

MEDIAWEEK

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APRIL 14, 2003 \$3.95 VOL.13 NO.15

THE NEWS MAGAZINE OF THE MEDIA

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If won, the title would run under Bonnie Fuller PAGE 8

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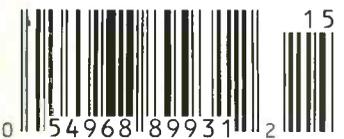
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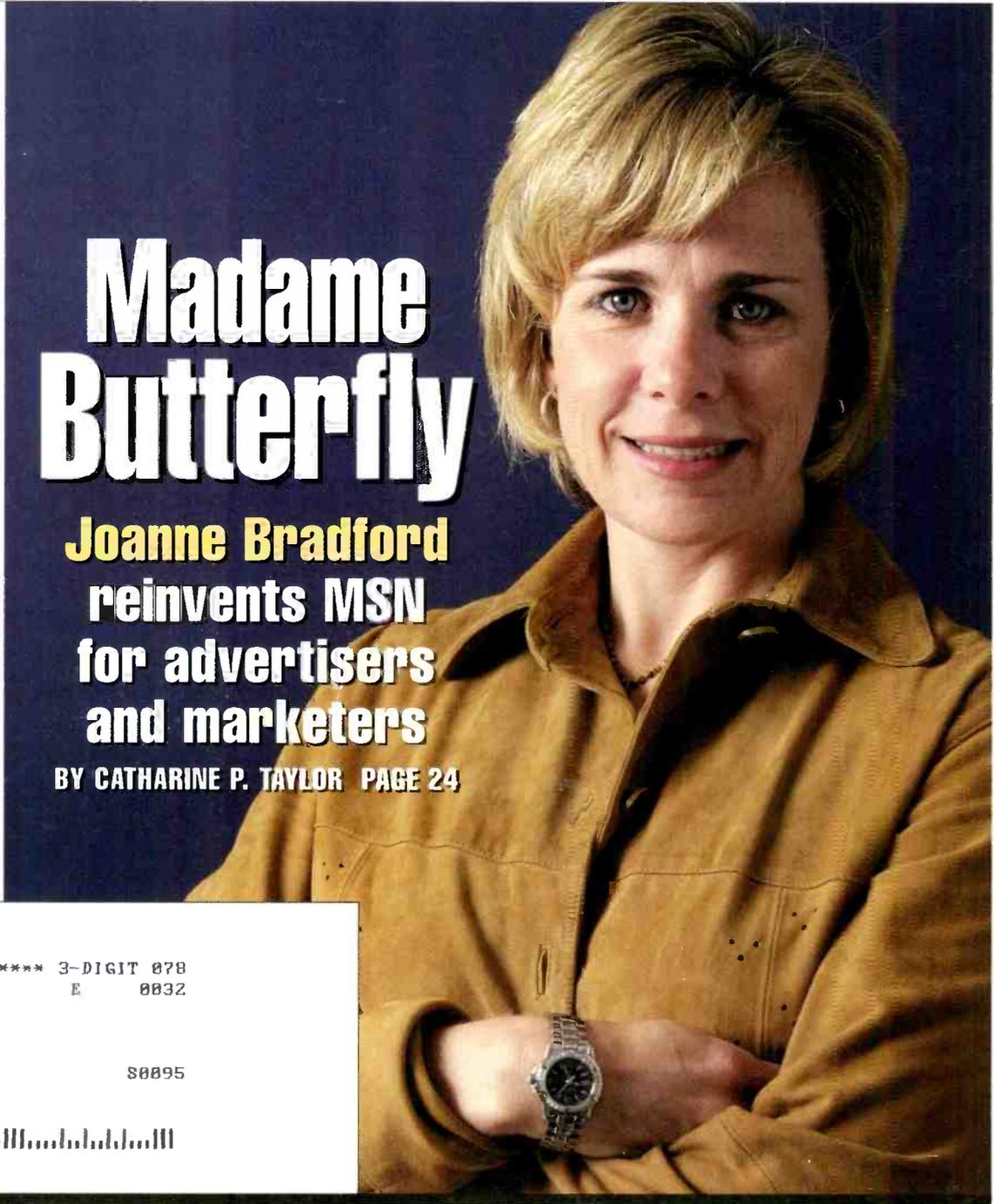


PETER VATES

Madame Butterfly

Joanne Bradford reinvents MSN for advertisers and marketers

BY CATHARINE P. TAYLOR PAGE 24



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1st Quarter. 1st in Young

**TBS Superstation dominated ad-supported cable in delivery of
– Prime Time and Total Day – First Quarter 2003.**

But the story doesn't end there:

- #1 in Adults 18-49 in total day.
- #1 in the time period (M-F, 4:30-8PM_{ET}) with Adults 18-34 and 18-49 **NON-STOP COMEDY BLOCK.**
- #1 original movie in Adults 18-34 and 18-49 (1/12/03, 8PM_{ET}) **AMERICA'S PRINCE: THE JOHN F. KENNEDY JR. STORY.**
- #1 movie in Adults 18-34, 18-49 and 25-54 (2/2/03, 8PM_{ET}) **THE PATRIOT.**
- #1 Friday night movie Adults 18-34 and 18-49 (3/28/03, 8PM_{ET}) **MISS CONGENIALITY.**

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Source: TBS Superstation Research from Nielsen Data; Q1 '03 (12/30/02-3/30/03). Rankings are based on AA (000) and includes all ad-supported cable networks. Non-Stop Comedy Block is M-F, 4:30p-8p. Prime is M-Su, 8p-11p. Total Day is M-Su, 6a-6a. Qualifications available upon request.



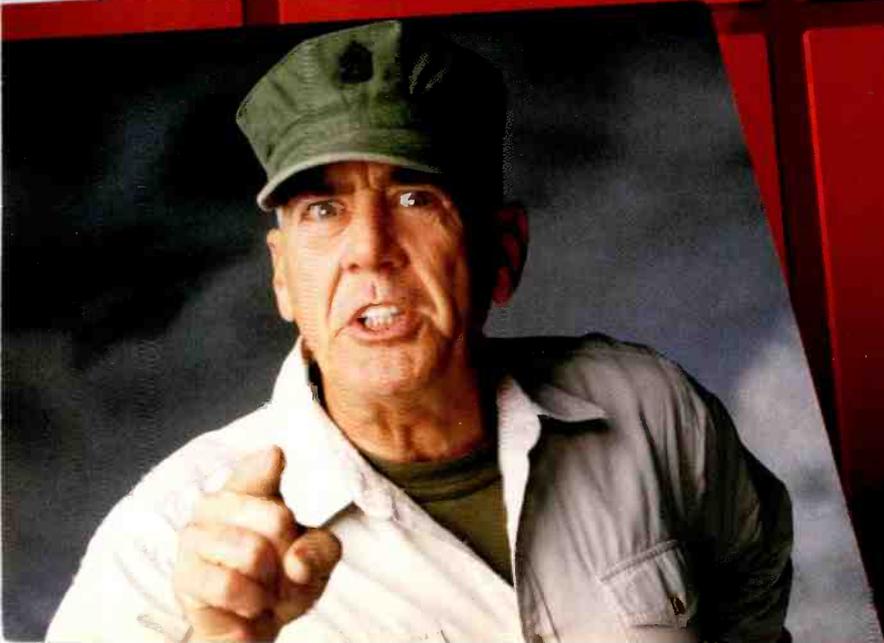
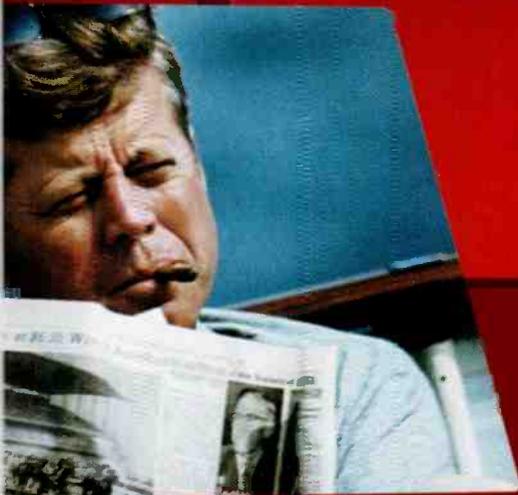
Adults.

Adults 18-34

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MEN GET IT.

At Deadline

■ FOX GREENLIGHTS *O.C.*, *WONDER FALLS*

Fox Broadcasting gave early pick-up orders late last week to two new hour-long series for the 2003-04 season. Young-skewing Orange County-based soap *The O.C.* and quirky drama *Wonder Falls*, from Bryan Fuller and *Malcolm in the Middle* director Todd Holland, received 13-episode orders. Fox executives said both series could debut as early as the summer, in an effort to gain traction before the network's schedule is disrupted by October's Major League Baseball playoffs.

■ SENATORS TOLD MEDIA VIOLENCE HURTS KIDS

Researchers told U.S. senators last week that media violence affects children, engendering fear and violent tendencies that last into adulthood. The testimony came before the Commerce Committee's science subcommittee. The panel's chair, Sen. Sam Brownback (R-Kan.), called the hearing "just a conversation." Aides say he is not proposing to regulate content but hopes the entertainment industry restrains itself. Earlier, Brownback and Sen. Joseph Lieberman (D-Conn.), another longtime critic of media violence, said they want funding for more research on how media violence affects children.

■ MAGAZINE ADS RISE IN 1ST QTR

Magazines ended the first quarter in the black thanks to continued growth in ad revenue and pages. In March, total magazine ad revenue rose 11.6 percent to \$1.6 billion over March of last year, according to the Publishers Information Bureau. Ad pages grew 9.1 percent to 21,561. For the first quarter, magazine revenue climbed 10.3 percent, ringing in at \$3.7 billion, while ad pages rose 5.3 percent to 49,729. Strong category performers in March included automotive (up 20.9 percent) and drugs & remedies (up 32.1 percent). Categories registering losses included technology (down 9 percent) and financial, insurance & real estate (down 2.8 percent).

■ MUCHMUSIC USA TO BE REDUBBED FUSE

Cable music channel Muchmusic usa announced at its upfront presentation last week it will rebrand itself on May 19 as Fuse and plans to target alternative teen lifestyles, or skate culture. New elements include a \$12 million street-front Manhattan studio and Fuse-on-demand, a video-on-demand service. In a little more than a year, the network, owned by Rainbow Media Holdings, has doubled its subscriber base to 31 million—

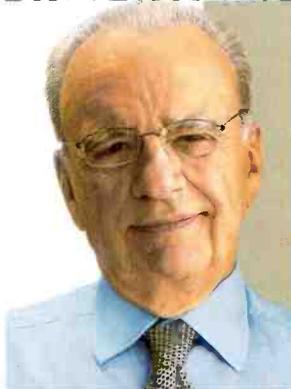
Fuse executives expect to be in 36 million homes by year-end. New series include *IMX: Interactive Music Xchange*, which melds TV, videos and online gaming, and *Marcha!*, which focuses on Latin musicians.

■ ABC RADIO ENDS *SPEAKING* COMMENTARIES

ABC Radio Networks said last week that May 1 would be the final air date of *Speaking of Sports* and *Speaking of Everything*, which is carried on 70 radio stations. The twice-daily commentaries are hosted by Keith Olbermann, who took on the Howard Cosell namesakes about a year ago. Olbermann decided to focus more time on his responsibilities at news channel MSNBC.

■ **ADDENDA:** Keith Girard, most recently editor of *InvestmentNews*, has been named editor in chief of *Billboard*, a sister publication of *Mediaweek*. Girard succeeds Timothy White, who passed away last June...Dennis Publishing's *Maxim Fashion*, a biannual *Maxim* spinoff, will go on hiatus following the spring issue (now on newsstands) because of the lackluster men's fashion marketplace, a rep said. The company hopes to revive the title next spring...*StarLink*, a division of Starcom MediaVest Group, has won the \$200 million-plus media buying account for Gateway computers...Valvoline struck a multiyear, integrated sports programming deal with Disney siblings *ESPN* and *ABC* to support its MaxLife higher-mileage engine products. The deal extends a current contract for three more years but now includes product integration tied to team sports coverage on *ESPN* and *ESPN Radio*, *ESPN The Magazine*, an Internet sweepstakes and a presence on *ESPN Deportes*...**Scott Penniston**, vp/group media director, in charge of several accounts at Foote, Cone & Belding, was promoted to vp/media

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Murdoch fulfills global satellite destiny with DirecTV buy Page 8

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COURTESY OF NEWS CORP.

director, the top media director post, replacing Barbara Thompson, who left...*Radar*, a 135,000-circ general-interest magazine, will launch the first of two test issues April 22. The April issue with Jennifer Lopez on the cover includes 35 ad pages. The second test hits stands in June; *Radar* will go monthly in September...Lifetime's original movie *Homeless to Harvard: The Liz Murray Story* on April 7 scored a 5.0 household rating, delivering 5.7 million viewers 2-plus...**Ken Wollenberg**, who joined Nielsen Media Research in 2000 in the new post of senior vp, strategic and business development, has left the company. No replacement was named.

