IS HEALTH CARE THE NEW #1 AD CATEGORY?

BIGGER THAN AUTOMOTIVE SOON

There was a time when automotive was far and away the #1 ad category for virtually every TV station and cable ad sales office in the U.S. Despite digital, fragmentation, and manufacturer requirements, it’s still the #1 or #2 ad category in many, if not most, markets.

But Health Care is a close second, or even #1 now in markets where stations and account reps have uncovered the opportunity to match health care professionals and consumers with emerging products and services. Why the increase in Health Care spending?

“A lot of doctors are frustrated with the current health care system. Doctors are over worked and have very little time to visit with patients, and the system has driven down the amount they can charge, and how much they can eventually collect,” says Jim Doyle Associates President John Hannon.

But frustration has turned to opportunity. “These same doctors are learning new skills. They’re adding services like Lipotropic Injections or Botox in order to expand their business and create cash clients.”

And when they add these new services, they need to advertise them. Many doctors are getting away from contracts with organized health care and with hospitals and are turning to Botox, Lasers, Hair Restoration, Skin Care, Liposuction, and Cosmetic Surgery for new clients and higher margins. These are usually services paid for in cash. No Medicare, and no government regulation to deal with. “But they need to tell their story,” and Hannon says that makes them a prime prospect for TV and Cable.

Hannon told Spots n Dots that during a recent station visit in Memphis, his client discovered there are three clinics in that city alone specializing in another emerging service - limb replacement. One had a $200,000 advertising budget. “And the category continues to grow. “In 5-7 years, Health Care will be as big as or bigger than automotive in most markets.”

How do you prospect for Health Care clients in your market? “Watch for national ads during the network newscasts. Find the local doctor that specializes in the procedure or drug advertised. If you see a national ad, you can bet there are reps busy signing up doctors to sell that service or drug.”

But don’t give up on automotive. “Auto dealers still need TV. But work to be the smartest sales rep calling on the dealer or agency. Speak their language. And help them make sense of digital,” adds Hannon. “When you’re selling TV, you have to sell digital. And when you sell digital, you have to sell TV. If you’re not selling both, you’re forgoing an opportunity for your client.”

ADVERTISER NEWS

Omaha-based Gordmans is reported to be preparing a bankruptcy filing that could come this month, according to the World-Herald in that market, which says the department store chain has reported falling sales for years. The company last reported positive comps in the third quarter of 2015 and the paper adds “sales stagnated or declined through 2016.” The chain consists of 106 stores in 22 states according to Chain Store Age……Another bankruptcy, this one expected—hhgregg filed a Chapter 11, just days after announcing the closing of 88 stores. “We’ve given it a valiant effort over the past twelve months,” the CEO said, also noting it “has signed a term sheet with an anonymous party to purchase” gregg’s assets……Ross Stores and other “off-price” apparel retailers have been hurting sales at department stores such as Gordmans, and Ross is in expansion mode. Plans are for Ross to open 70 new stores this year along with 20 of secondary chain dd’s Discounts. The company’s Chief Development Officer foresees an eventual 2,000 Ross locations (there are 1,561 now) and 500 dd’s (196 now)……ascena retail group (which chooses not to use a capital “A”) is entirely involved in apparel and Catherines’ flat comp-store results for the quarter that ended on 1/28 were the company’s best achievement. Ann Taylor comps were down 9%, Loft -2%, maurices -8%, dressbarn -3%, Lane Bryant -5%, and Justice was down 1%. The CEO cites “ongoing store traffic headwinds and overall price sensitivity.” Store count was down a net 42 locations in the quarter……Dick’s Sporting Goods same-store sales were up 5% in the November-January fiscal quarter, but profit fell as costs rose faster than sales. The chain has been gaining markets share as competitors such as Sports Authority, Eastern Mountain Sports, Sports Chalet and others have filed for bankruptcy or liquidated…. ....(Continued on page 3)
NETWORK NEWS

