

"One of America's Finest Small Market Radio Broadcasting Companies"

HEARTLAND CFO: "2012 ENDS ON A HIGH NOTE"

"Both revenues and broadcast cash flow (BCF) ended on a high note," according to Heartland CFO Deb Josephs, CPA. "In a very weak economy, we finished very strong," said Josephs. Sales were up company-wide from 2011 to 2012 by 8.9%. In January 2012, national broadcast trade publication Inside Radio, stated "BIA/Kelsey is projecting local and national spot radio will be up 3.5% this year (2012)." The final 2012 national revenue performance numbers are not yet available this early in January 2013, but it is suspected that the 3 to 4% increase figure will hold true. Heartland's 2011 to 2012 revenue increase at 8.9% out paces the national average by over two times.

Heartland BCF, according to Josephs, ended the year at 24.7%. "In the economy we experienced in 2012, this is excellent performance," said Josephs. BCF is a radio industry measure of the operational activity that Heartland station management can control. BCF does not include depreciation, amortization or interest expenses (similar to EBITDA). Additionally, BCF does not include corporate/overhead expenses or non-cash expenses for barter activity.

"I have asked Deb (Josephs) to put together a spreadsheet from 2008 thru 2012 showing dollar amount and percentage changes in revenue, expenses, BCF, EBITDA and bottom-line income," said Heartland president and CEO Jim Coursolle. "I believe this spread-

sheet will show that 2012 might be the first year Heartland has finished in the profit column in the last five years," according to Coursolle. NorthStar Properties LLC, owned by the Coursolle Revocable Living Trust, purchased the ten station group, Heartland Communications Group LLC in May of 2010.

"The credit for this excellent progress in 2012 is due to the talent and hard work of the great people on the Heartland team. I want to thank our V.P. and GMs Scott Jaeger, Darla Isham, Jim Hodges and Dan Wheeler and all of their team members and also Lynn Weiland, Kathy Wawioroka, Deb Hytry and Deb Josephs in our corporate office. Our remarkable progress is because of them," said Coursolle.



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editor and publisher

SEVERAL SUCCESSFUL ACCOMPLISHMENTS

Heartland Moves Ahead Despite Declining Economy and 2nd Highest Unemployment in State

Hearthland finished 2012 with an excellent improvement in accounts receivable collections at 78.2%. The national industry average ranges from about 80 to 85%.

According to accounts receivable reports issued by Heartland CFO Deb Josephs, CPA, in 2009, just before the Coursolles purchased Heartland, the year finished at 52.1% of accounts receivable being collected with some months posting as low as 38.8%, 41.7% and 49.1% accounts receivable collections. Ac-

ording to Jim Coursolle, "It was very hard to pay the bills... almost impossible." He said the improvement has been very significant and is due to the relentless efforts of the Heartland GMs, salespeople and Lynn, Deb H and Deb J in corporate. This was great teamwork!"

Heartland's "Freedom Talk" AM stations WATW, Ashland, WFPF, Park Falls, WERL, Eagle River and WFER, Iron River, MI increased revenues by 30.5% over 2011. Heartland CEO Coursolle said that the very identifi-

able and well branded talk format gave our four Heartland AM stations direction and purpose. "People now know who we are," said Coursolle. Even in heavy liberal areas like Ashland and Park Falls, our conservative talk formats significantly increased revenues and listeners. We must be the station they hate to listen to twice a day?"

The Heartland talk stations air Rush Limbaugh, Sean Hannity, Mark Levin, Glenn Beck and Wisconsin's own Vicki McKenna plus "Coast To Coast" overnights.

www.heartlandcomm.com

Pres. Release

Every year about this time we hear the same old stuff about getting a “new start” for the New Year, blah, blah, blah. Actually, this year I have heard less about New Year’s resolutions, etc. than ever before. It kind of makes me wonder if people have just sort of tossed in the towel on the idea of implementing changes in their lives, at least at this time of year.



Jim Coursolle
President, CEO

I can understand that. With the whirlwind of traditions and “ways of life” being questioned and even threatened, one can certainly start believing that a person just doesn’t have any control over their lives or circumstances any longer. A person can easily come to the conclusion that no matter what they do, it won’t make any difference. Someone said to me the other day, “It seems like everything I value is being challenged

by some politician or some group with an agenda....what’s the use anymore?” The words “radical change” are being used a lot. This person went on to say something like, “They’re trying to ‘tip things over’ and I feel helpless.”