Market Indicators

NATIONAL TV: FULL
Second-quarter scatter is slowing slightly, but with makegoods pending and most networks just about sold out through the end of the quarter anyway, avails remain very tight.

NET CABLE: HEALTHY
Strong scatter demand drives some networks' rates 20 percent or higher over 2002 upfront prices, sales execs claim. Auto, retail and packaged goods continue to spend. CPMs expected to remain steady, if not rise, during the cable upfront, which could move early.

SPOT TV: ACTIVE
Categories including autos, entertainment, movies, restaurants, fast foods, telecommunications and retail are squeezing inventory in top 25 markets such as Los Angeles, Philadelphia, Boston and Houston.

RADIO: BUILDING
With a few exceptions, such as Los Angeles, plenty of inventory is available for April. May is looking stronger, fueled by sweeps tune-ins, autos, telecom, home improvement and soft drinks.

MAGAZINES: HEATING
For the third quarter, categories such as automotive and household furnishings are still strong; technology and finance are holding back. Some airlines have begun to introduce new ad campaigns.

Clear Channel Sets Liaison Teams to Work With Labels

Clear Channel Communications this week will announce a new structure for how the company's 1,200 radio stations will do business with record labels and music artists. The new organization, which establishes format liaison teams to serve as contact points with labels and artists, follows the company's decision last week to sever its ties with independent record promoters.

"The former system didn't work for labels or artists, and it didn't work for legislators because of the appearance of improprieties," said John Hogan, CEO of CC's radio stations. Legislators were concerned that the \$15 million independent promoters paid Clear Channel for access to program directors and airplay data was akin to "pay for play."

Decentralized format liaison teams will assist local programmers and work directly with artists and labels on promotions, marketing and groupwide contests. "Our goal is to ensure that the local program directors are making the best decisions about what to do locally, so we want them to interact with artists and talk directly with the labels," Hogan said.

Even though Clear Channel and other groups such as Cox Radio and Cumulus Media are moving away from the controversial payola-like practice, Sen. Russ Feingold (D-Wis.), who held hearings on the subject in February, isn't completely convinced. "It is still essential that we pass legislation to ensure that a replacement system does not emerge," Feingold said, adding that Congress still needs to investigate "the anti-competitive behavior in the concert-promotion industry." —*Katy Bachman*

Senators Ask FCC to Extend Debate of Ownership Rules

Political pressure is building as the Federal Communications Commission nears its planned June 2 vote on media ownership rules. A bipartisan group of 15 U.S. senators, including a majority of the Commerce Committee that oversees the FCC, asked the agency to allow more public comment (continued on page 8)

ABC Execs Detail Fall Schedule Plans

Braun, Lyne say net will heavy up on comedies, do away with most reality

NETWORK TV By Marc Berman

ABC plans to dramatically increase the number of comedies on its prime-time schedule this coming fall season, its top entertainment executives told *Mediaweek* last week. Lloyd Braun, ABC Entertainment Group chairman, and Susan Lyne, ABC Entertainment president, said they also expect to develop several relationship-themed dramas for the 9-11 p.m. hours, as the network tries to reduce its reliance on reality programming. ABC will announce its fall 2003 schedule in New York on May 13.

Last year at this time the future was a blur for ABC. The network was wallowing in self-inflicted uncertainty: too much of *Who Wants to Be a Millionaire*; no new hits; declining comedies like *Drew Carey*, *Dharma & Greg* and *Spin City*; and not enough planning elsewhere. As a result, the network's average age increased and ratings plummeted from first to fourth among key adults 18-49. On every night of the week, in virtually every time period, erosion from the comparable year-ago period hit double-digit proportions. Arrogance and a lack of vision led to ABC's collapse.

"We lost our way, we made mistakes—it was a mess," admitted Braun. "Our goal this season was to plant seedlings that would develop into a new comedy foundation. And the operative theme for our schedule next year is comedy, comedy, comedy, comedy and more comedy. We won't have branding like this year's 'Happy Hour' drive the schedule. We'll set up the schedule first, then see if there is a smart way to brand it."

"We looked into our past to learn about the future, and what we saw were family comedies and relationship-driven dramas," added Lyne. "Since we went into scheduling this season with very few shows to work with—*My*

Wife and Kids, *According to Jim*, *NYPD Blue*, *The Practice*, *Alias*, that was it—we limited our focus to Tuesday and Wednesday, and the 8 p.m. hour. Next year we'll make a concerted effort to introduce new dramas from 9 to 11 p.m."

ABC's ratings this season have been inching upwards. Season-to-date and versus the comparable period last season, 396,000 more viewers are tuning in (a 4 percent gain). The network's median age (+3.7—1.6 years younger than last season) is the lowest of the Big Three networks. Ratings among adults 18-49 are up 5 percent (3.7/10 to 3.9/10), with that growth evident five of the seven nights of the week (except Thursdays and Saturdays).

"ABC did what they said they would and stopped the audience bleeding," said Shari Anne Brill, vp/director of programming at Carat USA. "The new comedies are promising, and *The Bachelor/Bachelorette* is a good tournament. But without the benefit of new hit dramas, their overall schedule is considerably soft."

"If we were talking about fourth quarter only, I would really be praising ABC," said Laura Caraccioli-Davis, vp/director, SMG Entertainment. "Monday was solid, Tuesday was fixed, Wednesday was on the map. But once first quarter hit, the arrival of too much



ABC will probably start *Lines of Duty*, a new drama that examines both the FBI and organized crime, in the fall.

reality and Fox's competing *American Idol* stalled the momentum."

"In hindsight, we made a mistake putting on as many reality shows when we did," explained Braun. "You won't see a lot of it next season. *The Bachelor* will be back, and we're considering another edition of *I'm A Celebrity—Get Me Out of Here!*, *All American Girl* and *Are You Hot? The Search For America's Sexiest People* will not be returning, and we will relaunch *The Family* this summer. *Celebrity Mole* will also be back—that's a great show to have in your pocket."

The network's main emphasis this fall will be on comedies (Braun and Lyne said the lineup will feature as many as 12 sitcoms), but relationship-driven dramas are also a vital element to the formula. "This year we shot 11 drama pilots, 10 of which are targeted to either 9 p.m. or 10 p.m.," said Braun.

The two executives provided a night-by-night breakdown of ABC's plans.

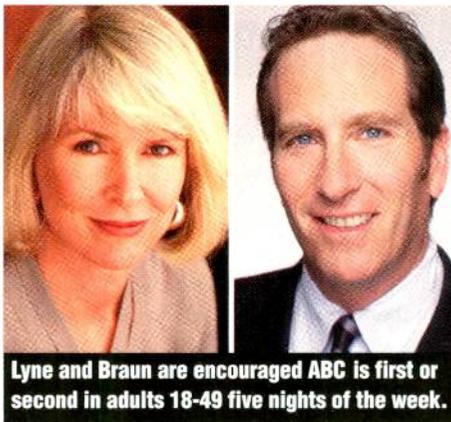
On Monday, the biggest challenge for ABC remains programming the night after football ends. "As much as football is a blessing, it's also a curse; and starting from scratch in first quarter is always a challenge," said Braun. "Although we were hoping to successfully launch two new dramas on Monday around *The Practice*, the results have not been satisfying. *Veritas: The Quest* and *Miracles* have been canceled, and the future of *The Practice* is uncertain."

"By moving *The Practice* to Monday, ABC prematurely killed the series," said Lyle Schwartz, managing partner, research and marketplace analysis, Mediaedge:cia. "Now they are really under the gun to find new dramas."

ABC already has committed to two dramas for next season—crime drama *Lines of Duty* and a new series from Stephen King, *Kingdom Hospital*, which is slated for midseason (and could fall right into a Monday opening). Other dramas include *Karen Sisco*, John August's *Alaska* and John Grisham's *Street Lawyer*.

"Since we knew that most of our new shows this year would have to launch without the benefit of a lead-in, we went for dramas that were conceptual, that had some easy marketing look," explained Lyne. "When that didn't work, we went back and looked at where ABC really had strength in the past. And it was character-driven dramas like *NYPD Blue*, *thirtysomething* and *Family*. These are the type of scripted hours we would like to introduce."

Tuesdays, it is safe to say, will showcase a two-hour comedy block, led by *8 Simple Rules for Dating My Teenage Daughter*. *According to Jim*, recently relocated to 9 p.m., will probably stay there. "*Jim* beat *Frasier* by seven-tenths of a rating point among adults 18-49 in their first head-to-head battle," boasted Braun. "Who would have ever thought this little comedy



could beat a show like *Frasier*? We are absolutely thrilled, and we think *According to Jim* is one of our key building blocks for the future."

Life With Bonnie, which recently ended its season, will likely move elsewhere, and *Less Than Perfect* could also relocate if recently launched 9:30 p.m. sitcom *Lost at Home* clicks (after two episodes, that's looking unlikely).

And *NYPD Blue* is more or less a lock at 10 p.m. "ABC realizes moving *NYPD Blue* to 9 p.m. was not in their best interest last season," said John Rash, senior vp of negotiations for Campbell Mithun. "After the lesson they learned from *The Practice*, I doubt they'll relocate *NYPD Blue* again."

Comedies will also remain intact on Wednesdays, with the return of *My Wife & Kids* at 8 p.m. more or less a sure thing. And with *The Bachelor* at 9 p.m., a platform is set for a new drama at 10. "We didn't have a suitable show to put on after *The Bachelor* this season because we spent too much time focusing on 8 p.m.," acknowledged Braun.

One established series that floundered this season but will return to its old Wednesday 9 p.m. slot for a summer run (a fall slot has not yet been determined) is *The Drew Carey Show*. "Yes, the show did not work for us this year," admitted Lyne. "We tried it in three different time periods, and nothing clicked. If the audience rediscovers the show this summer, we'll figure out a way to get it back on the schedule at some point next season."

Thursdays pose one of ABC's bigger challenges—competing with NBC and CBS' juggernaut lineups. With year-to-year ratings on Thursday off 7 percent among adults 18-49 (2.9/7 to 2.7/7), the ABC executives actually see some chance to regain ground. "We are not going to be afraid of putting scripted programming on Thursday," said Braun. "With *Friends* winding down next season, this is an opportune time for us to make inroads." Despite being regularly trounced by NBC's *ER* and CBS' *Without a Trace*, only *Primetime Thursday* at 10 p.m. is likely to remain intact. "The news area

is not for Susan and me to get into," said Braun. "I have every expectation that you will continue to see *Primetime* and *20/20* on the schedule."

On Friday, Braun and Lyne have yet to find a suitable companion to run after *America's Funniest Home Videos* and into *20/20* at 10.

ABC's other problem night, Saturday, will remain a work in progress, featuring a potpourri of movies, sports and specials. "Maybe we'll do scripted programming on Saturday as we get further in the season, but right now there are plenty of other time periods we need to concentrate on first in midweek," said Lyne.

On Sunday, although *The Wonderful World of Disney* and *Alias* will return next season, not all agency executives are convinced both shows should stay there. "I would definitely consider moving these shows to other nights," said Mediaedge's Schwartz. "As much as the critics love *Alias*, few people watch it, and neither show is attracting much of an audience on Sunday. If ABC can fix the 7-9 p.m. block, 9-11 p.m. could be a launching pad for new dramas. As it stands now, *Alias* is not much of a lead-in."

At 10 p.m., if current occupant *Dragnet* does return—and that's a 50-50 proposition according to Lyne—the show will have some creative changes next season. "Although the storytelling on *Dragnet* has been great, the mistake we made was underpopulating the show and not putting any female characters into it," she said. "If it comes back, you can expect to see some new characters, females in particular."

