESOTA PUBLIC RADIO
ACQUIRES MARKETPLACE PRODUCTIONS**

Acquisition to Strengthen Both MPR and Marketplace; Part of MPR Long-Term Strategy to Develop More National Programming and to be a Model of Service for Public Radio

Minnesota Public Radio (MPR) announced today, Friday, April 14th, the acquisition of Marketplace Productions, the 11-year-old nonprofit producer of *Marketplace*, public radio's only national series about business, the global economy and finance. Marketplace Productions, which is based at the University of Southern California in Los Angeles, also produces *Marketplace Morning Report* which airs five times each morning, and *The Savvy Traveler*, a weekly hour-long travel magazine. The programs are distributed to public radio stations nationwide by Public Radio International.

MPR's acquisition of Marketplace Productions from the University of Southern California is a joining of two very successful ventures in public radio: MPR produces more programs for national distribution than any other public radio station in the country, and *Marketplace* is public radio's most successful business news program, with a national audience of 2.5 million weekly listeners. According to MPR President Bill Kling, "This is a strategic partnership that will benefit all concerned, especially millions of public radio listeners."

"We decided it was time for Marketplace Productions to be in an environment where the production of national programming for public radio is the central mission of the organization," said Martha Harris, president of USC Radio and a vice president at USC. "MPR has the resources and expertise to invest in Marketplace Productions. We believe this will secure Marketplace Productions over the long term and better serve our international audience."

Marketplace was launched on January 2, 1989, in Long Beach, California. A year later, it moved to the University of Southern California, where it has remained for the past ten years. USC provided a strong foundation on which to build the program, in much the same way that St. John's University incubated a fledgling MPR back in 1967.

Marketplace has been called the best business show on radio or television by the *Columbia Journalism Review*, and is the 1998 winner of the duPont-Columbia Award for “Excellence in Overall Show”. Last year, Marketplace Productions and USC initiated talks with MPR, concluding that the *Marketplace* mission of public radio was more closely aligned with an established media company like MPR, than with a University. According to Jim Russell, General Manager for Marketplace Productions, “It is a testimony to USC’s greatness that they encouraged *Marketplace* to expand by making this deal with MPR.”

MPR’s strategic relationship with Marketplace Productions is an example of public radio’s role in the national trend of merging media forces. The focus of the MPR acquisition is to improve the journalistic quality of Marketplace Productions by strengthening personnel and adding new facilities and updated technology – consistent with public radio’s overall mission to provide quality programming.

Marketplace’s Russell says, “I am very pleased that Marketplace Productions has become part of Minnesota Public Radio. We have a great staff, and MPR’s vision, journalistic experience, organizational ability, and financial strength will guarantee Marketplace’s continued excellence and growth.”

The new affiliation of Marketplace Productions is part of MPR’s long-term strategy to develop more national programming, especially in the talent-rich Los Angeles market, and to be a model of service for public radio. Even before the addition of Marketplace Productions, MPR’s national programs were heard by over 5 million weekly listeners across seven time zones. This national audience was the largest of any station-based public radio producer. The acquisition of Marketplace Productions, and its three strong programs, which have an audience of 3.7 million, will increase MPR’s unduplicated weekly national listenership to approximately 7.6 million people, excluding any overlapping audience.

Bill Kling says that MPR’s strategic relationship with Marketplace Productions is a model of service for public radio across the country. “If public radio wants to continue to thrive and fulfill its mission of servicing an educated and well-informed citizenry, it must continue to expand its role as a leader in an ever-changing industry. We will continue to provide quality programming, and we will take full advantage of radio’s profound power to enrich the lives of individuals and communities.”

Marketplace is made possible by GE and by Fannie Mae.

For additional background on Minnesota Public Radio and Marketplace Productions:

WWW.MPR.ORG

MINNESOTA PUBLIC RADIO: AN OVERVIEW

Minnesota Public Radio (MPR) began in 1967 as a single radio station at St. John's University in Collegeville, Minnesota. Today, MPR is internationally recognized as a leading public service media company, developing and broadcasting local, regional, national, and international news and information and classical music programs, and creating extensive content available world-wide on the Internet at www.mpr.org. Throughout its history, MPR's broadcast and Internet programming has won more than 790 awards in the fields of journalism, education, humanities, the arts, and broadcasting. These include four Peabody awards and two Edward R. Murrow awards. In 2000, MPR won the national Scripps Howard Foundation award for journalistic excellence in electronic media.