My guess is that throughout history, when major change has been implemented either systematically or not so systematically, people have felt threatened or helpless in some way. It’s not a new occurrence.

Here’s the good news: you aren’t helpless. You can be in control. You can benefit from change and much of the time, that change may be just the catalyst for bigger and better things.. It’s the old Dale Carnegie adage, “When life gives you lemons, make lemonade.”

If you think that you need to substitute, improve or replace something going on in your life, it is very possible to do so. But, you have to take control and you have to take action to get the effect you are looking for. As I am sure you have noticed, usually, nothing happens by coincidence.

Let’s take someone on the Heartland team for example. Let’s say an on-air talent wants to im-

prove their daily show. Like most things in life, you will have to specifically define what it is about your performance that you want to improve. Do you want to improve your content? That takes preparation time. There’s a ton of stuff -- both informational and humorous -- on the Internet if you are willing to spend the time looking for it. Or maybe you want to improve voice tone, inflection or diction? You may have to spend significant time practicing with a recorder and working with your program director to accomplish the results you desire.

Early in January, I sent all Heartland GMs a set of “Heartland Income Worksheets” to go over as a group and individually with their sales team. These forms map the way to increasing a salesperson’s income, clearly pointing out the amount of advertising sales a certain salesperson would need to make in order to accomplish a certain personal income level goal. Once an amount is decided upon, a salesperson will need to put together strategy to accomplish the results they desire. The Radio Advertising Bureau and many sources on the Internet will be

helpful in obtaining your objective. Your income strategy will require expending effort by thorough preparation and planning.

So, if a person really makes the decision that they want to make improvement in their life, they will find the way to take control, take action and change whatever it is they feel needs changing.

I’ve always found that knowing the fact that I could change something going on in my own life was a huge stress-reliever. I like the fact that I have the ability to make the change; that I have the control most of the time and enough of the time, to do so. Just knowing this fact, I’ve found helpful. I also believe knowing this, should bring a great deal of control and freedom to anyone’s life.

Here’s to a better ALL of us in 2013!

December Top Sellers



Market Managers

Dan Wheeler	\$18,742
Darla Isham	\$14,064
Scott Jaeger	\$12,509

Sales Reps

John Warren	\$39,766
Trish Keeley	\$17,198
Renee Basina	\$13,952
Tim Zier	\$10,922
Sue Baker	\$10,626

BIRTHDAY “BROADCASTS”

JANUARY

- 4th – Peggy Kaczowski – Eagle River
- 5th – Starr Helgemo – Iron River
- 11th – Trish Keeley – Eagle River
- 17th – David Olson – Ashland
- 25th – Kathy Wawiora – Corporate

FEBRUARY

- 5th – Tim Zier – Eagle River
- 14th – Renee Basina – Ashland
- 16th – Aaron Bobnock – Iron River
- 18th – Jim Slagle – Eagle River
- 19th – Preston Vaughn – Park Falls
- 22nd – Rick Frischmann – Park Falls



Ashland



“By The Big Bay”

GM NOTES...

By Scott Jaeger, GM WBSZ/WNXR/WJH/WATW

Christmas music, decorations and busy shoppers – 2012 is in the books! I want to thank the staff in Ashland for a great year! We narrowly missed our annual budget, but ended up with a nice increase over the previous year. Now it's on to bigger fish, the nature of the beast and more increased sales. I really believe, though, that the Ashland staff is up to the task.

We are definitely feeling a punch in the gut with lack of snow. This week it hit 49 degrees in Ashland. In JANUARY? ARE YOU SERIOUS?! We will be working a bit harder to hit our budget as restaurants, resorts and snow-related businesses are feeling the pangs of no tourism.

Right after the new year, I picked up all the money from our Magic Stocking promotion for B.R.I.C.K., our local food pantry. We team up with Coffey Oil and whatever money we collected from our Magic Stocking, they matched dollar-for-dollar, up to \$1000, and it was presented to the food pantry. This year, we collected \$1,517.00 and with their match, we will be able to donate \$2,517.00 to the food pantry.

We are now on to our Annual Heartland Communications Spring Home, Yard and Sport shows. We are hosting one in Ironwood, Mich., March 22nd to the 24th at the Pat O'Donnell Civic Center. At this point, we are close to sold out. We expect somewhere around 90 to 100 booths and almost 50 different vendors.