If *Dragnet* doesn't come back, chances are slim *The Practice* will get back its old time period, considering the dramas ABC has in the hopper. "With so much drama development, Sunday at 10 p.m. is a real opportunity," said Braun.

With upfront season just a month away, Braun and Lyne remain cautiously optimistic. "The statistic we are most encouraged about going into May, recognizing that we have a ton of issues left, is that we are now either first or second among adults 18-49 on five of the seven nights of the week," said Braun. "Although we don't have a top 10-rated monster show like Fox that is driving their rebound this year, the seeds we have planted are starting to grow."

Buyers sound a similar note of confidence the network can continue to improve but warn it should proceed carefully. "ABC has made inroads from 8 to 9 p.m., and now they have to work on improving 9 to 11 p.m.," said Caraccioli-Davis. "And they must avoid spiraling downward with too much reality. Reality is filler, scripted programming is substance."

"Slow growth is better than no growth, and I give ABC credit for what they have accomplished this season," added Rash. "But the process of rebuilding has only just begun." ■

Media Wire

before acting. Skeptics of changing the rules want more time for public input; FCC chairman Michael Powell says the agency has plenty of information with which to forge a decision.

In addition, Sen. Ernest Hollings (D-S.C.), a longtime foe of media consolidation, asked Commerce Committee chairman Sen. John McCain (R-Ariz.) to convene a hearing with all five FCC commissioners "as soon as possible" after the Easter recess, which ends April 28. A McCain aide said the senator plans a hearing but has not set a date.

Meanwhile, Rep. Fred Upton (R-Mich.), who chairs a telecommunications panel, urged Powell to act by June 2.

At issue are laws that limit TV network size, restrict local concentration of broadcast ownership, and ban common ownership of daily newspapers and near-by TV and radio stations. —Todd Shields

Infinity Changes WNEW-FM To Target Women in a Blink

Infinity Broadcasting thinks it knows what women want on New York radio. After months of speculation, the Viacom-owned radio group last week unveiled 102.7 Blink, a new women's format on WNEW-FM. Aimed at women 25-44, Blink combines adult contemporary music from artists such as Michelle Branch and Shania Twain, with celebrity, entertainment and fashion news. There are also strong content tie-ins with Viacom brands VH1, *Entertainment Tonight* and MTV, and with America Online.

WNEW will be competing for women listeners against the No. 1 station in the market, WLTW-FM, owned by Clear Channel Communications, and ABC Radio's WPLJ-FM, which ranks No. 17.

"There are very few avenues to reach nonethnic women," said Rich Russo, director of broadcast services for JL Media. Blink is the only station in Infinity's six-station New York portfolio that targets women. WNEW was forced to drop FM Talk for men in January after *Opie & Anthony* ran an on-air sex contest still under investigation by the FCC.

Steve Kingston, program director of WXRK-FM, Infinity's New York Rock station, is now also WNEW's operations manager. —KB

Wenner Eyeing *Seventeen*

Us Weekly publisher expected to enter a bid this week for Primedia title

MAGAZINES By Lisa Granatstein

Wenner Media this week is expected to join Hachette Filipacchi Media in the bidding for Primedia's *Seventeen*. Offers for the teen monthly are due on Wednesday, and Hachette and Wenner are expected to be the only interested parties. Condé Nast is said to have no interest, and Hearst Magazines passed after learning that *Seventeen*'s circulation and ad numbers were "substantially weaker than expected," said an investment banker familiar with the situation.

Although the 2.35 million-circ *Seventeen* remains the category leader, Hearst's 1 million-circ *CosmoGirl* and Time Inc.'s 1.6 million-circ *Teen People* are on its tail.

If Wenner succeeds in acquiring the magazine, *Seventeen* would be the company's first buy since it picked up *Us* in 1988 from Warner Communications (Wenner partnered with Lorimar to invest in *Us* in 1984).

While *Seventeen* would not complement Wenner's male-oriented *Rolling Stone* and *Men's Journal*, it could benefit from the expertise of Bonnie Fuller, editor in chief of *Us Weekly*. As editor of *YM* in the early '90s,

Fuller was responsible for more than doubling that teen title's circ; *YM* soared from 889,000 in '89 to 1.83 million when she departed in '94.

"Bonnie Fuller has been asked to look at the editorial positioning and direction of *Seventeen*," said a Wenner insider. "She will play a big role if we get it."

Officially, a Wenner representative would only say of the company's interest in *Seventeen*: "We're always looking at good opportunities."

"It's not a crazy idea," said Mark Edmiston, managing partner of M&A firm AdMedia Partners. "But it doesn't fit with anything else the company owns."

Meanwhile, if Hachette were to acquire *Seventeen*, the company could pair the title with its 2-year-old *Elle Girl*, or simply fold the *Elle* spinoff. A Hachette representative declined to comment.

Hachette and Wenner are expected to bid between \$75 million and \$100 million, below Primedia's \$175 million target. When *Seventeen* first went on the block last February, Primedia was said to be seeking \$200 million. The auction is being conducted by Morgan Stanley. ■



Still the teen category leader, but rivals are gaining ground fast.

Rupe Scoops Up DirecTV

After 20 years in the hunt, Murdoch adds U.S. to global DBS empire

SATELLITE TV By Megan Larson

With his purchase of a stake in Hughes Electronics and control of DirecTV last week for \$6.6 billion, News Corp. chairman Rupert Murdoch may finally have what he has sought for almost two decades: a global satellite network that includes coverage in the U.S. and his own personal distribution platform for Fox's myriad domestic TV networks.

Some industry observers fear imminent global media domination by Murdoch, which they say would result in rising consumer costs and a squeezing of rival cable operators for more money to carry Fox's cable channels. But media analysts doubt News Corp.'s latest acqui-

sition will have a great impact on the U.S. marketplace, at least not for awhile.

As far as gouging cable operators over carriage, "It's one thing for ESPN to threaten, but [Murdoch] doesn't have any flagship programming," said Yankee Group senior analyst Mike Goodman. "Carriage is too important. That is where they get their money."

Regulators are expected to approve the deal—but Murdoch made the rounds in Washington last week to be sure. For one, DirecTV in News Corp.'s hands poses fewer anti-trust questions than its proposed merger with satellite rival EchoStar Communications, which was

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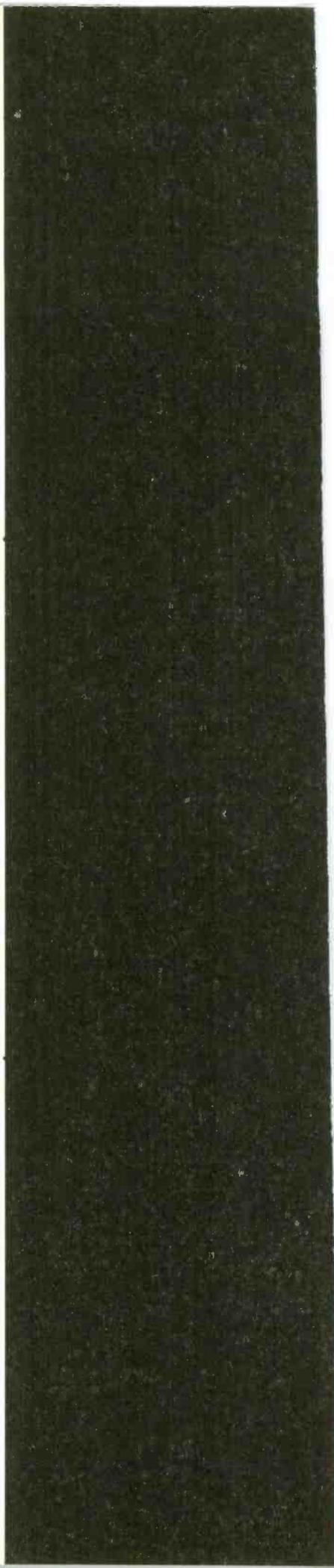
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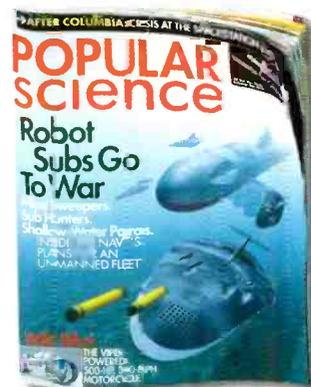
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vetoed as anti-competitive last year by both the Department of Justice and the Federal Communications Commission. EchoStar and other smaller cable companies will seek—and likely get—guaranteed access to Fox content, particularly the regional sports nets.

Under the terms of the deal, News Corp. will acquire 34 percent of Hughes from current owner General Motors. Murdoch will become chairman of Hughes, and Chase Carey, a former News Corp. executive who is consulting for the company, will become president/CEO.

DirecTV's 11 million U.S. subscribers adds to News Corp.'s expansive global satellite network, which includes British Sky Broadcasting and Star TV in Asia. But DirecTV needs some

help before it can start working for News Corp.

"The bloom is definitely off the rose when it comes to DirecTV," said Goodman. Though it's still the largest DBS provider in the U.S., DirecTV's sub gains have stalled as it looked for a buyer. During that time, EchoStar has picked up DirecTV's slack, and more cable operators are offering new broadband, cable-only services such as video-on-demand.

That's not stopping Murdoch from being bullish. "We can help make satellite TV a viable competitor to cable," said Murdoch last week. "More programming options, richer content and compelling new technologies will give satellite TV the best chance to break cable's hold on viewers." —with Todd Shields ■

Boomtown Off the Bubble

NBC backs series despite soft ratings and challenging format for viewers

TV PROGRAMMING By A.J. Frutkin

As a crime drama, NBC's *Boomtown* has distinguished itself for its storytelling from multiple perspectives. So when the series broke form two weeks ago with an episode told solely from the viewpoint of Detective Bobby "Fearless" Smith (Mykelti Williamson), the show appeared to be changing course.

Not so, says Graham Yost, *Boomtown's* creator and executive producer. The episode focused on Fearless facing his own past as a sexually abused child. Yost said the subject matter warranted its focus. Although the network resisted, Yost held his ground. "If this is the only season we get, I wanted to do it," he said.

But Yost's fear of cancellation may be unwarranted. Critical acclaim for the series—it was the recipient earlier this month of a George Foster Peabody Award for excellence in broadcasting—almost makes a second season a lock, despite it having struggled in its Sunday 10 p.m. time slot throughout much of the season.

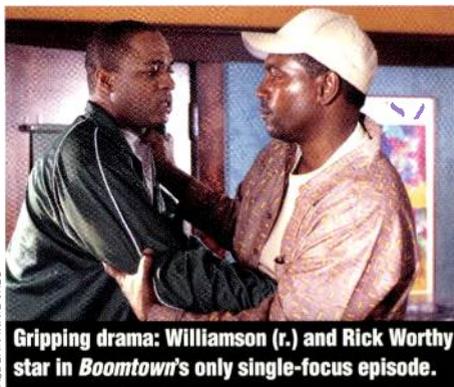
Airing against ABC's *The Practice* through Jan. 12, *Boomtown* averaged a 6.7 household rating and a 3.7 among adults 18-49, according to Nielsen Media Research. After a brief hiatus, when it was replaced by limited series *Kingpin*, *Boomtown's* numbers have begun to tick up. Opposite four airings of *Dragnet*, it is averaging a 7.0 in homes and a 4.0 in adults 18-49.

Although advertisers generally applaud *Boomtown's* fragmented storytelling, most believe the show's innovative style has proven to be a double-edged sword. "It has artistic advantages, but audience challenges in that it may be too difficult for some viewers to tune into," said John Rash, senior vp/director of broadcast

negotiations at Campbell Mithun.

NBC agrees. Karey Burke, the network's executive vp of prime-time series development, acknowledged that *Boomtown's* structure "makes it a tough show to watch for some people." But Burke also voiced her continued support for the series. "Anytime you break form and try to teach viewers how to watch something different it takes time," she said. With an 18-episode order, the series ends its freshman run April 20, enabling it to avoid the competition of what looks to be a tough May sweeps (NBC has yet to announce what will take *Boomtown's* place).

For now, Yost said he and co-executive producer Jon Avnet are approaching the fall as if *Boomtown* will make NBC's cut, and they already have begun planning story arcs. Given the chance, Yost said he'd like to add humor to the mix. After exploring such dark subject matter as Fearless' troubled past, "I think we can afford to lighten the hell up," he said. ■



PAUL DENKOWITZ/NBC

Gripping drama: Williamson (r.) and Rick Worthy star in *Boomtown's* only single-focus episode.