The new Fox comedy pilot Linda From HR has cast Tim Dekay (White Collar) and Zachary Knighton (Happy Endings) in lead roles opposite Lauren Graham. Dekay will play the title character’s (Graham) husband, an average guy who can’t help but win people over, and Knighton will play Linda’s co-worker that’s hiding a secret. CBS CEO Les Moonves told a group of investors that a 48-episode renewal of The Big Bang Theory is “on the two-yard line” and the hit comedy’s prequel is very close to reality. Moonves told his audience that he expects Little Sheldon would most likely follow Big Bang in the line-up. He noted that the network will likely pick up two comedies and two dramas from the 17 pilots auditioning for the fall prime time schedule. The cast of the ABC crime drama pilot Las Reinas continues to grow with the addition of Matthew Davis (the Vampire Diaries) and Amanda Warren (The Leftovers). Davis will play a good guy cop and Warren will play the head of the Organized Crime Taskforce. Modern Family star Julie Bowen says she has no idea if the hit comedy will be back on ABC for a ninth season, however she went on to say “I feel confident. I’m optimistic about so few things, but I feel like Modern Family I should be optimistic about.” Talks continue between ABC and 20th Century Television seeking to secure agreements with the cast for a new season. Prime time actor Noah Wyle (ER, Falling Skies) is returning to broadcast TV in the lead role in a new CBS drama pilot. Wyle will star as Deck, the former general counsel for the NSA, a whistleblower in an international scandal on Private Citizen. Allison Brie (Community) has agreed to make an appearance on the ABC comedy Dr. Ken. Bier will be part of a Community reunion episode of Dr. Ken, airing on March 31st. Other casting news from ABC includes the announcement that Craig T. Nelson (Parenthood) has been tapped for a role on Raised by Wolves. Cooper Friedman (Colony, Girl Meets World) has also been cast as a series regular on the comedy pilot. Jon Cryer (Two & A Half Men) will join the cast on the ABC comedy pilot Losing It, about three siblings and their parents all “losing it” in different ways. Child actress Lexy Kolker has been picked to play the role of Fable in the new CW pilot Searchers. In the pilot, Fable and her brother discover that some of their late mother’s tall tales and legends hold some truth and could be the key to discovering some of the great myths and mysteries of the world.

MORE HOUSEHOLDS CHOOSE NETFLIX OVER DVR

More U.S. television households now have Netflix than have a digital video recorder, according to a recent study, per Variety.com. 54% of adults have Netflix, while 53% have a DVR, according to Leichtman Research Group’s annual on-demand study. It’s the first time that households with Netflix, including those that use shared accounts, have surpassed the level of those with a DVR in the history of LRG’s studies. But take note: According to LRG, previous surveys show that nearly 20% of Netflix customers share passwords with those outside their household.

AVAILS

E.W. Scripps is seeking a qualified, dynamic, driven leader to join our market leading team. We are currently seeking a high-energy, multi-tasking Local Sales Manager to join our sales team at KMGH-TV in Denver. The LSM is responsible for leading and motivating the local sales team, and for developing new business for station utilizing and maximizing all station platforms including but not limited to broadcast, digital and mobile. Minimum 3-5 years media sales experience, management experience strongly preferred. Apply at www.scripps.com. EOE.

Do you dream of a well-balanced professional and personal life? Are you interested in living in a community that offers an abundance of fresh air where you can hike, bike and hunt…right outside your doorstep? KTVO ABC and CBS is located in Kirksville MO, serving the Kirksville MO/Ottumwa IA market, has an opening for a Sales Manager. We’re looking for someone who is motivated to learn and grow in this position. Get more info or apply now at: www.sbgi.net, look for job #7626. EOE/Drug Free.

KSLA News12, a Raycom-owned CBS and Bounce affiliate serving the Shreveport/Bossier City market in Northwest Louisiana, is looking for a dynamic General Sales Manager to join the best sales team in the ArkLaTex. Candidate must be an innovative leader who knows how to maximize revenue on our CBS and Bounce stations and digital platforms. This individual will have experience coaching, training and leading team members to consistently growing market share and new revenue. Please CLICK HERE to apply, and send a cover letter, resume and references. No calls please. EOE-M/F/D/V.

WKMG-TV/News 6 Getting Results is seeking a Research Director to join the Graham Media Group owned CBS Affiliate in Orlando, FL. The Research/Marketing Director will work with WKMG departments and play a key leadership role in utilizing research to grow and develop ideas for sales, news, marketing and promotions. Join a team in a Top 20 Market that has consistent population growth, vibrant communities and a growing economy! CLICK HERE for more info or to apply now. EOE.

