

HENRY C. "HANK" JOHNSON, JR.
4TH DISTRICT, GEORGIA

COMMITTEES:

JUDICIARY

ARMED SERVICES

Congress of the United States
House of Representatives
Washington, DC 20515-1004

SUBCOMMITTEES:
REGULATORY REFORM, COMMERCIAL,
AND ANTITRUST LAW
COURTS, INTELLECTUAL PROPERTY,
AND THE INTERNET
SEAPOWERS AND PROJECTION FORCES
INTELLIGENCE, EMERGING THREATS
AND CAPABILITIES
STRATEGIC FORCES

May 5, 2014

The Honorable Chuck Hagel
Secretary of Defense
1000 Defense Pentagon
Washington, DC 20301-1000

Dear Secretary Hagel:

Thank you for your work to ensure that our nation is secure. As a Member of the House Armed Services Committee, I share this goal. Furthermore, I believe that our Armed Forces are best equipped to address the challenges we face when they are composed of soldiers from all parts of our society. That is why I am writing today with concerns about the level of advertising on African American owned radio stations, and therefore recruitment in the communities served by these stations. I hope that you will work with me to address the concerns raised in this letter and ensure that the Department is truly recruiting soldiers from all parts of our society.

It has come to my attention that radio stations owned by African Americans are not having commercial advertising placed with those stations at a level commensurate with the audience they serve. National advertisers spend approximately 10% of their advertising budgets on radio, but the Department of Defense spends about 2%. Most national advertisers are targeting the same demographics as the Department of Defense – young adults and their parents. It follows that, if national advertisers are targeting the same demographics with a much greater use of radio than the Department of Defense, the department may be missing an opportunity. In addition, radio is a much less costly medium than television to reach these demographics, which is another reason national advertisers utilize it significantly. As a result, the National Defense Authorization Act for Fiscal Year 2014 contained the following language:

Use of Radio in Department of Defense Advertising

The Department of Defense spent \$450.1 million in advertising in fiscal year 2012. The focus of the Department's commercial advertising expenditures were recruiting and reaching influencers. A review of the advertising expenditures shows that the Department spends less than 2 percent of its advertising budget on radio, compared to the 10.1 percent the average national commercial advertiser usually spends. Radio reaches 92 percent of all Americans each week. Thus, the broad reach of radio makes it an effective media vehicle to utilize to reach both recruits and influencers. Radio reaches diverse racial and ethnic communities in our Nation, because there are many stations and networks that target these diverse communities. The committee encourages the Department to examine its

commercial advertising expenditures to determine whether greater utilization of radio to reach a larger target audience among diverse communities would be cost-effective.

Recruiting in minority communities is a strategic asset to achieving a more diverse force. Education through advertising is an important means to attracting qualified minority recruits. Given the military's closed personnel system, the value of diverse recruits is essential to a diverse military force.

It appears that little has changed since the addition of this language to the Report. The National Association of Black Owned Broadcasters has been advised by its members that there has been no increase in advertising on radio in the past year. To better understand the department's process and assess its effort to mitigate the concerns expressed by the Congress, I am requesting information regarding the following contracts:

- Army Opportunity ID 51479 (Contract W9124D-10-R-0033), U.S. Army Marketing and Advertising Program, Primary NAICS Code: 541810.
- Navy Opportunity ID 36778 (Contract N000189-08-R-Z039), Advertising Services in Support of the U.S. Navy's Recruiting and Advertising Program, Primary NAICS Code: 541810.
- Air Force Opportunity ID 16127 (Contract H92222-05-R-0008) Enhance Media Capabilities of The Joint PYSOP Support Element, Primary NAICS Code: 512110.

Please provide:

A. Advertising Expenditures:

1. Please provide a list of every broadcast entity with which the services placed advertising, either directly or indirectly through ad agencies, buying services or representation firms. For each such broadcast entity provide the name, address, telephone number, email address and contact person for each entity, and the total amount of dollars and percentage of total broadcast advertising dollars each entity received.
2. Please provide a list of every non-broadcast advertising entity with which the services placed advertising, either directly or indirectly through ad agencies, buying services or representation firms. For each such non-broadcast entity provide the name, address, telephone number, email address and contact person for each entity, and the total amount of dollars and percentage of total non-broadcast advertising dollars each entity received.
3. All other documents and/or correspondence between advertising contractors and the services communicating about the placement of advertising.
4. Please provide the same information for any other contracts not listed in the letter.

B. Subcontracting Expenditures:

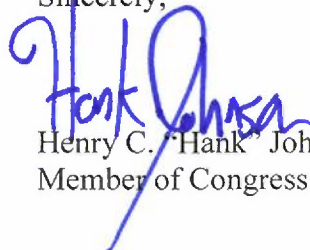
It is my understanding that advertising contracts must include recommended contracting goals for Small Disadvantaged Businesses and Women-owned Small Businesses of 6%, and for Historically Underutilized Small Business Zone (HUBZone) and Service Disabled Veteran Owned Small Businesses of 2%.

Please provide:

1. The most current report submitted by the advertising contractors providing all information related to meeting of the above-listed goals.
2. The most recent report prepared by the services of its evaluation of the advertising contractors meeting of these goals.
3. I seek a list of the name, address, telephone number, email address and contact person for each entity which was paid as a subcontractor, and the total amount of dollars and percentage of subcontracting dollars each entity received.
4. All other documents and/or correspondence between the services and the advertising contractor communicating about the meeting of these goals.
5. Please provide the same information for any other contracts not listed in the letter.

As an all-volunteer force it is essential that our force reflect the population it serves. Therefore, I encourage the department to reassess the level of advertising spending on African American owned radio stations. I hope the department can help me address these concerns. Thank you for your service to the country.

Sincerely,



Henry C. "Hank" Johnson
Member of Congress