April 19th to the 21st is the Ashland Home Show at the Bay Area Civic Center. That show is also selling very quickly, with under 15 booth spaces available to date. Again, we should be over 105 booths and over 70 different vendors.

Also, April 19th and 20th is our 2nd annual Heartland Communications Bridal Faire at The Bretting Community Center right next door to the Civic Center. Last year, we drew 31 different wedding parties and hope to increase it this year. The staff is busy selling booth space



Kam Zinnecker, Marion Warren and Kim Jaeger dancing the night away.



Ashland staff at the party.

We are starting to gear up for the Advantage Systems marketing seminars coming to our area in March. Frank Kulbertis always does a great job and it gives us that boost in revenue that we need. Looking forward to it (actually looking forward to it being over and more money on the books. LOL!).

The Ashland Staff enjoyed a very nice Christmas Party at the Best Western Hotel Chequamegon in Ashland. It was nice to have Lynn and Luanne make it up to Ashland this year. I know they enjoyed themselves. We enjoyed a great meal (The Bourbon Plank Salmon is to die for). JD Bass Entertainment played music and, of course, the Ashland crew had a little Karaoke going on! After dinner and dancing we headed to the bar to watch the Packers tear apart the Minnesota Vikings. After that, there was a celebration dip in the pool, and that's all I'm saying about that! I was also happy to see Leland Sar-mont and his wife, Jeanne make it over. Leland has been a very big help to Skip this past year, in a lot of the engineering work that was done.

On a business side, Ashland has lost a few businesses from downtown this past year. Maurices moved by Wal-mart. J.C. Penney's closed their doors. Movies on Main closed. Mainland Clothing store closed. With that said, The Ashland Chamber of Commerce and the Economic Development Committee are putting forth a huge effort to go after some new anchor stores. They are in talks with a few of them now, and the outlook is fairly positive. Get the mine bill passed and they will sign up quickly.

I hope everyone has a great January!



Lynn and Luanne trying to figure out the Ashland staff.



Scott Jaeger
Ashland
VP and General
Manager

www.wbszfm.com

www.wnxrfm.com

www.wjihfm.com



Skip Hunter
Ashland
Program Director

Eagle River



GM NOTES...

By Jim Hodges, GM
WRJO/WERL

Everyone loves a party and the WRJO/WERL staff celebrated the holidays with a wonderful event at Eagle Waters in Eagle River. Besides a great meal and conversation, the highlight of the evening was the "Secret Santa" gift exchange, with a twist. If you didn't like the gift you first received, you could "steal" someone else's gift! The gift that kept making the rounds was a 2013 Green Bay Packer calendar. It was a fun evening and a way for us to thank our associates for their contribution to our success this past year.

The station's "Helping Hands" contest was a big hit with both listeners and retailers. This registration contest generated a lot of entries and nearly 40 quali-

fiers who showed up at Grandma's Toy Box in Eagle River for a chance to win \$1,000 toward payment of their utility bills. The winner, Rose Brazzo, was very appreciative. Plans are to continue the theme of helping our friends and neighbors with additional promotions throughout 2013. Next up, a grocery giveaway!

Hats off and congratulations to Amy Linnett and Mike Wolf for their dedication helping "Angel On My Shoulder," a cancer support organization. In December, they logged 30 straight hours on the air taking pledges, which was no small task considering they didn't sleep the entire time! They used the on-air marathon to create awareness for the January 5th "Polar Bear Plunge" where over 100 brave souls jumped into the water on Big St. Germain Lake. Each "jumper" raised a minimum



Eagle River Christmas party.

of \$35 in pledges to benefit the "Angel" organization plus "Camp Angel," a weekend of fun in January for children of parents with cancer. Over \$25,000 was raised this year, helping the overall total from the past 13 years of fundraising to top \$300,000 in donations.

December 2012 sales were up 51.7% over 2011. The sales team of Trish Keeley, Tim Zier, Julie Anderson and Kris Gaffny did a nice job of increasing sales over the previous year. My sincere thanks also goes

out to the entire staff for their role during our month. It takes everyone working together to provide our listeners and advertisers with a quality product. Kudos, also, to Kris for creating a new WRJO "Off The Air" Facebook page – a place for each AE to share valuable advertising tips and information.

With January now upon us, all of us at WRJO/WERL wish you and your family a healthy, happy and prosperous New Year!



Jim Hodges
Eagle River
VP and General
Manager

www.wrjo.com

WRJoldies
94.5 fm



"THE PLUNGE 2013!"...