WSAV-TV (Nexstar Media, NBC affiliate) in beautiful Savannah, GA, is looking for a goal-oriented, dynamic, energetic, salesperson that knows how to develop, present, and close creative customer-focused marketing solutions. If you enjoy a fast-paced team-oriented environment and the ability to manage your time effectively to develop prospects, cold call, create marketing campaigns, and close new business, we want to talk to you. Send resume hr@wsav.com and APPLY ONLINE. No calls please. . Pre-employment drug screen and background checks required. EOE M/F/D/V.
GROWTH AHEAD IN PET MARKET

Pets today are more a part of the American family than ever. And a new report by Nielsen finds that people are not only spending more on their pets—but that the four-legged members of the family are even influencing shopping habits.

The report says pet owners are increasingly interested in pet food options that address many of the same health concerns that are influencing human food production, such as unnatural preservatives and genetically modified ingredients. While the humanization of pet food isn’t a new trend, it may offer more of an opportunity than retailers and manufacturers realize.

The pet care category alone has grown two times that of the overall center of store for grocers and mass market retailers over the past five years. And Nielsen sees evidence that pet owners are keen to continue splurging on their furry family members—fueling category growth along the way.

But there’s more upside to the pet aisle than just category dollar spend. In fact, the pet care category triggers more trips to the grocery store than any other category, with 57% of pet care category needs prompting a shopping trip. Categories that drive shopping trips are critically important to manufacturers and retailers because they generate more in-store traffic than other categories.

The importance of the pet care category will not diminish over time. The extension of healthier choices and lifestyles into pet care is not a fad,” says the Nielsen report. “Rather, it’s a fundamental shift in consumer behavior and preference." But capitalizing on this shift isn’t as simple as stocking the shelves and opening the store’s front doors. Consumers are picky about what they bring home to their furry friends, so retailers have to stay on top of trends in the segment.

CONTINUED GROWTH FOR CAR RENTALS

The worldwide car rental market, which totaled $87.07 billion, is seen rising at a compound annual growth rate of 14.4% during the period from 2014 to 2024, according to a new forecast by Transparency Market Research (TMR). At that rate, the market’s valuation is likely to touch $290.07 billion by the end of the forecast period.

Thanks to the rising number of air travelers, together with the increasing globalization and industrialization, the airport transport segment is likely to remain the leading car rental category for the next few years. Noting the presence of Enterprise Rent-A-Car, Avis Budget Group Inc., Hertz, EuropCar and Sixt, TMR says the global market for car rentals exhibits a highly competitive and consolidated landscape. These players, collectively, accounted for more than 75% of the overall market in 2015.

Currently, these big car rental players are focusing aggressively on broadening fleet sizes and including technical gadgets, such as GPS and music systems, in order to increase the profitability. This, as a resulting, is likely to intensify the rivalry between them over the forthcoming years, notes the research study.

ADVERTISER NEWS (Continued from page 1)

.... Dollar Tree expects to open about 650 new stores this year; it’s also adding freezers and coolers to more stores so as to offer fresh food in about a third of its 14,000+ locations......Publix is increasing its capital expenditures budget to about $1.85 billion this year, after adding 32 new stores and remodeling 156 others last year. Its biggest effort is opening a dozen stores in the Richmond market and adding other locations in Virginia......Along with its just-announced agency change, Captain D’s announced several new franchise agreements saying "our franchising pipeline will help drive Captain D’s presence nationwide over the next several years." Its pitch to potential franchisees is six consecutive years of same-store sales gains and four successive years of record systemwide Average Unit Volume.

THIS AND THAT

The advertising industry is getting support from tax reform groups in resisting yet another proposal in Congress to restrict tax deductibility of advertising as a way to boost tax revenues. A letter from a coalition of tax groups and another from Chambers of Commerce representing minority and LGBT-owned businesses warn that targeting advertising would have a negative impact on jobs. The groups urge Congress instead to pass comprehensive tax reform to boost the economy......Unlimited data is not only a promotional pitch for mobile device companies, but for connected cars as well. Chevrolet is the first mass-market brand to offer an unlimited data plan for vehicles with its OnStar 4G LTE Wi-Fi hotspot technology. The Chevy partnership with AT&T will offer the pre-paid unlimited data plan across the entire retail lineup of cars and trucks for $20 per month......Economic activity in the manufacturing sector expanded in February, and the overall economy grew for the 93rd consecutive month, according to the latest report from the Institute for Supply Management. Both production and new orders were up from January.

MONDAY NIELSEN RATINGS - LIVE + SAME DAY

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