MPR's Minnesota-based operation includes a network of 30 stations and 19 translators, reaching 98 percent of the state's geography and border communities in seven states and Canadian provinces. Audiences throughout the region receive dual broadcast streams, one dedicated to news and information, the other to classical music. MPR's news division – the largest broadcast news staff in the state – employs 70 people, including 15 reporters dedicated to rural communities, and numerous specialists in business, education, politics, and the arts. With the goal of creating news that is objective, accurate, balanced, and relevant, MPR was voted “the most trusted news source” in the region. The classical music service draws on MPR's collection of 50,000 compact discs and LPs, one of the largest in the United States, and an experienced and knowledgeable broadcast staff. MPR's engineers and hosts also record more than 200 live performances each year for broadcast on the MPR network and beyond.

MPR's regional audience has grown in size and loyalty to form the largest market share of any public radio network. Nearly 15 percent of Minnesotans over the age of 12 listen to MPR every week. These listeners contribute financially through membership, which forms the single largest source of revenue in MPR's \$25.4 million operating budget. In fact, with a population base of only 4.5 million residents, MPR has nonetheless developed one of the largest membership bases (more than 87,000) of any public radio organization in the United States. In addition to their financial support, listeners contribute more than 13,000 volunteer hours each year to support MPR's programming.

MPR's national broadcast programs, initially produced for its extensive regional network, form the largest group of nationally-distributed programs of any public radio network in the United States, and have helped establish the audience expectation for quality, integrity, and vitality that distinguishes the public radio industry. Fourteen distinct programs, such as *Sound Money*, *A Prairie Home Companion*, *The Splendid Table*, and *Saint Paul Sunday* make up MPR's national production unit. Together, these broadcasts reach an estimated 7.6 million listeners weekly, and help draw more than two million weekly “hits” to the MPR family of Web sites.

MPR is part of a larger family of companies within the parent nonprofit, Minnesota Communications Group (MCG), which houses not only MPR, but several other entities. These include the Fitzgerald Theater, based in Saint Paul, Minnesota, and the newly formed nonprofit organization, Southern California Public Radio, based in Pasadena, California. MCG's board also oversees the operation of three for-profit companies: Greenspring, *Minnesota Monthly* Publications, and the Minnesota News Network. The success of these for-profit businesses has helped support the activities of the nonprofits within the group. In 1998, Greenspring sold its principal asset, Rivertown Trading, in a purchase that allowed MPR to add \$85.6 million to its permanent endowment. This endowment is enabling new initiatives within MPR to strengthen and expand local, regional, and national service through the development of new nonprofit programs. MCG's unique structure has been the subject of many articles, including one in *The Chronicle of Philanthropy* that said, “For many public broadcasting officials, MPR's product-marketing business is regarded as a triumph of entrepreneurialism, and a model for other groups.”

THE MINNESOTA PUBLIC RADIO COMMITMENT TO MINNESOTA

GOOD RADIO: Since its beginning in 1967 at St. John's University in Collegeville, Minnesota, the purpose of Minnesota Public Radio (MPR) has been, first and foremost, to serve Minnesota and the region with good radio. That original vision has not changed, despite MPR's present standing as one of the nation's most successful public radio stations. Producing more programs for national distribution than any other public radio station in the country, MPR serves an estimated 7.6 million listeners nationwide each week.

COVERING MINNESOTA: The people of Minnesota and the upper Midwest are still MPR's most important audience. MPR has become the most complete statewide public radio network in the country, covering 98% of the state's geography as well as bordering communities in seven states and Canadian provinces. Thirty-plus years of experience, 30 stations and 19 translators on 49 frequencies allow MPR to better serve the region with insightful news coverage and a diverse palette of classical music and entertainment programming that has won over 790 awards, including four Peabodys and two Edward R. Murrow Awards.

NEWS AND INFORMATION: MPR's national standing as a major radio broadcaster has had a significant impact in Minnesota and the upper Midwest. For example, MPR's News and Information Service is now supported by the largest newsroom of any broadcast entity in the upper Midwest, and MPR has the largest reporting team devoted exclusively to business and economics coverage in Minnesota broadcasting. This allows MPR to provide more quality, Minnesota-grown news stories than any other radio station or network. In fact, MPR news stations are the most trusted news source in the region, according to an independent survey of media users (University of Wisconsin – River Falls, 1992). MPR promotes civic journalism by sponsoring statewide symposiums to give local communities the opportunity to participate in the news-gathering process.

