

NPR AND DECLINE OF ADVERTISING REVENUE



The new chief executive for NPR, Gary Knell, is making it known that there may be some trouble in the future for both radio and digital news. NPR has seen a major downturn of its advertising revenue. Having only worked as the chief executive for half of the year, six months to be exact, Knell has noticed there has been a decline of advertising revenue. Because of the decline, there has been some discussion of possibly cutting back on some staff members as well as some programs too. There appears to be another particular problem. While NPR seemed to continuously grow its audience as each year passed by, for at least a decade, the growth seems to have flat lined, which is definitely worrisome for NPR and its programs. With such a particularly sluggish climate, there are quite a few challenges that Knell will have to deal with. Knell is known for being a public-media manager but became the chief executive for NPR back in December. Knell was the replacement of Vivian Schiller. Schiller resigned back in March of 2011 after she was caught in an embarrassing conversation, talking about conservatives while in a meeting with people who were pretending to be part of a particular Islamic Group, one that did not exist. After having been embarrassed, she chose to resign and Knell has taken her place. Knell says that NPR has been dealing with a deficit for quite a while, at least three years now. He says that they have had to reach into the endowment as a way of being able to cover the expenses that needed to be paid each year. And, while this may seem bad enough, the hole continues to get bigger and worse. During the month of March, NPR had a recorded deficit of approximately \$2.6 million, which is way above what their endowment could even begin to cover. With such a deficit, one that continues to grow, it is expected that by September, NPR will be in the red zone. Knell has spoken out about details in a meeting earlier this week, alongside of employees of NPR. He admitted that he does not want to have to cut some staff members or cut back on the lineup of its programs and says that is the very last option. But with such major issues that NPR is dealing with, it could end up having to happen. NPR is also dealing with more expenses throughout this year because it will be covering the Olympics, which are set to take place in London and the Presidential Elections, which are set to take place in November of 2012. At this moment, Knell believes that it is generally important to reduce expenses.

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