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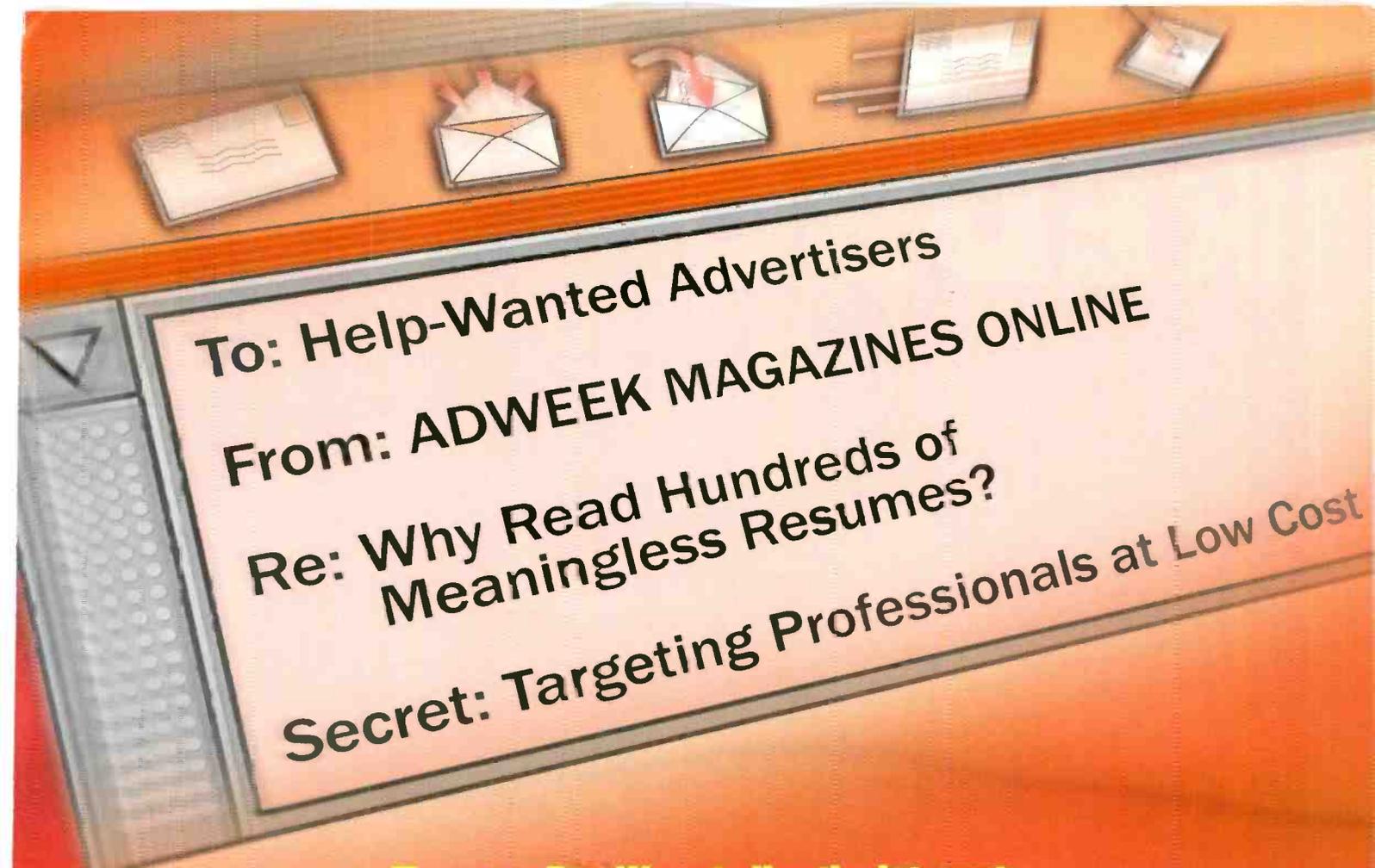
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p. 200

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JOHN GURZINSKI

Future Vision

The deployment of high-definition television continues to be the foremost concern of broadcasters. Though more national programming is being made in HD and more stations are passing it through (even if they aren't producing it locally), cable operators remain an obstacle to consumer reception **BY JOHN CONSOLI**



The Drafthouse drew some crowds Monday night as they watched CBS' high-def broadcast of the NCAA finals.

TO SEE HOW FAR THE BROADCAST INDUSTRY HAS COME IN ITS TRANSITION TO DIGITAL and high-definition transmission, attendees at last week's National Association of Broadcasters' annual conference headed straight for the bar. Really. Set up in the lobby of the Las Vegas Convention Center exhibit

hall was the DTV Drafthouse, where any of the 89,000 attendees could settle in for a beer at the L-shaped bar and watch several Zenith 34-inch, fully integrated high-definition TV sets placed behind the bar to simulate a real-life setting.

Spread out around the perimeter of the Drafthouse were more sets from such set manufacturers as Panasonic, Sharp Electronics, Sony, Thomson and Toshiba. And on the official opening night of the conference, broadcasters gathered at the Drafthouse to watch a live, premiere sporting event that was being produced and transmitted in high definition—CBS' telecast of the NCAA Men's Basketball Championship game between Syracuse and Kansas. (CBS also carried the the Masters golf tournament in HD for the first time over the weekend.)

The Drafthouse, sponsored by NAB, the Consumer Electronics Association and the Advanced Television Systems Committee, represents somewhat of an evolution over the past two years' gatherings, at which the trio's lobby display consisted of a very generic enclosure with a wall of HD monitors, showing mostly nature footage rather than live or prerecorded prime-time broadcast and cable network programming.

"The past few years our goal was to show a mass display to give people an idea of the scope of HDTV monitors out there," explained Jeff Joseph, vp of communications and strategic relationships for the CEA. "This year the feeling was that every broadcaster attending the conference knows there is a lot of high-definition product out there, so we decided to put it in a more real setting, to make it fun."

Clearly, progress is being made. Currently, 809 local TV stations around the country are offering digital feeds, up from around 200 a year ago, and NAB president and CEO Eddie Fritts predicts that number will rise to 1,000 by the end of 2003.

There is a big downside, however: Only 107 of those stations' digital signals are being carried by the local cable systems, leaving very few viewers able to see high-definition programming the stations are carrying from their broadcast networks. That minuscule ratio prompted Fritts, in his opening remarks at this year's conference, to take a swipe at the cable industry.

"Here, the cable industry is missing at its

post and absent without leave," Fritts charged. "Cable operators are carrying less than 13 percent of local digital TV broadcast stations on the air today. Broadcasters are under federal mandate to build DTV stations. Set manufacturers are under federal mandate to phase in DTV tuners. And it is high time the cable industry be placed under federal mandate to carry local DTV broadcast signals."

Fritts' rhetoric notwithstanding, that is not expected to happen. The Federal Communications Commission has concluded that such a mandate would be held unconstitutional by the courts. And even though the powerful Rep. Billy Tauzin (R-La.)—who heads up the House Energy and Commerce Committee—plans to introduce a bill this month that attempts to deal with some of the issues that he believes are stalling the country's adoption of high def, the committee's legal counsel, Jessica Wallace, does not believe the bill will mandate must-carry duties on cable operators.

Sans a federal imposition of must-carry rules on the cable industry, it will be up to the broadcast industry, HDTV manufacturers and the electronics retail industry to work with cable to make the pass-through happen organically. While Fritts may be throwing a barb or two at the cable industry, he is also a realist who understands the need for cooperation. "All four of us have a commonality of interest in making sure that this transition is completed expeditiously on behalf of the consumers," he said.

Robert Sachs, president/CEO of the National Cable and Telecommunications Association, agreed his industry also has too much invested in the transition to not make a partnership work. "Over the past seven years, we've invested more than \$70 billion in the platform that's been created to allow us to provide digital and high-definition television, as well as high-speed broadband and cable telephony services to our customers," Sachs said.

And the old chicken-and-egg argument—that programmers will not provide more high-definition content until more sets are sold, and setmakers don't want to make a broader assortment of sets until consumers really start buying them—is also becoming more irrelevant. CBS and ABC both offer nearly all their prime-time program lineups in high definition, while the WB has five hours of prime-time HD fare. NBC is offering a few of its

prime-time shows in HD, as well as the *Tonight Show with Jay Leno*, and plans to offer more next season. On the cable side, HBO, Showtime and Discovery are all offering sizable amounts of programming in HD. And ESPN has just started its new HD simulcast network on which it will run more than 100 live professional sports events in high def through the summer.

Not to be outdone, TV set makers are offering a wider assortment of sets at far more affordable prices. "There are about 450 HDTV products on the market today," said John Taylor, vp of public affairs and communications for Zenith Electronics Corp. "The number of integrated sets being made has quadrupled since last year. And retail prices are down 15 to 20 percent from last year. Right now you can get a 4-by-3 [screen ratio], 32-inch, fully integrated HDTV set for \$1,300 retail. Two years ago, they were above \$2,000."

Zenith's 34-inch, fully integrated, direct-view, widescreen 16-by-9 ratio HDTV sets, on display at the Drafthouse, have a suggested retail price of \$2,299.

While the massive digital and HDTV equipment booths of major product manufacturers like Sony and Panasonic were packed with prospective local TV station customers throughout the show, and integration of HD at stations continues (more on that later), it is the consumer that needs to be targeted even more. The good news is that, in a recent poll by station consultants Frank Magid Associates, 61 percent of consumers said they were either very familiar or somewhat familiar with HDTV. And after giving those polled a description of HDTV, 77 percent said they thought it was at least somewhat appealing. The survey found that HDTV has a higher appeal among men and that the most interested audience is men 25-54, which Magid's Maryann Schulze said is the demographic that broadcasters, retailers and setmakers should target in their promotional and educational efforts. Schulze said since 10 percent of all households each year replace one TV set, there's significant upside to a proper marketing effort.

With more HDTV sets in retail stores than ever before, customer service at the store level also needs to be tweaked. Circuit City, which has more than 600 stores nationally, recently eliminated sales commissions for its in-store sales people, a move some believe will adversely affect motivation for learning about and selling HDTV products. But Bob Perry, vp of

Avoiding the Panic Button on PVRs

Execs mull the threat personal video recorders pose to ad-supported biz

BY TODD SHIELDS

When *TV Guide* chief Jeff Shell returned to his Los Angeles home recently after a hard day of work, all he wanted to do was veg out in front of the TV. But there was nothing on that he wanted to watch. Rather than turn away from the TV, he turned to programs stored by his personal video recorder and happily caught up on an episode of *The Bachelor*.

Did he use the digital device to fast-forward through the program's ads? "Yeah, of course I did," Shell told a TV industry panel last week at the National Association of Broadcaster's annual convention in Las Vegas. But for the next installment of *The Bachelor* he watched live—and this time he sat through the ads.

Shell, CEO of Gemstar-TV Guide International, drew a lesson from his experience with his personal video recorder, or PVR. "Anything that gets people to watch more television is good for the television business. Period," he said.

How advertisers and ad-supported TV can withstand the challenge posed by the PVR remains a hot-button topic for agencies, broadcast and cable programming executives and media buyers. The answer out of last week's convention: Advertisers need to produce messages that PVR users won't want to skip. And they need to be innovative, embracing such strategies as product placement and other non-traditional methods of advertising.

While the skipping of ads has caused a lot of gnashing of teeth, some industry players aren't overly concerned. "Don't panic," said Shell. "Advertising will evolve...[and] the thirty-second ad will remain a critical part of our business models."

For now, PVRs represent an emerging rather than a current challenge. In 2002, manufacturers sold 247,000 PVRs in the U.S. last year, while they were selling 22 million TV sets, according to the Consumer Electronics Association. The trade group expects PVR sales to nearly double this year. Skip Pizzi, a TV standards manager with Microsoft, estimated there are about

1.5 million PVRs in use in a nation with 107 million TV homes.

Shell said research indicates PVR users skip ads 72 percent of the time. David Harkness, senior vp of strategy and alliances with Nielsen Media Research—a company owned by *Mediaweek* parent VNU—said preliminary research shows PVR users nearly always resort to the fast-forward and reverse buttons, but it's not clear how much of that activity represents ad-skipping. "It is an early warning sign," Harkness said.