CLASSICAL MUSIC: For audiences in the upper Midwest, MPR's Classical Music Service imports some of the finest musical performances from orchestras and festivals around the world. The region's best musical talent is, in turn, exported to public radio audiences around the country. MPR listeners find cultural enrichment and awareness thanks to one of the largest classical music collections in the country, and nationally recognized knowledgeable hosts. Broadcasts of the Saint Paul Chamber Orchestra and the Minnesota Orchestra allow all Minnesotans to appreciate local classical musicianship, even if they can't attend the live performances.

A PRAIRIE HOME COMPANION: One of public radio's most beloved and celebrated programs is *A Prairie Home Companion*. This home-grown, live variety show delights a national weekly audience of 2.8 million listeners and many thousands of international fans across the globe from Edinburgh to Tokyo. Many people in this country and around the world identify Minnesota with the image of Garrison Keillor's fictional rural hamlet of Lake Wobegon, a town "where all the women are strong, all the men are good-looking, and all the children are above average." For twenty-five years, *A Prairie Home Companion* has proudly represented the art, culture and people of Minnesota.

RADIO TALKING BOOK: MPR also serves a group of approximately 10,000 people in the upper Midwest whose sole access to the printed word is through the radio. The Radio Talking Book is a closed-circuit reading network for the blind and vision-impaired. Its signal is "piggy-backed" on MPR's frequency, and is distributed throughout Minnesota and neighboring states.

MORE THAN GOOD RADIO: MPR's commitment to Minnesota isn't limited to good radio. MPR also sponsors a variety of events to keep Minnesotans informed about everything from money matters to local politics. The Fitzgerald Forums help local communities interact with Minnesota's public affairs leaders. There has been a statewide lecture series on Broadcast Journalism, a *Sound Money* Personal Finance Fair, and a Classical Music Listening Contest for Minnesota High School students. MPR's mission is "to enrich the mind and nourish the spirit through radio, related technology, and services." This is especially true for MPR's birthplace, home and namesake: Minnesota.

HISTORY OF MINNESOTA PUBLIC RADIO

1967 – 1987

- 1967 – Minnesota Public Radio (MPR) began in Collegeville, Minnesota, after becoming a separate operation from St. John's University.
- 1969 – Served as incorporator and founding station for the start-up of National Public Radio in Washington, D.C.
- 1969 – Helped to establish the Radio Talking Book, the nation's first closed-circuit reading network for the blind and vision-impaired.
- 1974 – Began *A Prairie Home Companion*, one of public radio's most beloved and celebrated programs, now heard on 486 stations across the United States.
- 1980 – Became one of the nation's most successful public radio stations, producing more programs for national distribution than any other public radio station in the United States.
- 1980 – Provided the corporate umbrella and leadership for the formation of Public Radio International.
- 1980 – Built the most sophisticated public radio production and satellite distribution center in the United States.
- 1980 – Became the nation's importer for news broadcasts from the British Broadcasting Corporation and the Canadian Broadcasting Corporation.
- 1987 – Created one of the most effective corporate structures for a nonprofit organization, which diversified MPR's revenue base under the leadership of the for-profit Greenspring Company. This structure led to the creation of the highly successful Rivertown Trading Company.

1995 – Present

- Became the most complete statewide public radio network in the United States, covering 98% of the state's geography as well as reaching bordering communities in 7 states and Canadian provinces.
- Created *Classical-24*[®], the nation's most-listened-to classical music radio source.
- Sold Rivertown Trading Company to the Target Corporation, allowing MPR to add \$85.6 million to its permanent endowment.
- Developed one of the largest membership bases (more than 87,000) of any public radio station in the United States.
- Engaged the largest staff (233 employees) of any public radio station in the country. The next largest is WNYC in New York with 110 employees.
- Developed *American RadioWorks* in a partnership with National Public Radio, for one-hour-long, in-depth news specials.
- Built an audience that represents the largest market share of any public radio station in a major market.
- Produced the largest number of national programs for public radio.
- Created a new nonprofit organization, Southern California Public Radio, through a lease agreement with Pasadena City College, to operate KPCC-FM in Pasadena, which serves the Los Angeles basin.
- Acquired Marketplace Productions, producer of *The Savvy Traveler*, *Marketplace Morning Report*, and *Marketplace*, which is public radio's most successful business news program, with a national audience of 3.7 million weekly listeners. This gives MPR programs a total weekly listenership of approximately 7.6 million people.