By Mike Wolf, PD WRJO/WERL

An entire community comes together to raise funds for locally-based Angel On My Shoulder, a cancer support organization committed to improving the quality of life of those living with or affected by cancer. The plunge took place at noon with a sunny 26-degree afternoon on Big St. Germain Lake. Over the past thirteen this event has raised just over \$304,029.00 for Angel On My Shoulder. Mike Wolf said "An amazing team of plungers and spectators raised a grand total of \$25,023.00 dollars, with donations still coming in. In this economy it's so heart warming to see that the people of this area are still willing to wholeheartedly support such a worthwhile cause."

The WRJO Radio station team raised \$8,085.00 in pledges during the 30-hour Radio Pledge-A-Thon held prior to the plunge date. During that time they interviewed Lolly Rose, founder of Angel on My Shoulder.

Russ "Moses" Huizinga with a

total of \$3,220.00 has now raised more than \$19,000.00 for Angel over the 13 years. A sampling of those waiting in line were identified as plungers from Illinois, Minnesota, Arizona, North Carolina, and Texas with the majority from Wisconsin.

All plungers, received a long sleeve T-shirt, for a minimum of \$35 in pledges along with a commemorative wrist bracelet. Featured on the back of the shirt are the sponsors of the Angel On My Shoulder Polar Bear Plunge who gave their time and money to benefit the event: WRJO, Fibber's, Lakeland Rental, Lakeland Times, Radio Shack of Eagle River, St. Germain Lodge & Resort, Shoeder's RV & Marine, The Pool People, Timber Bay Sport & Dive of Woodruff, Northshore Dirtworks, Business Connection and Pier of



Mike Wolf is the last to jump in, after 103 plungers.

D'Nort Corporation, The Northwoods River News, WJFW TV12 and Under Ground Sounds.

Recipients of the "Guardian Angel" plaques this year were Amy Linnett and Eric Schoeneck for many dedicated years of involvement with the plunge.

To all who participated and donated their time, thank you from the entire Angel Family. Please know that you are now part of our Angel Army.

We hope to see you Saturday, January 4, 2014 for the 14th annual Northwoods Original Polar Bear Plunge to benefit Angel On My Shoulder.



Mike Wolf
Corporate
Program Director

Iron River



GM NOTES...

By Dan Wheeler, GM WIKB/WFER

January finds almost everyone in Iron County doing the snow dance. Two events have already been rescheduled due to lack of snow. The first annual IronLine Dog sled race was moved to February 8th and 9th. And the second annual Mid America Championship Snowmobile Hill climb was rescheduled for Saturday February 16th (WIKB/WFER is the major sponsor of this event). With these two events being moved into February we still have a very busy schedule of activities in January. Join us in doing the snow dance.



WIKB sent loyal listeners to the Montgomery Gentry concert held at the Island Resort Casino in Harris. Brad Zima program director set up the promotion with on-air giveaways and Facebook song of the day.



Dan Wheeler
Iron River
VP and General
Manager

WIKB works with new Northstar Health System Director of Marketing Ryan Perkins to promote another Total Women Event



Lois Heikkila (left) and Sylvia Lindwall show off some of the healthy treats visitors will sample during an exercise and weight loss seminar that began Thursday, Jan. 10, at the NorthStar Health System cafeteria in Iron River. The program is part of NorthStar's Total Women Event series and will focus on exercise, weight loss and nutrition.



A Chamber Raffle Winner was drawn by WIKB announcer Brad Zima during Telephone Time. Chamber of Commerce Executive Director Bob Black presents a check to raffle winner Laurie Whear as Chamber Chief Financial Officer Jill Ponzozza looks on during a ceremony at the chamber's RV park office. The 50-50 raffle netted \$1,520, the chamber's split of the proceeds will go towards office equipment and printing costs for chamber publications.

Heartland Iron River holds Team appreciation event at Zippidy Duda's



Bob Black, Chamber of Commerce Executive Director, and his wife Tina joined our team for our Annual Appreciation Dinner. Bob provided trivia questions and prizes were given away during cocktail hour.



Gary Scalcucci and Herb Green discuss sports during the dinner. Gary is the West Iron Wykons sports announcer, and Herb does the announcing for the Forest Park Trogan's of Crystal Falls.