Product placement may offer one way to snag viewers' attention in an ad-skipping world, said Tim

Larcombe, vp of digital

and interactive TV with Agency.com. But, he added, "you can't [use product placement] for all the products you used to advertise in 30-second spots."

Larcombe's suggestions included interactive ads—an idea dismissed by some as unrealistic because it asks passive TV viewers to be active. Greg DePrez, vp of subscription video-on-demand with Starz Encore Group, said people come to TV to watch, not to shop. "That's a huge gulf," DePrez said.

Others said the PVR may let advertisers reach finely targeted audiences. A message on the PVR users' screen could invite them to click through to view an ad downloaded earlier and stored on a reserved portion of the devices' hard drive, said Gary Arlen, president of consulting firm Arlen Communications. "That's the opportunity people are looking for," Arlen said.

DePrez said marketers' problems include rising costs for direct mail, increasing reluctance to accept telephone pitches and, with the PVR, skipping of ads. He said sponsorships might provide part of the answer, just as companies staged TV dramas in the 1940s to create a platform for ads. "Have we gone full circle?" asked DePrez.



DePrez: Show sponsorship is a retro way to evade ad-skipping.

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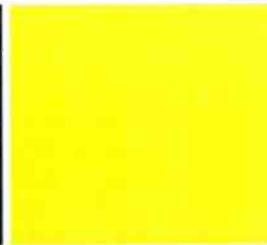
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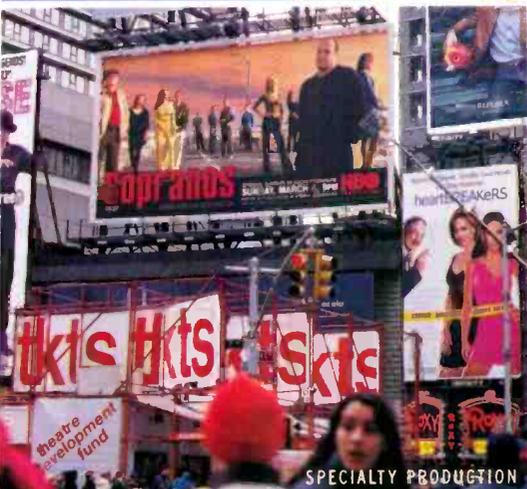
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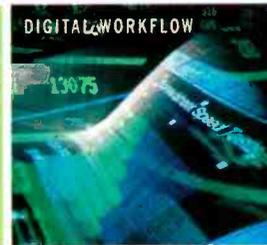
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marketing for Mitsubishi Digital Electronics America, pointed out that another huge national electronics retailer, Best Buy, has operated on a straight salary basis for years without its business being adversely effected. "I do not see a negative impact for Circuit City," he said.

Both Perry and Zenith's Taylor said their companies spend millions of dollars every year on store-visit programs and seminars aimed at training retail sales people, and Perry said some retailers have incentive programs instead of straight commissions. Taylor said Zenith also has a Web site on which consumers can actually find out what HD programming is available in their market and, if they are buying an HDTV set, what type of antenna they would need.

While national programming in HD is moving along at a decent clip, local high-def efforts—particularly local news telecasts—have gotten nowhere, and probably won't for years.

While stations have borne the cost of building new digital antennas to transmit HD signals, the cost of upgrading their local news-gathering operations, studios and production



The manufacturers' booths were packed with prospective TV station customers.

facilities to HD is at this point still too prohibitive, especially with a moribund economy trimming ad revenue. To date, only three local broadcast stations are airing their local newscasts in high definition.

Jack Sander, president of Belo Corp.'s TV stations division, says that local news will be the last thing passed through in HD by the stations and is about five years off. "There is no clear benefit of offering news in HD right now," he said. But he said Belo's NBC affiliate KING-TV in Seattle will soon be producing *Evening*, a local community oriented, half-hour

show in HD five days a week.

Stanley Hubbard, chairman, president and CEO of Minnesota-based Hubbard Broadcasting, said local stations' production of HD newscasts could be as far as 10 or 15 years away. "It's just prohibitively expensive," he said.

Lowell "Bud" Paxson, chairman of Paxson Communications, was even more negative. "I've invested over \$200 million in this digital fiasco," said Paxson. "I think my shareholders would like to see a little return on investment. My feeling is that Larry King in HDTV doesn't get any prettier." ■

Ownership Onus

Lawmakers warn GOP-led FCC not to go overboard in loosening rules

BY TODD SHIELDS

While federal lawmakers want action on the transition to digital TV but are unlikely to set a deadline, they could react sharply to a loosening of media ownership rules, congressional speakers told broadcasters last week during the National Association of Broadcasters convention in Las Vegas.

Speaking at the annual Federal Communications Commission chairman's breakfast, Michael Powell said he expects "some liberalization" of the ownership rules in voting by the Republican-majority commission on June 2. He and other FCC members said the agency is eager to follow the vote with action on other issues, such as network affiliates' rights and cable's obligations to carry broadcasters' digital signals.

Much of the discussion centered upon the FCC's pending revision of ownership rules that include restrictions on TV network size, limits on local broadcast concentration, and a ban on daily newspapers owning nearby TV or

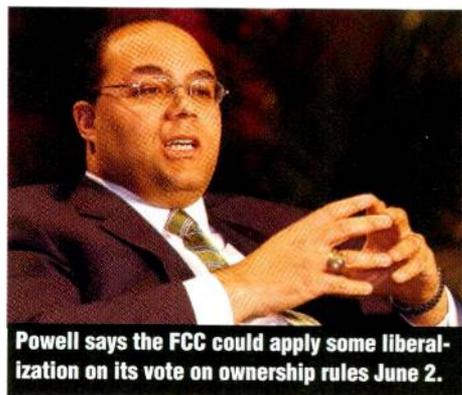
radio stations.

Powell and fellow Republican commissioner Kevin Martin suggested the agency is likely to revamp radio rules that allow heavy ownership concentration in small radio markets. "There's a pretty strong unanimity that we have to deal with that anomaly," Powell said.

Commissioners Kathleen Abernathy (also a Republican) and Martin both criticized the newspaper-broadcast cross-ownership ban. "The commission should at least relax it, if not repeal it," Martin said.

The commissioners gave no clear indication of whether they will relax restrictions on owning two TV stations in the same market, or lift the cap that limits TV networks to owning stations that can reach 35 percent of the national audience.

Members of Congress attending the conference suggested the ownership rules could emerge as issues on Capitol Hill. Sen. Conrad Burns (R-Mont.) said the cross-ownership



Powell says the FCC could apply some liberalization on its vote on ownership rules June 2.

rule is likely to spark debate. Rep. Elliot Engel (D-N.Y.) said modifications to the 35 percent cap would attract attention on the Commerce Committee that oversees the FCC. "If they raise it above 50 percent, people on the committee would be outraged," Engel said.

Rep. Gene Green (D-Texas) said the House Commerce Committee soon will take up a bill aimed at speeding the transition from traditional analog TV to digital service. Engel said fear of voter backlash will keep Congress from setting a firm date. "My God, if we're going to turn off the signal and it comes in an even-numbered [election] year, that's the end of our careers," Engel said. ■

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Buyers Upbeat as Fog of War Begins to Lift Over Markets

BY KATY BACHMAN

Despite the war with Iraq and an economy struggling to recover in the midst of it, advertisers are still spending, according to Zenith Optimedia, which last week revised its 2003 forecast for U.S. advertising growth from 1.9 percent to 2.2 percent. Last week's upgrade over December's prediction came despite some cautious first-quarter earnings reports from a number of radio and television station groups.

Several companies, faced with interruptions in advertising in March due to the war with Iraq, have lowered their financial guidance. But after a slow end to the first quarter, the fog of war is beginning to lift and local TV and radio advertising is, for the most part, returning to normal.

Anticipating war last month, most advertisers began to rethink schedules even before the first shot was fired, leading them to shift schedules and dollars from first to second quarter. TV owners such as Gannett, Hearst-Argyle, LIN TV, Sinclair Broadcast Group and Belo Corp., and radio groups including Entercom Communications, Radio One and Entravision Communications, cited the war as the main reason first-quarter revenue would be slightly less than originally forecast.

However, media buyers have seen little shifting of money due to the war. "The markets have been reasonably resilient following the onset of war. There were many dire predictions, but none of them came through," said Rich Hamilton, CEO of Zenith Media, who called the forecast change a "minor upgrade."

"Automakers continue to produce cars that need to be sold, and the telecommunications industry needs to sell wireless services," Hamilton continued. "The fact that a war is on hasn't stopped them from being competitive."

Although estimates of how much local advertising was effected are scarce, most companies reported relatively modest declines in first-quarter ad dollars. Hearst-Argyle, for example, which owns or operates 27 TV stations, cut its revenue estimates by 4 percent. Entercom, owner of 103 radio stations, cut revenue growth from 8 percent to 7 percent. Other groups—including ACME Communica-

"The war disrupted advertising, but it didn't change things. No one is spending frivolously... The pressure from Wall Street is too great." CRAWFORD



"The markets have been reasonably resilient following the onset of war. There were many dire predictions, but none of them came through." HAMILTON

tions, Salem Communications, Granite Broadcasting and Tribune Broadcasting—reaffirmed their initial forecasts.

As for newspapers, the war's effect on costs and ad spending held back results at two companies reporting first-quarter earnings last week, while several other publishers—Gannett, Knight Ridder, Belo and Pulitzer—have lowered expectations for the quarter.

E.W. Scripps Co., for example, showed only modest growth at its newspaper and TV units, which grew 2.6 and 7.1 percent, respectively.

Dow Jones & Co.'s earning per share rose 50 percent to 12 cents per share as the company tightened spending and raised prices for

some products to offset an 11 percent ad decline for *The Wall Street Journal*. Assuming the war's effects continue through the second quarter, the company said it predicted earnings to be down over a year ago, with the *Journal* posting ads declines at more than 10 percent.

According to CMR/TNS, which released spending for select media during the first week of war, spot TV advertising was off 3 percent, a revenue loss of about \$8.5 million. Most of the loss occurred during the first three days, with spending returning to positive levels on the fourth day. In radio, the war was less of a factor than was minimal demand on ad sales due to a sluggish economy, which seems to be carrying over into the second quarter.

"We didn't think [first quarter] would be a gangbuster quarter to start with," said Maribeth Papuga, senior vp and director of local broadcast for MediaVest. "If advertisers delayed ad budgets, they're still going to spend it. But the economy isn't that great, and a lot of them are faced with those issues. And spot is the first to go."

For second quarter, local TV is looking healthier than radio, agreed buyers and sellers, especially in the top 25 markets, where the war caused many advertisers to move schedules into April and May.

"There continues to be pent-up demand for TV advertising. If the resolution to the war continues to look promising, that momentum should stay intact," said Chris Rohrs, Television Bureau of Advertising president, who is still sticking with a year-end forecast of 1 percent to 3 percent growth for 2003.

"The war disrupted advertising, but it didn't change things," said Kathy Crawford, executive vp and director of local broadcast for Initiative Media. "No one is spending frivolously like the dot-com days. The pressure is too great from Wall Street."

Although most radio advertisers were back on the air within 48 hours after the first attack on Iraq, the second quarter, which accounts for nearly 28 percent of the industry's annual take, isn't shaping up as expected. "The West coast is tight, but the rest of the country isn't doing as well," said Amy Nizich, executive vp and director of local broadcast negotiations for Initiative Media (not to be confused with Crawford), who added that radio should pick up in the

market profile

BY EILEEN DAVIS HUDSON

third quarter. "That's when the Coca-Colas and the Pepsis go after the young audience and listening levels go up," Nizich added.

May, radio's most profitable month, is likely to be stronger than April, fueled by auto, telecommunications and home improvement. Buyers also believe TV tune-in ads will pressure inventory, as well. "I don't think you'll see it be any different than previous years," said Papuga.

Overall, how the year plays out depends on the health of several key economic sectors. "Auto and airline companies could be the first to lead the way out of the advertising recession," predicted Mark Fratrack, vp of BIA Financial Network. "They'll both need promotional efforts to drive sales, and the way to tell people about those promotions is with local advertising." —with Rich Brunelli and Lucia Moses, *Editor & Publisher*

AUSTIN, TEXAS TV STATIONS / MAGAZINES

TM Editor Hits PBS Air

Emmis Communications' *Texas Monthly* has teamed up with Austin's PBS station KLRU-TV to produce a series of half-hour interviews of national figures for state syndication, with magazine editor Evan Smith as host.

