

PPM Encoding Overview

Arbitron soon will be converting your market from diary measurement to electronic measurement using Arbitron's Portable People Meter™ System. All radio stations recognized by Arbitron as home to the radio Metro or DMA are invited to encode the station's signal. The encoder produces an inaudible code receivable by the meters carried by PPM™ panelists.

Arbitron will provide encoding equipment at no cost for each eligible AM or FM station that chooses to encode. Stations are eligible to encode their signals and to receive encoding equipment, *regardless of subscriber status.*

No metro audience estimates will be tabulated or reported for stations that choose not to encode. Once a market is converted to PPM electronic measurement, estimates based on diaries no longer will be available.

Although a station may begin encoding after the reporting period begins, stations should note that **audience estimates will not be adjusted to exclude unencoded intervals.** For example, audience estimates for a station that begins encoding the third week of the reporting period will include two weeks of zero listening averaged with any listening that occurs during the third and fourth weeks of the reporting period.

Similarly, any portion of a day during which a station's signal is not encoded will be counted as zero listening because no meter will be able to detect listening to the station. It is for this reason that Arbitron provides a monitor and a backup encoder. Close attention to the guidelines and recommendations below will help ensure that each station's audience estimates reflect any listening that occurs during the station's broadcast hours.

Stations will need to give high priority at all times to ensuring the encoder is operating.

Although the encoder is easy to use, the encoder will need monitoring.

The station will need to monitor encoding at all times. We will provide the station with the tools (encoding monitor, backup encoders and associated documents) to make this possible.

Arbitron's Encoding Operations staff will be available to help.

Working in cooperation with Arbitron's Encoding Operations staff, the station engineer will have the tools necessary to ensure the effective installation of encoding equipment. A staff member also will be available 24 hours a day to address questions or concerns regarding operation of the encoding equipment.

Stations should notify Arbitron in advance of frequency moves and other facility changes.

These changes will continue to have important reporting implications. By notifying us in advance, we can work with stations to ensure that their estimates are reported appropriately.

These are exciting and challenging times for the radio industry. We look forward to bringing you the benefits of electronic measurement and welcome your participation.

Notes:

- Each AM station, FM station, Internet stream and HD Multicast station should be encoded separately unless expressly instructed otherwise by Arbitron.
- Upon request, Arbitron will note, on the Special Notices page of the applicable PPM Radio Market Report, any technical difficulties or unencoded intervals (as defined by Arbitron) that a qualifying station reports to Arbitron (subject to verification where applicable).
- Encoding equipment should be used only as instructed by Arbitron. Arbitron may request the return of its encoding equipment from, or decline to publish audience estimates for, any station that uses Arbitron's encoding equipment in an unauthorized manner.