Brad Zima
Iron River
Program Director

GOOD MORNING, TELEPHONE TIME

As the old saying goes, home is where the heart is, and, with Telephone Time, the longest running radio talk show in

Upper Michigan, it is only a telephone call (or internet stream) away!!

Calls come in from all around the country...

Las Vegas, Nevada, Milwaukee, Wisconsin, Three Oaks, Michigan,



Kenosha, Wisconsin, Ocala, Florida, just to name a few!! The following is just a sampling of what we "get" to hear every day:

... Caller wanted to thank the gentlemen who came, 3 times, to fix his furnace. They finally found out what was wrong, there was a blackbird in it!!

... Full size wrestling ring for sale.

... A single mom called and stated that her children's wrapped Christmas presents were stolen out of her garage. The community came together; immediately 2 people came into the office and gave us

\$150.00 for her!

... Found a ring.

... A lady called and stated that a stranger paid for her dinner at a local restaurant last night. How nice!

... One of our advertisers called, looking for 2 cords of dried firewood he wanted to buy for a local widow and her two children.

... A lady called asking if anyone had a specific movie that she was willing to buy. She called back and said that a nice man brought it to her house and gave it to her!

Park Falls



GM NOTES...

By Darla Isham,
GM WCQM/WPFP

Here we are, it's 2013, the world didn't come to an end and we start a new "Great Cycle" that equals 5,125.36 years. The Maya say the last Great Cycle began on August 13, 3114 B.C. and was to end on December 21, 2012. Now that we've gotten all of that out of the way we can move on already! But first, some important December 2012 events to reflect on.

The photo below is Christmas "CANDYGRAMS" to help the needy. It is a program the Saint Anthony's School Student Council group headed up to help buy Christmas gifts for the area needy children. All proceeds from the CANDYGRAMS went towards Christmas gifts. What a fine group of young community leaders. Among them is Blake Karnick, son of Joel (Park Falls market Program Director) and Shayna Karnick.

December is also the month of Christmas concerts and in the photo, bottom right, a group of Chequamegon Madrigal singers singing a cappella as one of the many acts they performed on stage during the High School Christmas Concert. This group of singers consists of about 20 young men and women in High School who are a traditional fa-

vorite. Among the singers is one of our High School board operators Maggy Isham on the left.

As we move into a new year I would like to take this opportunity to welcome Faye Rogers to our Heartland Radio Family here in Park Falls. Faye was born and raised in the area and

knows many local business people which will give her an edge as she begins her radio sales career.

I am hearing from my reps that it is very quiet out on the street. Some business owners have gone into "I have to hold-off" mode. This is where our sales team has to go into "empathy mode" and not get caught up into the "sympathy mode." Sure, as I'm out introducing Faye to her new accounts and presenting an annual renewal for one of our mom-and-pop restaurants in the area at just \$200.00 a month we encountered "I have to hold-off" from the restaurant owners.

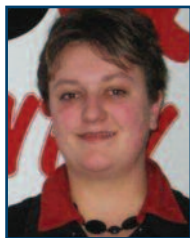
So hold that thought, as a manager, I want to back up a little and share with you a sales close my team named. I use it in my sales training all the time because, in general, if a sales rep goes into "sympathy mode"

they end up using "The Lisa Close." It means leaving the business without a renewal before covering some important details or questioning what's important and best for the business in this economy. I was actually happy that I had this opportunity to proceed with how a rep should handle this objection. I first used one of Tom Hopkins "porky pine" techniques by just repeating back to the client what they said, giving me a chance to get my next thought in check. Then I proceeded to "empathy mode" and told the business owner that I completely understand why they are feeling this way. In asking fact-finding questions about the objection, I found they were very happy with their ads, the message and the placement of the annual advertising campaign.

In fact, they were completely ok with the investment they just didn't want to be embarrassed if there wasn't enough funds to cover it at the end of the month. There are so many ways that one could handle this objection and not enough time in a newsletter to share all of them.

The moral to sharing this with all of you is we got a renewal on the annual. I wasn't afraid to ask the questions needed to be asked and the difference between "Empathy" and "Sympathy."

Happy Selling in 2013!



Faye Rogers



Darla Isham
Park Falls
VP and General
Manager

www.wcqm.com



"CANDYGRAMS" to help the needy, was a program the Saint Anthony's School Student Council group headed up to help buy Christmas gifts for our area needy children.



Chequamegon Madrigal singers sing a cappella as one of the many acts that performed on stage during the High School Christmas Concert.



Joel Karnick
Park Falls
Program Director