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Radio Station Leaves Earth and Enters Cyberspace

Trading the FM Dial for a Digital Stream

By JORDAN RAPHAEL

Shortly before 9 a.m. last Monday, at the close of a farewell 90-minute set, the Channel 103.1 D.J.'s Nicole Sandler and Andy Chanley ended the Santa Monica, Calif., station's run of nearly two years by playing "Come A Long Way" by the pop-folk singer Michelle Shocked. "We'll see you on the other side," Ms. Sandler told listeners, and moments later, the adult-alternative-format station ceased on-air transmission and began broadcasting exclusively on the Web.

It was hardly the first radio station to discover the Internet. There are currently thousands of traditional radio outlets streaming audio online, as well as several hundred more Web-only radio operations.

But Channel 103.1 was the first American broadcaster to depart the FM dial and continue on the Internet without an interruption in programming, according to the National Association of Broadcasters.

The new Web-only entity, available at Channel1031.com and WorldClassRock.com, is an experiment by its parent company, **Clear Channel Communications**, which sold the station's two frequencies, along with 83 others, to allay Justice Department concerns about its recently completed \$23.8 billion purchase of AMFM Inc.



Kevin Moloney for The New York Times

Brenda O'Brien listens to Channel1031.com on her PC in Boulder, Colo. The site's programming was formerly broadcast on FM radio in the Los Angeles area.

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1910



1901



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"The Internet provides us another means for people to consume our programming content," said Charlie Rahilly, senior vice president for sales for Clear Channel in Los Angeles. "We're trying to see if we can make this migration from over-the-air to over-the-Web work, if we can monetize it and produce positive operating results."

Granted, the station was not exactly a powerhouse in the Los Angeles market; its weak signal did not provide full-market coverage, and only 400,000 listeners tuned in during an average week, giving it lower ratings than at least one local National Public Radio station.

But Channel 103.1 was an ideal candidate for a Web-only trial run, Mr. Rahilly said, because its listeners were loyal -- more than 24,000 of them filled out an online petition supporting the Internet move -- and composed mainly of affluent, well-educated people aged 25 to 54, a demographic group highly prized by advertisers.

By switching to the Web, the station no longer has to deal with reception problems. Its digital stream of programming -- an eclectic blend of techno-pop, reggae, new wave and folk -- is available, like all Internet radio, from Kentucky to Kazakhstan, using free audio player software like **RealAudio's** RealPlayer or **Microsoft's** Media Player.

Brenda O'Brien, 42, an administrator at an Internet start-up in Boulder, Colo., has listened to Channel 103.1 online since she discovered the station last year while on a business trip to Los Angeles. Although Ms. O'Brien can tune her radio to KBCO, a broadcast station with a similar format, she logs on at Channel 1031.com 10 to 12 hours a day. "I like the D.J.'s in L.A. better," she said.

Despite listeners like Ms. O'Brien and the station's slogan, "Worldwide on WorldClass Rock.com," Channel1031.com is still aiming at Los Angeles listeners, limiting its global marketing to hyperlinks on the Web sites of other stations owned by Clear Channel.

Regional advertisers do not have much use for a worldwide audience, Mr. Rahilly said. "If we were to attract too many streamers from around the world and not be able to monetize all that bandwidth, that would be the biggest sin."

Clear Channel executives are also sticking to radio's traditional financial model: selling spot audio advertisements rather than interactive ad banners. To bring Channel 103.1's advertisers on board, ad rates have been cut in half, Mr. Rahilly said, adding that the station has already converted more than one-third of its clients.

The challenge is to stay stay local for

The universe of potential listeners for online radio outfits like Channel1031.com is expanding

advertisers while the Web takes the music global.

percent of Internet users receive audio on their PC's at least once a week.

Of course, there is a lot of competition for those listeners, and not just from other land-transmitted radio stations. Streaming audio is available from a number of Internet outfits, ranging from the software download site Tu cows.com; to niche independent sites like Dublab.com, which plays only formats like electronica and drum and bass; to Webcasters like Live365.com, where aspiring D.J.'s can start their own online radio stations.

BRS Media, an Internet company that tracks Web radio, found nearly 4,500 online stations as of August 2000, compared with only 56 in April 1996.

The way to pierce the dense digital clutter, said Ms. Sandler, who is also Channel 1031.com's program director, is to run a professional radio studio and give users a reason to seek it out online. That, she added, means scrutinizing the music list even harder, delving deeper into albums and increasing the percentage of new music. "I think people will come to us over, say, a SonicNet, where you create your own jukebox," she said, referring to one of **MTV's** online music services. "They trust us to filter out the good from the bad."

Perhaps the biggest obstacles facing Internet radio are technological. Listening to online audio is so far a very PC-based experience; that could change soon with the advent of wireless Internet technologies and devices like Kima from **Akoo.com**, which transmits signals from a PC to a stereo. And, despite improvements in compression and streaming technologies, Webcasts can still be painful for users without broadband connections, punctuated by breaks in the music.

Shawn Nelson, 30, a city prosecutor in Los Angeles, experienced some problems when he tried to follow Channel 103.1 online. It took him 20 minutes to download the audio software with his 56-kilobyte modem, and another 10 minutes to make it work. The broadcast also stops every 15 minutes or so because of Internet congestion, Mr. Nelson said. "I wish it were still on the radio," he added. "My wife and I went out Monday night and spent \$150 on CD's so we would have something to listen to in the car. There's not much else to listen to in L.A."

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