

KERM INC

EEO REPORT- 2011-2012

FEB 1, 2012

GENERAL- KERM INC is an Arkansas Corporation engaged in the broadcasting industry. It has no other business interests. KERM INC began in the fall of 1979, with a 500 watt daytime-only radio station at Rogers, Arkansas (KURM). KURM was improved six months later by increasing power to 1000 watts, and again in 1984 when the station increased power to 5000 watts and added nighttime. KURM FM was later added thru the purchases of stations at Southwest City, Missouri. The addition of KARV AM 610 at Russellville, and later the addition of KARV FM 101.3 at Ola came thru purchases and applications following rulemaking. Those four stations are currently operated by KERM Inc.

KERM INC has always maintained an aggressive recruiting effort aimed at attracting minorities and women among its employees. Thru the years a significant number of African Americans and Hispanic employees have been hired.

CURRENT STAFF COMPOSITIONS

KURM AM AND KURM FM

General Manager and President	Kermit Womack- fulltime
Vice President Sales	Diane Womack-fulltime
News-Sports Director	Dave Shoem fulltime
Programming	Kyle Hill-fulltime
Bookkeeping	Jason Motando-fulltime
Programming	Tim Dennis-fulltime*
Programming	Seth Coburn-fulltime
Programming	Tommy Elmore-PARTTIME
Programming	Hope Mocevnick-PARTTIME
Sales	Greg Hollinsworth- 30 hours weekly
Sales	Daniel Scales-30 hours weekly

* legally blind

NOTE-Staff shares the duties of both KURM AM and FM.

KARV AM (Russellville) KARV FM (01a)

STAFF

General Manager	Chris Womack-fulltime
Programmer	Bill Harshaw-fulltime
Programmer	Robert Ashe-fulltime
News	Rita Richardson-Parttime#
News-Programming	Dee Doyle-Parttime
Sales	Debra Wells-30 hours weekly

African American

Board operator	Donald Cowan-parttime
Board operator	Cheynn Porter-parttime
Board operator	Kristi Orr-parttime

NOTE- The KARV staff was basically static during 2011. Only a job opening in sales was advertised. Since the station location is in a college town (Ark Tech) a number of our parttime employees are college students, who utilize employment to help fund their college.

The KURM staff was for the most part stable during 2011, with the exception of programmer Ross Mullican who returned to Michigan after about 5 years. Also some turnover occurred in programming and sales with the addition of Dennis to replace Kent Haynes, and the hiring of Greg Hollinsworth and Dan Scales in sales.

INITIATIVES-

- (1) KERM INC (Diane Womack) participated in job fairs sponsored by the Rogers-Lowell Chamber of Commerce.
- (2) Our stations (KURM as well as KARV) makes appearances at the following county fairs, where we interview young adults from both high school and college who are showing livestock. This is a great way to expose broadcast jobs to potential students. Those fairs include: Renton, Washington, Madison, Barry Co Mo, McDonald Co Mo, Pope and Yell Counties.

NOTE- KURM provides prize money to Queen and Princess winners.

- (3) SCHOLARSHIPS- KERM Inc awards a scholarship to students who show a potential for the Broadcasting Industry.

NOTE- Tina Phouthavong of Danville was awarded a \$1000 scholarship and later was employed by KARV in our programming department.

J.C. King of Bentonville was awarded a \$2000 scholarship. He is currently attending college in Miami, Oklahoma, studying agriculture.

- (4) KERM INC offers intern programs for minority students at local schools. (see attached letter outlining this summers opportunity)
- (5) KERM Inc maintains an ongoing relationship with a Rogers school organization (DECCA CLUB) by providing guidance, and free air time for the club to conduct its annual radio auction. The event was started by KURM to give the students hands on experiencing in (a) soliciting items from local merchants (b) promotional experience in promoting the event and (c) actual on air conduct of the auction. The club sponsor indicated this "model" has been valuable to his clubs training. Several of the students are minority boys and girls.

RECRUITMENT SOURCES

- (1) KURM and KARV Radio Ads
- (2) Newspaper ads (Morning News, Ark Democrat, Courier Democrat)
- (3) Internet Job site ads
- (4) Notices to Cristino Church of Rogers.
- (5) Notices of job openings to: NWACC ROGERS, MORRILTON VOTEC, MINORITY CLUBS AT U OF A FAYETTEVILLE AND ARK TECH.

KARV HIRES FOR 2011-

Marcus Rhode April 2011 (a rehire from previous employment) **
(Advertising Dept to work 30 hours weekly) ** (American American)

Debra Wells August 2011. Responding to ads in the Courier Democrat, Yell
County Record, KARV Radio, Notice to Arkansas Tech)

Donald Cowan, Jessica Sparks, Kritic Orr hired as part time board operators,
Tech students just looking for part time job.

COPY OF NEWSPAPER AD RUN FROM July 18-31.

