

November 30, 2015

VIA EMAIL AND OVERNIGHT MAIL

Thomas Krise
President, Pacific Lutheran University
Hauge Administration, Room 116
12180 Park Avenue S.
Tacoma, WA 98447

Pacific Lutheran University Board of Regents
c/o Office of the President
Hauge Administration, Room 116
12180 Park Avenue S.
Tacoma, WA 98447

RE: *Proposed Sale of KPLU to the University of Washington*

Dear President Krise and PLU Board of Regents:

On behalf of the Community Advisory Council of Pacific Public Media (KPLU 88.5), I write to object to Pacific Lutheran University's plan to sell KPLU to the University of Washington and its public radio licensee, KUOW. For the reasons stated below, we believe this decision is fundamentally misguided. We urge you to withdraw from further negotiations with the University of Washington and to consider other options.

The Council exists because the Corporation for Public Broadcasting requires any public broadcast station to which CPB distributes funds to establish and maintain an advisory board. CPB mandates, as do the Council's own bylaws, that the Council's role be strictly advisory. Our advisory capacity should not be interpreted, however, to mean that the Council serves no substantive purpose. The Council's bylaws require it to "represent the interests, needs, and concerns of the station's listening public." CPB directs that the Council's purpose "is to provide a vehicle for effective community input to the station's governing body about station programming, community service and impact on the community from the station's major policy decisions."

For a public radio station, there can be no policy decision more major than one to transfer its license to and effectively fold its operations into those of another licensee. As such, we are disappointed that the University did not see fit to alert the Council of its interest in selling KPLU, to inform it prior to negotiations with the University of Washington, to consult it during negotiations over the terms of a sale, or to advise it of the sale before the proposed transaction was announced to the public. These failures reveal a startling disconnection between the University and the community served by KPLU, and an unfortunate disregard for all those whose support has sustained the station for 49 years.

Regrettably, the Council's ability to exercise its right to offer the "effective community input" required by CPB comes only after principal terms have been agreed to by PLU and the University of Washington and a letter of intent has been signed. Despite this late input, we hope you give our concerns and our advice the consideration they deserve.

As have all KPLU listeners and supporters, we have heard the University's assurances that the proposed sale will only benefit listeners and the communities served by both KPLU and KUOW. We have been told that an effective merger of these stations will strengthen KUOW's all-news programming, allow for 24-hour jazz service at 88.5, and promote "synergies" that will allow both stations to operate more efficiently.

These assurances give us little comfort. First, they ignore the benefit of an independent, alternative source of public radio news and public affairs reporting. It is not necessary to view the news departments of KPLU and KUOW as competitors to realize that each is made better by the existence of the other, or to conclude that the communities they serve benefit from the existence of both. We reject the analogy the University attempts to draw between this proposed sale and the City of Seattle's survival of the demise in 2009 of its second independent daily newspaper, particularly because the University's suggestion that the online Seattle P-I is now a "vibrant" media resource cannot be taken seriously.

Second, these assurances overlook the around-the-clock jazz service already available via KPLU's streaming service, Jazz 24. Because such care is taken in curating the music streamed on this online resource, it now enjoys a local, national, and international weekly audience of over 90,000. Many local KPLU listeners have, while traveling out of the region or abroad, experienced the delight and comfort of hearing their local jazz station being played in a restaurant, hotel lobby, or cafe. We wonder whether the University fully appreciates the positive publicity gained through this national and international exposure or, for that matter, the goodwill generated by KPLU's local efforts to promote jazz through its studio sessions and its support of local artists and music education.

Third, these assurances reveal a failure to understand that many KPLU listeners choose this station because they appreciate the balance of news and music KPLU offers and the quality of news, public affairs, and music programming that a mixed format helps facilitate. We all are familiar with radio stations whose single-format programming ambitions exceed their talent and resources, and we value KPLU's refusal to compromise the high standards it has set for its music, news, and public affairs programming.

Our role as the station's Advisory Council has given us special insight into KPLU's efforts to maintain these high standards. As stated above, our Council exists because the Corporation for Public Broadcasting requires it to. But it is a testament to KPLU's commitment to quality and to the communities it serves that its staff engages the Council to help it make programming decisions. We are privileged to have worked closely with General Manager Joey Cohn, News Director Erin Hennessey, Music Director Nick Francis, Director of Content

Matt Martinez, and other members of KPLU's staff. Indeed, our primary misgiving about the proposed sale is that it reflects the University's apparent failure to appreciate the exceptionally talented team KPLU has assembled and the commitment to excellence that is so ingrained in the station's culture. There is no stronger evidence of this commitment than the anger and emotion now being expressed by KPLU's listeners and supporters over the possible loss of their station.

