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Saga's Ed Christian On Local Radio: 'What We Do Cannot Be Replaced.'

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Saga Communications CEO Ed Christian is known for his untraditional approach to earnings calls, frequently using the opportunity to wax philosophical about something he's passionate about. These tangents are what differentiate Saga's earnings calls from everyone else's. On Friday that involved playing an aircheck for investors and using it to show how great local radio is irreplaceable, despite an expanding audio landscape.

The clip was from "The Mr. Bob Morning Show" on Saga's "93.7 K Country" WOGK Gainesville -Ocala. In it, a listener spoke of attending a benefit for a young boy stricken with terminal cancer, and how the boy happily showed off the chemo duck he was given by the station to help with his chemotherapy as part of its Stop! Children's Cancer Bear-A-Thon. "The stuff you guys do, you don't get enough recognition," the listener told the morning show hosts. Christian pointed to the clip as "a perfect example of why good radio will never die.

"Bring on the skeptics, bring on the podcasts, bring on the satellites, bring on the music streamers, none can compete locally better than great local radio," Christian declared. "And you've just heard one example, and you've got to put yourself into that market to understand it."

Yes, Christian and CFO Sam Bush did report Saga's financial results, which point toward a recovery that gained steam in March. But Christian made the case that all the numbers and metrics are secondary to the commitment radio stations make to their local communities.

"You can't measure this feeling of good local radio with ratings or cost per point or impressions," he explained. "You really have to be in the community to feel both the commitment and the passion and the tactile imagery that local radio has the ability to energize."

Flipping the bird to the naysayers, Christian reaffirmed his belief in the industry's future, despite having just endured a brutal year. "We as an industry will survive," he said. "We will prosper because what we do cannot be replaced."

Robust political spending helped the company reduce its year-over-year revenue decline to less than 10% in fourth quarter 2020. The company reported revenues of \$28.8 million, a 9.4% decrease from Q4 2019 when it booked \$31.8 million, and a 19.1% sequential improvement over third quarter, when revenues fell 23% to \$21.4 million. Bush called it a "pretty good performance, given the ongoing COVID issue that we are all facing."

Saga rang up \$3.8 million in political ad sales in the quarter and \$6.9 million for all of 2020, which appears to be a new record for the mid-market specialist. That compares to \$2.9 in political billings for the 2018 midterm election cycle and \$3.8 million in the last presidential election of 2016.

Christian said first quarter 2021 remained a recovery period and the company is on track to post a 3% revenue increase over Q1 2020.

"I don't want to jinx anything, but right now, April and forward are showing us gaining much momentum as compared to 2020," Christian said. "It's working towards a normalcy of 2019 kind of growth that we were experiencing in 2018 and 2019. We do see that. We're getting calls from national advertisers wanting to get back on the air - very encouraging, very encouraging."