WANTED Experienced salesperson for KYEL-KARV Radio. Base Pay plus
commission. Good benefits. Send Resume to corp office, 113
E New Hope, Rogers, AR 72758 or call 1-800-767-7979 for an
application. EOE.

COPY OF NEWSPAPER AD SENT TO THE COURIER DEMOCRAT AND YELL COUNTY RECORD
TO RUN JULY 20th, 2011.

RADIO AD WHICH RAN ON KARV AND KYEL

RADIO SCRIPT

KARV-KYEL radio, Russellville is looking for experienced telephone
and outside sales persons. Persons who wish to telemarket from
outlying areas will also be considered. Base pay and commission. Good
benefits. Send Resume to our Corporate office. KYEL-KARV 113 East
New Hope Rogers, AR 72758, or call Diane Womack at 1-800-767-7979 for
an appointment. WE're an equal opportunity employer.

KURM HIRES FOR THE YEAR 2011

Calab Evans	Progammer	walk in	(no recruiting effort. his Dad a minister has a radio program on KURM and referred)
(worked only one month)			
Ray King	Telemarketer	also a walk-in.	(Didn't stay even a month)
KYLE HILL	Programmer from England)	RE-Hire from a previous employment,	had returned

KURM JOB ADVERTISEMENTS FOR 2011-

MARCH 2011 PROGRAM-SALES INTERNET 6 RESPONSES- NO INTERVIEWS BEYOND
TELEPHONE CONVERSATIONS, NO HIRES.

SALES-	NWACC	
	Democrat Gazette	
	Radio ads	Total Applications 25, interviewed 12.
	Rogers-Lowell C of C	of that total 6 were internet, 4 newspaper
	INTERNET	2 from radio

NONE WERE HIRED

JUNE 2011

NAME	SOURCES USED	TOTAL INTERVIEWS	RESOURCES EFFECTIVE
CHRISTOPHER HAUGH (hired June and left June)	(Sources used included Internet, workforce, radio, Joplin Newspaper)		Radio
Jeffrey Scales (hired in June current employed)	RESULTS- 20 applicants, 12 interviewed. 4 HIRED.		Radio
Ryan Compton (hired June left July)			Internet
Michael Lam (hired July left August)			INTERNET
Greg Hollinsworth	Sales	Source Job Fair. Individual delayed start because he was drawing a large unemployment check.	
Tim Dennis (November)	Programming and news,	Source Job Fair on Oct 31st 5 candidates applied, one hired.	
		SUMMARY OF JOB FAIR 5 candidates indicated interest in programming, 6 for sales, 8 for bookkeeping.	
NOVEMBER 15-Dec	HOLIDAY ADVERTISING ON RADIO.	No responses for sales.	

ENCLOSURES _

- (1) taresheets from newspaper ads
- (2) Sample radio spots
- (3) Notices to chamber and other sources
- (4) TV-Radio internet listings.

CONCLUSION AND ANALYSIS

Despite the greatest efforts to attract and maintain personnel to work at broadcast stations the challenge remains great.

As I have stated in previous employment summaries, the relative low pay at radio stations itself is a major hurdle. When the best and most experienced programmer we have is paid \$36,000 to \$40,000 it doesn't favorably compare with the starting pay of a school teacher with no experience who is paid \$41000 to \$43000 in our local schools for a BA Degree.

Our highest paid employee is in advertising sales but a large percentage of employees will not endure the "hassle" and "rejections" which go with this job.

We pay contract engineers up to \$40 per hour, but the skill level required to do that job, eliminates 99% of all individuals.

So we rely on either low skill employees, or those who have a "love" for this type of service. Fortunately for us, we have enough of those types to stay afloat. Our stations get by because of them, and because my wife and I work 80 hour or so a week.

Additionally, the fact that we program "community involvement radio" which is hard work, makes our challenge even greater. I haven't seen another radio station at a local city council meeting, quorum court meeting or school board meeting, in 15 years.

In Sept 2012, as I turn 78, I will complete my 60th year in this business. My type has often been referred to as a vanishing breed. That perhaps is the reason the radio industry is evolving.

KERM INC
Kermit Womack
President

STATEMENT OF BROAD OUTREACH DURING PREVIOUS 2 YEARS-

KERM INC has aggressively sought minority and women employees by (1) engaging in at least two regional job fairs annually, (b) by providing a presence at County Fairs in all contiguous counties, (c) by providing scholarships to potential students, (d) by offering an INTERN PROGRAM for local school students.

Additionally, a relationship with the Rogers Decca Club, in which KURM provides free air time for the students to conduct an annual auction, gives the students direct exposure to the station as they sell-promote- and conduct the auction. Several of the students are minorities, thus they enjoy full range of the business model.

KERM INC also uses notices to minority student groups, college job placement notices, and local Hispanic church to publicize job openings.

All radio and newspaper ads specify that KURM is an equal opportunity employer.

KERMIT WOMACK

KERM INC

PRESIDENT