

**The Business of News: TV**  
**by Bob Papper**

Another good year for local TV news, with the latest RTDNA/Lawrence Herbert School of Communication - Hofstra University Survey finding that local television news remained above the 60% mark in profitability. Note that radio profitability is handled in a separate release.

**TV news profitability ... 2000 - 2020**

	2000	2005	2010	2015	2016	2017	2018	2019	2020
Showing profit	58%	44.5%	47.8%	60.8%	59.6%	65.7%	59.3%	61.5%	60.7%
Breaking even	11	24.2	14.6	6.8	8.2	7.1	6.6	8.5	7.9
Showing loss	11	12.1	8.3	4.6	3.7	4.3	4.9	3.8	4.2
Don't know	20	19.2	29.2	25.5	25.5	20.1	28	23.9	23.8

Profitability in 1996 hit 72%, the highest level I've ever recorded in 26 years of doing the Survey. Missing percentages are non-commercial stations. If you recalculate to eliminate the effect of non-profit newsrooms, the profitability percentage moves up to 62.8% (the same as last year). Among news directors who know whether the news department makes a profit (eliminating the don't know group), 83.3% report the newsroom makes a profit.

**TV news profitability ... by size and affiliation – 2020**

	Showing profit	Breaking even	Showing loss	Don't know
Market size:				
1-25	75%	0	4.2%	12.5%
26-50	57.6	12.1	3	21.2
51-100	63.2	8.8	8.8	17.5
101-150	61.4	7	3.5	26.3
151+	51.2	9.3	0	37.2
Staff size:				
51+	79.2	6.2	2.1	12.5
31-50	64.1	4.7	7.8	21.9
21-30	52.1	10.4	4.2	31.2
11-20	65	0	0	30
1-10	22.2	22.2	5.6	27.8
Affiliation:				
ABC	59.6	10.5	3.5	22.8
CBS	58.6	5.2	5.2	31
Fox	82.4	0	5.9	11.8
NBC	65.5	8.6	1.7	24.1
Big four affiliates	63.2	7.4	3.7	24.7
Other commercial	55.6	16.7	5.6	16.7

The biggest changes from a year ago: the skyrocketing percentage of top 25 market stations showing a profit, from 48.5% last year to 75% this year, along with plummeting profitability in markets 26 to 50, down from last year's 82.4% to 57.6% this year. All other percentages are

fairly close to a year ago. NBC affiliates, which had fallen below the others in profitability a year ago came back up again, and Fox affiliates soared from last year's 57.1% profitability to 82.4% this year. Missing percentages are non-commercial stations.

### Percentage of TV station revenue produced by news – 2020

	Average	Median	Minimum	Maximum	Not sure
All TV news	48.1%	50%	4%	100%	77.5%
Market size:					
1-25	44	50	25	65	71.4
26-50	44.6	52	10	70	69
51-100	55.5	55	35	70	79.2
101-150	43.9	45	4	80	78.8
151+	50.4	58	5	100	82.9
Staff size:					
51+	49.6	52	10	70	73.3
31-50	42.9	50	15	65	72.4
21-30	72	70	45	100	85.4
11-20	43.8	50	5	70	81
1-10	32.3	32.5	4	60	77.8
Affiliation:					
ABC	56.4	52	31	100	81.6
CBS	46.4	50	5	70	76.9
Fox	50	60	10	70	77.8
NBC	47.2	50	15	80	76.5
Big four affiliates	49.7	50	5	100	78.2
Other commercial	46	50	25	65	66.7

These numbers are close to a year ago, although average profit is down three points and median profit is down five. There's a caution in the numbers, though. As I always point out, a high percentage of news directors say they don't know the answer to this question, so I'd place a lot more faith in the overall numbers than in the many sub-groups.

2019 was another decidedly so-so year for local TV news budgets. The percentage going up fell by two and a half points, but at least the percentage going down dropped by four. The "same" went up five. Non-commercial stations saw budget increases at less than half the rate of commercial stations.

### TV news budget ... the past year (2019)

	Increase	Decrease	Same	Don't know
All TV news	36.8%	9.1%	46.8%	7.3%
Big four affiliates	37.2	9.7	44.9	8.2
Other commercial	38.9	5.6	55.6	0
Market size:				
1-25	44	12	44	0
26-50	42.9	14.3	40	2.9
51-100	28.8	6.8	49.2	15.3
101-150	32.2	6.8	54.2	6.8

151+	45.2	9.5	40.5	4.8
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This is the sixth year in a row when budget increases fell below the 50% mark. Patterns were hard to come by, but the biggest budget cutbacks came in markets 1 through 50 ... and in the largest newsrooms. CBS and NBC affiliates got hit harder than ABC or Fox affiliates.

### **About the Survey**

The RTDNA/Newhouse School at Syracuse University Survey, funded in part by the Lawrence Herbert School of Communication at Hofstra University, was conducted in the fourth quarter of 2019 among all 1,702 operating, non-satellite television stations and a random sample of 3,427 radio stations. Valid responses came from 1,313 television stations (77.1%) and 673 radio news directors and general managers representing 1,996 radio stations. Some data sets (e.g. the number of TV stations originating local news, getting it from others and women TV news directors) are based on a complete census and are not projected from a smaller sample.

### **About Bob Papper**

Bob Papper is Adjunct Professor of Broadcast and Digital Journalism at the S.I. Newhouse School of Public Communications at Syracuse University and has worked extensively in radio and TV news.