MINNESOTA PUBLIC RADIO PRODUCT LIST

Minnesota Public Radio's influence has grown far beyond the borders of Minnesota and radio. Below is a list of products developed by MPR for radio, the Internet, events and print:

RADIO – Nationally, no less than 14 of MPR's programs are carried by other public radio stations:

<i>A Prairie Home Companion</i>	<i>Pipedreams</i>
<i>American RadioWorks</i>	<i>St. Paul Sunday</i>
<i>Classical-24</i>	<i>The Savvy Traveler</i>
<i>Future Tense</i>	<i>Sound Money</i>
<i>Marketplace</i>	<i>The Splendid Table</i>
<i>Marketplace Morning Report</i>	<i>The St. Paul Chamber Orchestra</i>
<i>The Minnesota Orchestra</i>	<i>The Writer's Almanac</i>

Regionally, there is a **News and Information Service** and a **Classical Music Service** providing 24-hour, 7-day-a-week programming throughout Minnesota and its bordering communities. The News and Information Service is supported by the largest newsroom of any broadcast entity in the Upper Midwest. The Classical Music Service provides listeners with music from over 50,000 compact discs and LPs, one of the largest classical music collections in the country.

INTERNET – With a high-quality Web site (www.mpr.org) that recorded more than 1 million hits per week in 1999, and streaming audio, MPR now distributes its program content via the Internet, which is an ideal fit for the 22-plus million public radio listeners. MPR's exploration into "New Media" has created the following products:

- eXplore Radio – an online partnership with National Public Radio (NPR) that helps public radio stations and program producers strengthen their own online experience through programming, audience interaction opportunities and e-commerce options.
- Radio Scout – a public radio program search engine made available for public radio station Web sites across the country.
- Powerful news coverage, including daily news from the MPR newsroom; hourly online newscasts; and, in a partnership with National Public Radio, in-depth reporting with hour-long news specials by *American RadioWorks*.

EVENTS – MPR sponsors a variety of media events including *A Prairie Home Companion* Touring Company; the *Sound Money* Personal Finance Fair; the Fitzgerald Forums, a series of community dialogs with Public Affairs leaders; statewide and national symposiums on Civic Journalism; a statewide lecture series on Broadcast Journalism; and a Classical Music Listening Contest for Minnesota High School students.

PRINT – A sampling of MPR publications includes: *Inside MPR*, the MPR program guide that appears in *Minnesota Monthly* Magazine; *A Prairie Home Companion Joke Book*, a compilation of jokes taken from the annual *A Prairie Home Companion* joke show; *The Minnesota Action Plan to End Gun Violence*, a special report for *Minnesota Monthly* Magazine; *Chris Farrell's Sound Money Guide to Economic Literacy*, a brochure on key economics concepts; and *Minnesota in the .Com Age*, proceedings from a summit on where Minnesota stands in the high technology revolution.

MARKETPLACE PRODUCTIONS: AN OVERVIEW

Marketplace Productions is the eleven-year-old nonprofit producer of *Marketplace*, public radio's only national series about business, the global economy and finance. Marketplace Productions also produces *Marketplace Morning Report*, nine-minute segments that air five times each morning, and *The Savvy Traveler*, a weekly hour-long travel magazine that began in 1997 and features host Rudy Maxa.

Launched on January 2, 1989, from Long Beach, California, *Marketplace* was the first, and is still the only, daily national news program to come from the West Coast. Its location in Los Angeles provided *Marketplace* easier access to the Pacific Rim, and has encouraged the staff to develop their own voice, one not overwhelmed by the traditionally Eastern-dominated media. Rich in creativity, but in need of a financial bedrock, *Marketplace* moved to the campus of the University of Southern California in 1990. That same year, General Electric signed on, and continues, as exclusive corporate underwriter.

Marketplace has become the fresh sound of radio business reporting. It has been described as smart, literate, witty, well-informed, hip, irreverent, and the business show for the rest of us. The *Marketplace* staff is headed by General Manager Jim Russell, who conceived and led the creation of the show. Russell is an award-winning journalist and a former *All Things Considered* executive producer with more than 30 years of experience in broadcasting. Executive Producer J.J. Yore has been a reporter, editor and broadcast producer for nearly 20 years. Hosts David Brancaccio and Cheryl Glaser are experienced journalists who bring listeners lively and engaging information about the fascinating world of global business.

