

ARBITRON INC
Form 8-K
November 09, 2007

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 8-K**

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): November 9, 2007

Arbitron Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

1-1969
(Commission
File Number)

52-0278528
(IRS Employer
Identification Number)

**142 West 57th Street
New York, New York**
(Address of principal executive offices)

10019-3300
(Zip Code)

(212) 887-1300

(Registrant's telephone number, including area code)

Not applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 7.01 Regulation FD Disclosure

On November 9, 2007 Arbitron Inc. (Arbitron or the Company) will hold a conference call with its Portable People Meter (PPM) customers regarding the Company s progress with its Portable People Meter service. The Company intends to discuss the following issues, among others, during the conference call:

Daily and monthly sample size and quality in Philadelphia and Houston, and other information regarding New York PPM pre-currency radio ratings data;

The terms of the Company s previously announced PPM sample size guarantee, including, without limitation:

The Company s proposal to rebate to its PPM customers an aggregate amount equal to the product of:
one percent of the net license fee actually paid by the customer for PPM radio ratings in a market for a monthly survey period in which the Company s delivered average daily in-tab among persons 6+ falls below the threshold established by the Company for that market during the applicable monthly survey period; multiplied by
the number of percentage points by which the Company s delivered average daily in-tab among persons 6+ falls below the threshold established by the Company for that market during the applicable monthly survey period.

Rebates will be applied in the form of a credit which will be calculated and reported once per year for each PPM customer;

The rebate will apply only to the Company s syndicated PPM-based radio market report service and respondent level data access. Software license fees and other fees will not be eligible for the rebate; For Philadelphia and Houston the established threshold will be equal to 90% of the Company s average daily in-tab target among persons 6+ for any applicable monthly survey period;

For Philadelphia and Houston the guarantee will be applicable beginning with the October 2007 survey; For New York and all subsequent markets the established threshold will be equal to 85% of the Company s of the average daily in-tab target among persons 6+ for the first currency monthly survey period, and will increase by one percentage point per monthly survey period thereafter, but no event higher than 90%;

For New York and all subsequent markets the guarantee will be applicable beginning with the first monthly survey period of PPM currency in such market; and

Update on the progress of panel build-out of markets previously announced to be commercialized in the near future, and other issues related to the transition from diary-based to PPM-based currency.

The slides to be used on the call are attached hereto as Exhibit 99.1.

The information in this Form 8-K (including Exhibit 99.1) shall not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934 (the Exchange Act) or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

The following exhibit relating to Item 7.01 shall be deemed to be furnished, and not filed:

99.1 Slides from conference call with PPM customers on November 9, 2007

Forward-Looking Statements

This Form 8-K (including Exhibit 99.1) contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The statements regarding Arbitron Inc. and its subsidiaries (we, our, Arbitron or the Company) in this document that are not historical in nature, particularly those that utilize terminology such as may, will, should, likely, expects, anticipates, estimates, believes, or plans or comparable terms are forward-looking statements based on current expectations about future events, which Arbitron has derived from information currently available to it. These forward-looking statements involve known and unknown risks and uncertainties that may cause our results to be materially different from results implied in such forward-looking statements. These risks and uncertainties include, in no particular order, whether we will be able to:

- successfully implement the rollout of our Portable People Meter™ service;
- renew contracts with large customers as they expire;
- successfully execute our business strategies, including entering into potential acquisition, joint-venture or other material third-party agreements;
- effectively manage the impact of any further ownership shifts in the radio and advertising agency industries;
- respond to rapidly changing technological needs of our customer base, including creating new proprietary software systems and new customer products and services that meet these needs in a timely manner;
- successfully manage the impact on our business of any economic downturn generally and in the advertising market in particular;
- successfully manage the impact on costs of data collection due to lower respondent cooperation in surveys, privacy concerns, consumer trends, technology changes and/or government regulations;
- successfully develop and implement technology solutions to measure multi-media and advertising in an increasingly competitive environment; and
- successfully obtain and/or maintain Media Rating Council® accreditation for our audience measurement services.

Additional important factors known to Arbitron that could cause actual results to differ materially from our forward-looking statements are identified and discussed from time to time in Arbitron's filings with the Securities and Exchange Commission, including in particular the risk factors discussed under the caption ITEM 1A. RISK FACTORS in Arbitron's Annual Report on Form 10-K for the year ended December 31, 2006.

The forward-looking statements contained in this document speak only as of the date hereof, and Arbitron undertakes no obligation to correct or update any forward-looking statements, whether as a result of new information, future events or otherwise.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this Report to be signed on its behalf by the undersigned thereunto duly authorized.

ARBITRON INC.

Date: November 9, 2007

By: /s/ Timothy T. Smith
Timothy T. Smith
Executive Vice President, Legal and
Business Affairs, Chief Legal Officer
and Secretary

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