"We want to bring nationally interesting people to Texas and put them in front of the kinds of people who read *Texas Monthly*," said Smith, who, with publisher Michael Levy, serves on KLRU-TV's board of directors.

Texas Monthly Talks first premiered last month with a feature on Enron whistleblower Sherron Watkins. The weekly prime-time half-hour program already has been picked up by 12 of the state's 13 PBS markets, including Houston, San Antonio and Dallas.

With four shows taped and seven more scheduled, guests include former Sen. Bill Bradley, playwright and activist Anna Deavere Smith and Lyndon Baines Johnson biographer Robert Caro. *TM* is also in talks to showcase each of the 2004 presidential candidates.

Both KLRU and *TM* will pursue program sponsors. The show also offers advertisers a broadcast extension as underwriter of the program along with the print buy, says Smith. The program is being funded by Public Strategies, Inc., The Mattsson McHale Family Foundation and the Alice Kleberg Reynolds Foundation. Each PBS station will be promoted in monthly ads in the 300,000-circ title. —Aimee Deeken ■



CATHY/MELLOAN/STONE/GETTY IMAGES

Extensive development along the James River is part of a larger revitalization push in Richmond.

Richmond, Va.

AS IN MANY MIDSIZED CITIES, THE ECONOMY OF RICHMOND, VIRGINIA'S STATE CAPITAL, has been pinched by a tight fiscal outlook at the state level. Governor Mark Warner, and the state assembly, had to bridge a \$3.8 billion budget deficit earlier this year, which led to nearly 6,000 state-employee

layoffs. The state is now facing another revenue shortfall, this time to the tune of around \$1.5 billion. Still, the city has moved forward with some key initiatives, including the construction of the nearly 700,000-sq.-ft. Greater Richmond Convention Center in the heart of the historic Richmond region downtown. The \$162 million convention center had its grand opening on Feb. 28. Likewise, the city's extensive river-front revitalization project along the banks of the James River continues. Also, two expansive malls are being developed, in the city's West End section and in south Richmond. The malls, both of which are slated to open this fall, will include such upscale retailers as Nordstrom's, Saks Fifth Avenue and Lord & Taylor.

In the last two months, two major companies have announced they will be establishing headquarters in the DMA. The planned merger of the financial services units of Wachovia Corp. and Prudential Securities, creating the

nation's third-largest brokerage firm, will be based in Richmond. That deal is expected to close in the third quarter. And Phillip Morris USA, a division of Altria Corp., has announced plans to relocate its headquarters to Richmond from New York.

Ranked No. 59 in the nation, the Richmond-Petersburg television market continues to rebound from the advertising slump that hit the market in 2001. "There's been a return to health, revenue-wise," says Gerald Walsh, general manager of WUPV, Lockwood Broadcasting's UPN affiliate.

WWBT, the NBC affiliate owned by Jefferson-Pilot Communications, launched the market's first 4 p.m. newscast last August, in place of *The Oprah Winfrey Show*. WWBT senior vp and gm Don Richards says he chose not to renew *Oprah* in part because she has announced plans to retire in 2006 and because of the cost of the nationally syndicated talk

SCARBOROUGH PROFILE

Comparison of Richmond, Va.

TO THE TOP 50 MARKET AVERAGE

	Top 50 Market Average %	Richmond Composition %	Richmond Index
DEMOGRAPHICS			
Age 18-34	31	30	97
Age 35-54	41	42	103
Age 55+	28	28	99
HHI \$75,000+	29	27	92
College Graduate	13	13	103
Any Postgraduate Work	11	10	93
Professional/Managerial	23	23	101
African American	13	31	238
Hispanic	13	#	#
MEDIA USAGE-AVERAGE AUDIENCES*			
Read Any Daily Newspaper	55	53	96
Read Any Sunday Newspaper	64	63	99
Total Radio Morning Drive M-F	22	21	94
Total Radio Afternoon Drive M-F	18	17	95
Total TV Early News M-F	29	33	113
Total TV Prime Time M-Sun	39	40	101
Total Cable Prime Time M-Sun	13	17	131
MEDIA USAGE-CUME AUDIENCES**			
Read Any Daily Newspaper	75	71	95
Read Any Sunday Newspaper	77	76	98
Total Radio Morning Drive M-F	76	74	98
Total Radio Afternoon Drive M-F	73	73	100
Total TV Early News M-F	70	75	106
Total TV Prime Time M-Sun	91	92	101
Total Cable Prime Time M-Sun	59	63	107
MEDIA USAGE-OTHER			
Accessed Internet Past 30 Days	60	59	98
HOME TECHNOLOGY			
Own a Personal Computer	69	66	96
Purchase Using Internet Past 12 Months	38	34	90
HH Connected to Cable	69	65	95
HH Connected to Satellite/Microwave Dish	16	22	134

#Respondent level too low to report *Media Audiences-Average: average issue readers for newspapers; average quarter-hour listeners within a specific daypart for radio; average half-hour viewers within a specific daypart for TV and cable. **Media Audiences-Cume: 5-issue cume readers for daily newspapers; 4-issue cume readers for Sunday newspapers; cume of all listeners within a specific daypart for radio; cume of all viewers within a specific daypart for TV and cable.
Source: 2002 Scarborough Research Top 50 Market Report (February 2001-March 2002)

show. "It's a very good show, but it's also expensive," says Richards. WRIC-TV, Young Broadcasting's ABC affiliate, picked up *Oprah*.

In addition to rolling out the 4 p.m. newscast, WWBT also premiered *Dr. Phil* last fall at 3 p.m. leading into the news. Though some media observers questioned the decision to drop *Oprah*, WWBT rose from second place to first at 4 p.m. in the February Nielsen sweeps, vs. February '02. *Dr. Phil*, which replaced the *Rosie O'Donnell Show*, has also claimed the No. 1 position since the November ratings book. "We didn't miss a beat," says Richards. He adds that WWBT was the No. 1 NBC affiliate in the nation with a 4 p.m. newscast in February with an average 8.7/20 in households.

WWBT also continues to produce the 10 p.m. late news for WRLH-TV, Sinclair Broadcast Group's Fox affiliate. The newscast was expanded to an hour weeknights two years ago. It remains a half hour on weekends. WRLH's anchors serve double-duty as WWBT reporters, and the stations cross-promote each other's news. The newscasts are branded separately and target different audiences, says Scott Sanders, gm of WRLH and Sinclair's WB affiliate in Norfolk, Va., WTVZ.

WRLH has no direct news competition at 10 p.m. The station's 10 p.m. newscast outperformed WRIC's 11 p.m. news in households in the February sweeps, garnering an 8.1/12 to WRIC's 6.6/12 (see Nielsen chart on page 23). Sanders says the February book was tremendous for the station, which beat both WRIC and Raycom Media's CBS affiliate WTVR-TV in adults 18-49 and 25-54 when comparing its 10 p.m. news to the 11 p.m. newscasts. While WWBT is the clear local news leader among adults 18-49, earning a 7 rating on a Monday-Friday average, WRLH followed with a 5, and WRIC and WTVR tied with a 4.

As for syndicated programming, WRLH has purchased *Becker* in syndication for this fall. Sanders says he's pleased with his current programming lineup, which includes *The Simpsons*, *Seinfeld* and *Everybody Loves Raymond*.

WRLH may eventually face a head-to-head news rival at 10 p.m. in WUPV. "Doing a 10 p.m. news is an ongoing discussion" for the station, says WUPV's Walsh.

WUPV's lineup targets Richmond's sizeable African American community with such off-net shows as *The Steve Harvey Show*, *The Hughleys* and *Martin*. However, WUPV expanded its syndicated roster this past fall by adding *Will & Grace*, which it double-runs from 11 p.m. to

midnight. The show was "the first nonethnic sitcom that we had purchased," says Walsh. According to Scarborough Research, Richmond's African American community makes up 31 percent of the DMA's total population.

WUPV also purchased *King of Queens* in syndication for this fall, which will be double run either from 7 to 8 p.m. or from 10 to 11 p.m., says Walsh. Looking forward, WUPV also picked up the second cycle of *Friends* once the first cycle finishes in 2006. *Friends* is currently on WWBT at 7:30 p.m. Walsh says expanding the station beyond ethnic programming should help broaden the station's appeal to viewers and advertisers.

Still, Walsh emphasizes that the station will continue to serve the African American community. "The buyers in Richmond recognize the value of African American dollars," he says. "We will aggressively pursue ethnic sitcoms."

WWBT's decision to drop the venerable *Oprah* in favor of local news has worked out well for WRIC. *Oprah*, which the station airs from 5 to 6 p.m., replaces *The Jerry Springer Show*, which moved to 10 a.m. "We just didn't feel there was an appetite for an additional 5 p.m. news," says Tom Best, WRIC president and gm. "The real preference was for talk." *The Maury Povich Show* airs at 4 p.m. Best says *Oprah*, with its more serious topics, generates

market profile

significantly better numbers as a lead-in for its 6 p.m. news than *Springer* did. WRIC's news department has also welcomed the change since it no longer has to search for titillating stories to promote as teasers for the 6 p.m. news during *Springer*, says Best.

Executives at WTVR did not return repeated calls for comment.

Comcast is the dominant cable company in the Richmond area. Its ad sales arm, Comcast Advertising Sales, inserts on 44 networks and serves 243,000 subscribers in the Richmond metro area, which includes Richmond City, and surrounding counties Henrico, Hanover, Chesterfield and Goochland. Petersburg, Va., is served by Adelphia Cable, which has roughly 35,000 subs in the market. Richmond and Petersburg are located approximately 35 miles apart.

In the 56th-ranked radio market, according to Arbitron, Clear Channel Communications, Cox Radio and Radio One are the top three broadcasters. Clear Channel alone owns six outlets, including the No. 1 station overall in the market, Adult Contemporary outlet WTVR-FM. Together, the stations pulled in a combined 29.7 average quarter-hour share in the Fall 2002 Arbitron survey, with estimated combined revenue of \$23.4 million, according to BIA Financial Network. Clear Channel controls nearly 41 percent of the advertising market share (see *Radio Ownership chart on page 22*).

Last Sept. 13, Clear Channel surprised the market by flipping its heritage Classic Rock station WRXL-FM to Alternative, with the new tag 102.1 The X. However, the change does not seem to have helped the station, which fell from a 2.7 share in the summer book to a 2.3 among listeners 12-plus in the fall Arbitrons. WRXL, which had been a Classic Rock format since 1976, had expanded its playlist in the 1990s to include some Modern Rock tunes. The station now competes with Cox's Modern Rock WDYL-FM. The competition hasn't helped WDYL, which saw its AQH share fall from a 3.7 in the summer to a 2.6 in the fall.

Last October, WRXL changed its morning show to *Elliot in the Morning*, featuring Elliot Seagull. The show originates from Clear Channel's WWDC-FM in Washington, D.C. Donna Spurrier, president of the Richmond-based Spurrier Media Group, a media management agency, says that in conservative Richmond, where Howard Stern was booted out, Seagull "is definitely pushing the envelope. It

will be interesting to see how long it lasts."

Although the radio market has some major players, there are a few locally owned companies that compete against the big boys. One of them is MainQuad Communications, which owns three FM stations in the market. MainQuad launched WBBT in 1999 as a Jammin' Oldies format and changed it to Hot Adult Contemporary about a year later. Since then it

WARV to Sports. The station now features a locally produced morning show with well-known Richmond radio personality Al Coleman, aka Big Al, from 7-10. The station airs as an ESPN Radio affiliate for the rest of the day.

WARV will compete directly with Clear Channel's Sports/News station WRNL-AM. Michael Guld, gm of the MainQuad stations and a partner in the company, says executives

decided to switch WARV's format to sports for a couple of reasons. "We realized that ESPN is a brand name," says Guld, who adds, "we just felt we could do a better job of programming it."

Local radio broadcaster 4M Communications owns four AM stations. The company, which brands its radio group Radio Richmond, has Adult Standards outlet

WVNZ, Urban/Inspirational WREJ and simulcasting Talk stations WLEE and WHAP. Another well-known local radio host, Jeff Beck, is returning to the market from Fredericksburg, Va., to become director of operations for 4M, replacing Jim Jacobs.

With MainQuad's venture into Sports through WARV, 4M has repositioned its Talk outlet WLEE (and WHAP). The station had

NIelsen MONITOR-PLUS AD SPENDING BY MEDIA / RICHMOND, VA.