We also feel compelled to register our concern that certain assertions made and information offered by the University to justify its decision to sell KPLU are misleading or flatly incorrect. While it is true that overall radio listenership has declined in recent years and that the future of radio as a medium is unclear, KPLU itself is thriving. The station's weekly combined terrestrial (on-air) and online audience now exceeds 430,000, up from 360,000 in 2012. KPLU boasts the 12th largest public radio audience in the country. Its success in building its listenership belies any assertion that the station's programming is not valued or is effectively "redundant."

We also look with suspicion upon any suggestion that KPLU represents a significant financial liability to the University. More than half of KPLU's \$7M annual operating budget is funded by individual donors, with 35% underwritten by local businesses, and the remainder funded through CPB, grants, and foundations. The University's annual cash contribution to KPLU of approximately \$30,000 represents less than one-half of one percent of the station's operating budget. In contrast, the other 26 private colleges and universities that hold public radio station licenses give an average of \$290,000 in cash support to their licensees, representing over 17% of these stations' total cash support. Fortunately for KPLU, financial support from listeners has never been higher; only in years when the station has launched major capital campaigns have total individual contributions exceeded those received in 2015. That this support came despite shortened fund drives proves that public radio listeners can recognize and do willingly reward quality.

We understand further that the University's desire to devote the on-campus Martin J. Neeb Center to other uses is one reason for its decision to sell KPLU. The University seems to have forgotten that the construction of the Neeb Center was funded primarily through donations by KPLU supporters. Six million dollars was raised in response to a capital campaign run by KPLU, and an additional \$2.5M was funded through KPLU's sale of a broadcast tower it owned and a withdrawal from KPLU's cash reserves. KPLU listeners responded generously to this campaign because they believed what they were told—that a contribution was an investment in KPLU's long-term future. The University's assertion that it now cannot afford to allow KPLU to continue using a facility whose construction KPLU listeners and supporters funded is breathtakingly out of touch.

As an advisory council serving just one of the University's assets, we have no obligation, right, or ability to evaluate the University's financial health. We therefore have little choice but to take the University at its word that the proposed sale of KPLU is not driven by

financial need. Nevertheless, we appreciate the financial pressures that all colleges and universities face, and we understand how selling an asset peripheral to a university's central educational mission might have appeal. Still, we are concerned that the University's decision reflects a failure to appreciate the true value of KPLU to the University. And we are equally concerned that it reveals a failure to acknowledge and act in accordance with ethical responsibilities owed by any holder of a public radio license.

We are reminded of the financial problems faced by the City of Detroit and the proposal to sell prominent works of art owned by the City and displayed in the Detroit Institute of Arts. As the owner of those works, the City's right to sell them was not subject to legal challenge. But community advocates, civic leaders, and the local and national arts community prevailed upon the mayor and City Council to recognize the art collection as a community asset and to appreciate the full scope of the City's civic responsibilities regarding that collection. Detroit has yet to solve its fiscal problems, but City administrators now admit that what seemed initially to be a responsible, even wise proposal was misguided, shortsighted, and a fundamental disservice to the community and, indeed, to the City itself.

We understand that the University, as a private institution, has no such civic obligation. We appeal to you, however, to recognize that the University is the custodian of what is essentially a public resource and community asset, and to accept the ethical responsibilities to the public that are intrinsic to that asset.

A decision to sell KPLU to the University of Washington would cause the permanent loss of a cherished institution. If the University truly wishes to sell KPLU, we urge it to consider the possibility of community ownership or some other means to preserve the station's status as an independent public radio affiliate. Because no financial urgency is driving the University to sell, we ask that any further action on the proposed sale be deferred for a period sufficient to allow for any such alternatives to be explored and adequately considered. Should the University choose this course, the Council stands at your service to aid you in any way it can.

Sincerely,

A handwritten signature in blue ink, appearing to read "Stephen Tan".

Stephen Tan
Chair, KPLU Community Advisory Council

cc: KPLU Community Advisory Council
Joey Cohn, KPLU General Manager