With six domestic bureaus (Boston, Ann Arbor/Detroit, Cleveland, New York, Portland and Washington, D.C) and two international bureaus (London and Tokyo), *Marketplace* is a truly global program using business and economics as its twin lenses to better view and understand the world. It distinguishes itself from general news programming by taking a broader view of business, and defining its content as any story that deals with money, which most of the world's stories do. *Marketplace* emphasizes interpretive reporting and analysis for its targeted audience of business novices. This "behind-the-news" approach places a premium on stories that attempt to explain the *why?*, the *so what?* and the *what's next?*

Since its premier, *Marketplace* has quintupled its audience, which now totals more than 3.7 million listeners per week on more than 290 stations. *Marketplace* is distributed nationwide by Public Radio International (PRI) and is heard around the world via American Forces Radio & Television Service, and on World Radio Network, a direct broadcast satellite channel serving Europe, Asia and Africa. In addition to its extensive radio bureau network, *Marketplace* is also affiliated with *The Economist Magazine* and Reuters.

Praise for both *Marketplace* and *The Savvy Traveler* abound. Early in its history, *Marketplace* was named "best business program" in the U.S. by the prestigious *Columbia Journalism Review*. More recently, *Marketplace* received the 1997 Loeb Award in the radio category, the 1997 Clarion Award for "Regular News" and in January 1998, the highly coveted duPont-Columbia Award for "Excellence in Overall Show." In 2000, *Marketplace's* Japan Bureau won the Overseas Press Club's Best Business Reporting in Broadcast Media Award. According to *Washingtonian Magazine*, *Marketplace* is in the top four most-listened-to programs by business leaders. The Station Resource Group reported that, according to industry leaders, *Marketplace* is one of five "must-have" programs for public radio stations. *The Savvy Traveler* is the 2000 recipient of the Gracie Allen Award, presented by the Foundation of American Women in Radio and Television.

In April 2000, Marketplace Productions was acquired by Minnesota Public Radio (MPR), one of the nation's most successful public media companies producing more radio programs for national distribution than any other public radio station in the country. The acquisition of Marketplace Productions adds three more strong programs to MPR's already impressive resume of celebrated shows, including *A Prairie Home Companion* and *Saint Paul Sunday*.

HISTORY OF MARKETPLACE PRODUCTIONS

- 1988 - American Public Radio (now Public Radio International) hires Jim Russell to design a new public radio business program. Network convenes station brainstorming meeting in St. Paul and commits to funding the series. In eleven years of production, PRI has secured more than \$20-million in funding and has quadrupled station carriage.
- 1989 – In a whirlwind three months, the program is created, a staff is hired from all over the country, and studios are built in Long Beach, California. *Marketplace: The International Magazine of Business and Finance* goes on the air on January 2, 1989.
- 1990 – The University of Southern California acquires Marketplace Productions from Pacific Public Radio. The production company moves to the USC campus in downtown Los Angeles. General Electric signs on as exclusive corporate underwriter. Jim Angles is the host. The *Marketplace* Japan Bureau opens. The *Columbia Journalism Review* names *Marketplace* the best business show on radio or television.
- 1991 – The *Marketplace* London Bureau opens, and during the Gulf War, *Marketplace*'s audience reaches 1.6 million. Future Clinton cabinet secretaries, Robert Reich and Bruce Babbitt become *Marketplace* commentators, as does veteran journalist, Eric Sevareid.
- 1993 – David Brancaccio moves from the *Marketplace* London Bureau to become senior host in Los Angeles. The audience for *Marketplace* surpasses 2 million listeners weekly on 200+ stations.
- 1997 – *Marketplace* receives the 1997 Loeb Award and the 1997 Clarion Award for “Regular News.” *Marketplace* listenership tops the 3-million mark. Marketplace Productions launches *The Savvy Traveler*, a weekly travel series featuring host Rudy Maxa.
- 1998 – The highly coveted duPont-Columbia Award for “Overall Show” goes to *Marketplace*.
- 1999 – More than 3.7 million people listen to *Marketplace* each week on more than 270 public radio stations.
- 2000 – Marketplace Productions is acquired by Minnesota Public Radio. *The Savvy Traveler* receives the distinguished Gracie Allen Award, presented by the Foundation of American Women in Radio and Television. The *Marketplace* Japan Bureau wins the Overseas Press Club's Best Business Reporting in Broadcast Media Award. *Marketplace* carriage tops 290 public radio stations.