	Jan.-Dec. 2001	Jan.-Dec. 2002
Spot TV	\$82,076,591	\$83,206,617
Local Newspaper	\$61,943,460	\$60,439,610
Outdoor	\$11,121,170	\$9,565,450
Local Magazine	\$2,906,600	\$3,548,800
Total	\$158,047,821	\$156,760,477

Source: Nielsen Monitor-Plus

has predominantly been an '80s Hits station (with some late '70s and early '90s tunes sprinkled in) for about the last two years. WJZV is MainQuad's Smooth Jazz outlet.

Last month, MainQuad finalized its purchase of Classic Country WARV-FM from Honolulu Broadcasting. (Cox had operated the station previously under a local marketing agreement). On April 1, the company flipped

RADIO OWNERSHIP

Owner	Stations	Avg. Qtr.-Hour Share	Revenue (in millions)	Share of Total
Clear Channel Communications	2 AM, 4 FM	29.7	\$23.4	40.9%
Cox Radio	4 FM	20.6	\$15.2	26.6%
Radio One	4 FM	18.6	\$11.3	19.8%
4M Communications	4 AM	3.9	\$1.6	2.8%
MainQuad Communications	3 FM	5.4	\$1.4	2.4%

Includes only stations with significant registration in Arbitron diary returns and licensed in Richmond, Va., or immediate area. Share data from Arbitron Fall 2002 book; revenue and owner information provided by BIA Financial Network.

RADIO LISTENERSHIP / RICHMOND, VA.

STATION	FORMAT	Avg. Qtr.-Hour Share	
		Morning Drive, 12+	Evening Drive, 12+
WTVR-FM	Adult Contemporary	10.6	9.5
WKHK-FM	Country	8.9	8.8
WRVA-AM	News/Talk	8.1	5.1
WKLR-FM	Classic Rock	7.9	5.8
WCDX-FM	Urban	7.1	7.3
WKJS-FM	Urban Adult Contemporary	5.8	4.0
WBTJ-FM	Hip Hop/R&B	4.2	5.6
WRVQ-FM	Contemporary Hit Radio	3.8	4.6
WMXB-FM	Hot Adult Contemporary	3.6	4.3
WJMO-FM	R&B Oldies	3.2	3.4

Source: Arbitron Fall 2002 Radio Market Report

NEWSPAPERS: THE ABCS

added more Sports Talk content but has since moved away from the Sports format to focus on Talk. ESPN's *Tony Kornheiser Show* moved from WLEE to WARV.

Geac Communications, another Richmond-based company, owns Country/Bluegrass WXGI-AM. WXGI welcomed veteran Richmond radio personality John Trimble, whose *Big John Trimble Show* just moved from WCLM-AM, World Media Broadcasting's Variety station.

As far as local newspapers go, the cities of Richmond and Petersburg each have their own respective hometown papers—Richmond-based Media General's *Richmond Times-Dispatch* and *The (Petersburg) Progress-Index*, part of the Scranton, Pa.-based Times-Shamrock Group family of papers.

For the six months ended Sept. 30, 2002, the morning *Times-Dispatch* had a daily circulation of 187,409, a decline of 1.6 percent compared to the same period in 2001; its Sunday circ of 228,262 was down fractionally from the year-ago period. The *Times-Dispatch* is the dominant paper in the market and considers itself a state paper.

"It's really the only game in town. It's a total monopoly," said media buyer Spurrier, adding that the paper boasts a fairly wide sub base, reaching many of the younger folks in this up-and-coming market as well as older residents. Still, without much competition, the paper is an expensive buy for advertisers.

The *Times-Dispatch* received national attention last October for its breaking news reports on the D.C.-area sniper shooting. Louise Seals, *Times-Dispatch* managing editor, says the paper plans to revamp its stock pages in its business section to add information about the 401k holdings of local companies.

Petersburg's *Progress-Index* is a much smaller afternoon paper. Its daily circulation for the six months ended Sept. 30 was 14,215, down 6.4 percent from a year ago. The paper's Sunday circulation fell 4.4 percent to 15,890 compared to a year ago. Executives at the paper declined to comment.

Lamar Advertising controls more than 90 percent of the outdoor advertising inventory in the Richmond DMA, according to Claude Dorsey, sales manager for Lamar's Richmond plant. The company offers more than 300 bulletins, permanent and rotary, along with more than 500 30-sheet poster panels, says Dorsey. While the 30-sheets are scattered throughout the metro area, the bulletins are located along all the main interstates, I-95, I-195, I-64 and I-295, as well as the Chippenham Parkway, a main interstate connector in the region. ■

	Daily Circulation	Sunday Circulation	Daily Market Penetration	Sunday Market Penetration
Henrico County: 112,344 Households				
<i>Richmond Times-Dispatch</i>	47,578	52,321	42.4%	46.6%
Chesterfield County: 97,137 Households				
<i>Richmond Times-Dispatch</i>	36,906	45,696	38.0%	47.0%
<i>The (Petersburg) Progress-Index</i>	1,639	1,832	1.7%	1.9%
Richmond City: 85,034 Households				
<i>Richmond Times-Dispatch</i>	37,633	43,506	44.3%	51.2%
<i>The Washington Post</i>	1,089	1,547	1.2%	1.8%
Hanover County: 32,508 Households				
<i>Richmond Times-Dispatch</i>	18,180	21,721	55.9%	66.8%
Petersburg City: 13,727 Households				
<i>The (Petersburg) Progress-Index</i>	5,133	5,173	37.4%	37.7%
<i>Richmond Times-Dispatch</i>	4,072	4,893	29.7%	35.6%
Prince George County: 10,985 Households				
<i>The (Petersburg) Progress-Index</i>	1,419	1,491	12.9%	13.6%
<i>Richmond Times-Dispatch</i>	1,370	1,869	12.5%	17.0%
Dinwiddie County: 9,098 Households				
<i>The (Petersburg) Progress-Index</i>	2,712	2,825	29.8%	31.1%
<i>Richmond Times-Dispatch</i>	928	1,161	10.2%	12.8%
Colonial Heights City: 7,222 Households				
<i>The (Petersburg) Progress-Index</i>	2,884	3,028	39.9%	41.9%

Data is based on audited numbers published in the Audit Bureau of Circulations' October 3, 2002 County Penetration Report.

NIELSEN RATINGS / RICHMOND, VA.

EVENING AND LATE-NEWS DAYPARTS, WEEKDAYS

Evening News

Time	Network	Station	Rating	Share
4-4:30 p.m.	NBC	WWBT	8.7	20
5-5:30 p.m.	NBC	WWBT	11.8	23
	ABC	WRIC*	6.9	13
	CBS	WTVR	5.4	11
	UPN	WUPV*	3.1	6
	Fox	WRLH*	1.9	4
5:30-6 p.m.	NBC	WWBT	13.4	24
	ABC	WRIC*	6.9	13
	CBS	WTVR	5.8	11
	UPN	WUPV*	3.1	6
6-6:30 p.m.	Fox	WRLH*	2.9	5
	NBC	WWBT	15.1	25
	ABC	WRIC	7.5	13
	CBS	WTVR	6.9	12
	Fox	WRLH*	4.1	7
	UPN	WUPV*	3.0	5

Late News

10-11 p.m.	Fox	WRLH	8.1	12
11-11:30 p.m.	NBC	WWBT	12.7	23
	CBS	WTVR	8.3	15
	ABC	WRIC	6.6	12
	Fox	WRLH*	3.9	7
	UPN	WUPV*	2.1	4

*Non-news programming Source: Nielsen Media Research, February 2003

It is part of the media and marketing executive's burden to be eternally summited. So there should be nothing unusual about a group of 350 or so such executives being called in early March to the headquarters of a player on the media scene, to be bombarded with case studies trumpeting advertising success, a special guest appearance by the CEO, and at night a private concert, in this case featuring the jazz vocalist Ernestine Anderson.

Except, possibly, for the location: Redmond, Washington. Where one corporation—Microsoft—so clearly dominates that it's impossible to drive its streets without seeing the name emblazoned on one bland office building after another. A few years back, many media executives would have interpreted the so-called Strategic Account Summit (this is Microsoft's fourth) as evidence that the company—not content with being the world's largest software concern—had succeeded in fulfilling widespread speculation that it was going to take over the media industry, too.

Long-time observers of the Internet scene may remember that when it launched in 1995, the MSN online service was going to run roughshod over America Online because of its embedding into the Windows 95 operating system. Likewise, Microsoft's MSNBC cable news joint venture with NBC, launched in 1996, was going to be just the beginning of media-world domination. But now, three years into the new millennium, neither the ISP service nor the cable channel is dominating the world. And the MSN brand—which includes both the ISP and Web sites such as CarPoint and MSN Money—has the much more humble goal of merely achieving credibility as an online ad vehicle.

About 20 minutes into the first session, Joanne Bradford, the company's chief media revenue officer, touches on an *Advertising Age* survey I put together back in December 2001. Top online media directors had been asked to rate the industry's three major players—Yahoo!, AOL and MSN—in such areas as responsiveness to advertisers and willingness to negotiate. For MSN, the survey produced devastatingly unanimous results: it ranked dead last in all seven categories.

At the time, one shaken MSN executive said the survey would do one of two things: destroy a few MSN careers, or serve as a wake-up call to MSN's cadre of technology executives who'd never taken the time to understand the media business. Fortunately for him, it proved to be the latter. Explains Adam Gerber, senior partner at Digital Edge and one of the media executives who participated in the survey: "That story [was] the impetus internally."

As the 39-year-old Bradford reminds me later, the survey came out on her 10th day on the job. Bradford refers to the situation in upbeat sales speak, saying the brutal assessment ended up being a positive, a catalyst for serious change. "Now we're in the execution phase," she asserts.

Indeed, Bradford's mission at MSN is to prove to media decision-makers that Microsoft can stick to its heritage as a software company *and also* be a place where advertisers can feel comfortable doing business.

It's pretty easy to understand why media executives had grown ever more skeptical about MSN as an ad vehicle. Even though Microsoft's broad array of Web sites had 82.4 million

in unique audience in February according to Nielsen/NetRatings (which, like *Mediaweek*, is owned by VNU), MSN's contribution to Microsoft's bottom line is minimal. If the unit makes good on a March forecast to reach \$700 million in ad and commerce revenue for fiscal year 2003 (which closes June 30), it will have contributed about 2 percent to what the company says will be approximately \$32 billion in fiscal 2003 revenue. Why would any advertiser think Microsoft would care about their marketing challenges?

On top of all that, Microsoft had seemed unaware of the yawning cultural divide between the way media and advertising companies do business, and the way technology companies do. Gerber recalls one particularly off-putting encounter with MSN executives early on. As they sat down to show him confidential improvements to the service, they whipped out a non-disclosure agreement for him to sign before he got his sneak peak. While NDAs are commonplace in the technology business, most of the advertising community sees them as a personal affront, a sign of distrust. "I'm not signing NDAs with media companies," Gerber huffs.

The last, best evidence of the misunderstandings may have come in August 2001, and ironically it surrounded a pricey new initiative MSN rolled out to *court* the advertising community. Rich Bray, now MSN's executive vp of North America, came to New York to announce that the property would launch MSN Advantage Marketing, a \$100 million effort, which, according to a company press release, would focus "on delivering comprehensive products, technology and services that provide better results for brand and direct-response marketers."

What MSN was trying to say is that it would be spending money in an intensive R&D effort with interested agencies. Instead, Bradford admits, it was interpreted in ad land that MSN was going to spend \$100 million on trade advertising. "That was not the intent of the program," she concedes.

Thus, it became Bradford's task in late 2001 not just to stimulate the ad sales operation, but more pointedly to explain that MSN would—and could—understand marketers. At first glance, she wouldn't seem the obvious person to turn the place around. On the one hand, Bradford was steeped in the ad sales community, joining from *BusinessWeek* where she was vp/director of North American ad sales. On the other hand, she didn't have the online media experience of her rivals, knowing little about such hot button issues as standardization of rich media technologies and appropriate online measurement metrics. Only weeks before, Yahoo! had hired Wenda Harris Millard—who had both significant print and online experience—as chief ad sales officer.

In between some 15 meetings that Bradford will hold with clients during the two-day summit, we grab 20 minutes together in one of the green rooms within Microsoft's Executive Briefing Center, also known as Building No. 33 at the company's vast main campus. As I snake my way through the backstage corridors of the massive amphitheater called Kodiak (other meeting rooms in the center have names such as Cascade, St. Helens and Hood), it occurs to me that oddly enough, this is where Microsoft most resembles a media company. It may not be backstage at the Emmys, but the place does have



After several early missteps in reaching out to advertisers and marketers, Microsoft charges print veteran **Joanne Bradford** with crafting a fresh approach to growing ad revenue

Molding MSN's Message

BY CATHARINE P. TAYLOR

that feel of being admitted into an inner sanctum. You can't help wondering who else—up to and including the world's richest man himself—has walked these same halls.

Bradford was asked what it felt like to join such an embattled group. Without hesitation, she responds, "I didn't know there was a crisis."

If Bradford isn't the typical Microsoft executive, she shares with her co-workers the one thing that could be more important in Redmond than technological expertise: a hell-bent drive to succeed. Splitting time between her home in San Francisco and frequent trips to Redmond, Bradford seems to be on the job all the time, and even admits onstage at the summit that trick-or-treaters at her house last Halloween received candy—and MSN8 CD-ROMs. Therefore, although she acknowledges the successful efforts of Yahoo! to turn around its own ad sales effort [*Mediaweek*, Oct. 14, 2002], she says that her goal is to "leapfrog" them. Of course, the tacit message of the summit is 'do business with MSN,' but it's also clear that with AOL humbled and Yahoo! a much smaller corporation with roughly 3 percent of Microsoft's revenue, Bradford and MSN have set out to do nothing less than stake out the leadership position for the entire online advertising industry.

The first thing to go may have been the poorly packaged Advantage Marketing effort, though most of MSN's existing sales executives

al rich media providers, and the formation of an Agency Advisory Council that serves as a sounding board for the company's online marketing and technology initiatives. "They've been in the dressing room for two years trying on 100 different outfits," explains Avenue A vp of media Maggie Boyer of the company's numerous fits and starts.

So is MSN ready for its close-up? Most advertisers and agencies believe it is. "Joanne has made a huge difference," says Phil Bienert, head of e-initiatives at Volvo, which has famously launched two of its newest models entirely online. For the Irvine, Calif.-based automaker, MSN has created the Volvo Digital Garage, a special part of the MSN site through which Volvo is able to serve as sponsor of a hub for the brand's owners and enthusiasts. The product was developed by MSN's Custom Solutions Group, which has the mandate to do almost whatever it takes to please marketers, be it to create custom software or—as it did back in January for Coca-Cola—paint the usually blue MSN home page red. (Just last week, the group signed a deal with Visa.)

Visitors to the Digital Garage, which is now in its second year of operation, can gain access to the Volvo Virtual Showroom and a Volvo Concept Lab, and receive a steady stream of owner-, enthusiast- and vehicle-related information ranging from local gas prices to traffic reports. It's a method of marrying the touchy-feely side of marketing (remember the Volvo ad in which people recount how the car saved their lives?) with technology's practical applications. As custom solutions director Gayle Troberman describes it, in the online world it helps to provide an environment "where [consumers] can do things. That's how you're going to make that emotional connection." For Lexus, MSN developed a custom-published online site devoted to luxury—it goes so far as to include choices of music visitors can listen to while they read about exotic cheeses or high-end golf clubs.

None of the above is rocket science. We've seen all of these ideas in other media before. But given the amazing dot-com boom of the 1990s and its equally spectacular bust over the last few years, logical online marketing is not all that commonplace. And yet, at MSN at least, marketers are cottoning to the idea. A month after the summit, Bradford is now happily forecasting that MSN's ad and commerce revenue will be up a few more points than the 40 percent growth and \$700 million figure she'd predicted earlier.

If Bradford has made good on her pledge to make MSN a credible medium for advertisers, it's still sort of perplexing as to why a company which sells billions of dollars in software, game boxes and servers should care about the advertiser.

During a 25-minute speech at the summit's close, CEO Steve Ballmer does his best to explain. Bounding across Kodiak's stage, he says, "Deep in our hearts, we're consumer guys and we want to have technology products that delight the end customer." He talks excitedly (of course, he has no other way) about the potential of two-way customers and the future ramifications of Microsoft's gaming console, the Xbox. It's not an entirely convincing performance, except for the obvious passion with which the message is delivered.

MSN's message may not yet be completely clear, but its intent certainly is. And that's why people who underestimate Microsoft usually end up wishing they hadn't. ■



stayed on. While Bradford stresses the company is still heavily committed to online ad R&D, it was the tech-talk, not the intent, which had to go. Today, MSN's advertising.msn.com serves almost as much as a clearinghouse for the latest online ad knowledge as iab.net, the official site of the Interactive Advertising Bureau, the industry's trade group. Both flog the recent cross-media IAB-sponsored optimization studies, which work to determine online's role in the total media mix, and a large box at the bottom of the home page features Best Practice case studies for online marketers. Another area offers \$10,000 (jeez, that's only about 400 shares of Microsoft stock) for the best creative executions in MSN's first-ever online creative contest.

Other initiatives: official endorsement of technologies from sever-



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style network

The Comeback Trail

After a disastrous 2001, media shops carved out modest gains last year

The wild ride that media agencies have been on for the past few years calmed somewhat in 2002 as the industry, like the country, tried to adapt to a world of uncertainty and diminished expectations.

The highs of 2000, which, as we noted in the first installment of the Media Agency Report Cards, seemed to herald a golden age for media shops, evaporated in 2001, with tragedy, scandal and recession combining to produce the worst ad climate since the Depression. 2002 was a time for recovery and, for most shops, modest growth.

A total of \$4.2 billion in media billings shifted through reviews, consolidations and reassignments, according to *Adweek* data. 2000's remarkable \$6 billion in billings movement, mostly through reviews, was a distant memory. Even 2001 was a better new-business year, with \$4.7 billion in billings switching shops.

Still, there were bright spots. In each of the past three years, a different agency has dominated the new-business scene and won *Adweek's* Media Agency of the Year honors. For 2002, it was Interpublic Group's Universal McCann, which won or successfully defended more than \$1.6 billion in business and boosted revenue by 31 percent. (For 2001, Zenith Media was a similarly clear-cut No. 1, as was Starcom in 2000.) At Omnicom, after two years of wrangling, OMD finally absorbed the media planning and research operations of its three creative sisters, BBDO, TBWA\Chiat\Day and DDB, and became the player it has always had the potential to be.

Yet it was WPP Group's MindShare that won the single largest review in 2002, for Gillette's \$600 million global media business. And it achieved the victory in impressive fashion, muscling in as a nonroster shop against the incumbents, OMD and Universal McCann.

For two shops, growth in 2002 came from business won in late 2001. Carat absorbed the \$450 million Hyundai/Kia account, and Star-

com the \$1 billion Walt Disney Co. business.

U.S. client spending either remained steady or grew a bit, despite the economy. The first real sign of that last year was a surprisingly robust \$8 billion upfront, and even as the threat of war loomed late in the year, industry forecasters predicted modest ad-spend growth in the U.S. for 2002.

Changes at the top also marked 2002. New leaders were either installed or serving their first year at five of the Top 10 media shops: OMD, Initiative Media, Universal McCann, MediaCom and MindShare. A sixth, MediaVest, named a new CEO this January.

Once again, our revenue figures are based on whether relationships are buying-based or mostly full-service (planning and buying). For buying-only shops, revenue is estimated based on a 1.2-2.5 percent commission on billings. Revenue from full-service assignments is estimated at 2.5-4.5 percent of billings.

Outside of the Top 10, Horizon Media, which now claims just less than \$1 billion in billings, continued to be the big fish in media's smaller pond. It won its first major piece of business, Jack in the Box's \$100 million account, last August. That propelled its Los Angeles office to \$300 million in billings, making it one of the largest media shops in the nation's second-largest market. In New York, IPG purchased Media First International in June. In July, the agency, which was already handling cable TV and print buying for Burger King, picked up the entire \$300 million account when the marketer consolidated advertising at the holding company.

One shop that figured to make the Top 10 in 2002 but fell just short was Omnicom's second network, PHD. The agency spent much of the year combining the operations of Omnicom's Advanswers in St. Louis, Creative Media in New York and the buying operations for DaimlerChrysler. We expect PHD will crack the Top 10 this year.

—JACK FEUER

CARAT

NUMBERS

B

Billings and revenue rose 22% to \$4.5 billion and \$204 million, respectively. Realized impact of late-December 2001 win of \$450 million Hyundai/Kia business. Won \$100 million-plus in billings from Orbitz, Pernod Ricard, Bank One, Boost Mobile, George Weston Bakeries, TiVo, UPN, Rational Software. New-business gains offset by loss of \$100 million Jack in the Box. Ranks third out of 10 in revenue growth.

MANAGEMENT

B

CEO David Verklin and U.S. president Charlie Rutman spent much of the year absorbing new accounts and staffing up. Flip side of success: Carat began suffering major-player problems, such as smaller accounts leaving because the agency has become too big—most notably Jack in the Box, which went to Horizon Media. Added former TBWA\Chiat\Day top buyer Stacey Lippman as managing director of \$3 billion New York office. Thirty-year automotive-marketing veteran Tom Somerset joined in Los Angeles to run Hyundai/Kia business. Agency moved to add resources: launched barter unit Carat Trade; formed Carat Affiliates to work with small and midsize shops; acquired marketing consultancy Copernicus and interactive shops Lot21 and Vizium.

PLANNING

B+

A consistently strong research offering—one of the brand distinctions with which the Aegis Group independent launched in the U.S. in 1996. Addition of Copernicus, merged into Carat modeling arm MMA, will deepen already solid strategic bench.

BUYING

B

Now firmly in the middle of the Top 10 pack, and with major-category clients, Carat has built the buying clout to compete at the highest level.

COMMENTS

Insiders' and analysts' expectations that Carat would be the next large independent media-services specialist to be acquired failed to materialize and probably won't this year either, given continued economic uncertainty. No longer a dark horse, Carat isn't sneaking up on competitors anymore. Shop must continue to add depth to its resources if it is to move up in the Top 10.

B

INITIATIVE MEDIA

NUMBERS

D+

Billings and revenue up 2% to \$10.2 billion and \$325 million, respectively. Won U.S. Postal Service buying (\$100 million), \$75 million in media buying duties for GlaxoSmithKline's and Bayer's Vardenafil, Big Lots (\$40 million), Quizno's (\$30 million), Qwest broadcast buying (\$35 million), American Standard bath and kitchen products (\$20 million). Successfully defended Six Flags (\$50 million). Lost Bank of America (\$160 million), Sun Microsystems (\$100 million), UPN buying assignment (\$20 million). Lost Disney, not a revenue producer for shop, during first-quarter transition to Starcom.

MANAGEMENT

C+

IPG network began to climb out of the hole of 2001, when revenue fell 23%. In April, chairman and CEO Lou Schultz left, succeeded by Alec Gerster, ex-CEO of Grey Global Group's MediaCom. Gerster deliberately made no management or organizational moves for six months while he absorbed the culture, evaluated staff. Then he installed new leaders in three of four regions: In September, Chicago managing director Will Howard was replaced by former FCB media director Fred Wray. In December, Rich Simms moved from evp, GM of Southeast region to evp, GM, Western region; Southeast svp, group account director Rob Claxton ascended to top post in Atlanta. Randy Bixler promoted from director of Western region client services to president of Los Angeles-based Initiative Partners unit. Laid off 100 people on Disney team.

PLANNING

C+

Although one of year's smallest wins, American Standard planning and buying victory in July pleased Gerster the most, as consultant Dave Braun and client vp of marketing Sally Genster Robling—both packaged-goods veterans—tapped shop for its brains, not brawn. Strong research team led by director of IM Solutions David Ernst and svp, director of broadcast research Stacey Lynn Koerner forged an alliance with MIT and helped craft shop's first global adspend survey.

BUYING

B+

\$2 billion-plus spot buying unit run by Kathy Crawford considered tops in the U.S. National broadcast under Tim Spengler, a *Mediaweek* All-Star, also performed well.

COMMENTS

Gerster stopped the bleeding, brought stability. Under former IPG CEO John Dooner, no fan of unbundling, shop's role was limited mostly to buying for sister shops. But successor David Bell, who ran Initiative while in charge of The Partnership, figures to be more supportive.

C+

MEDIACOM

NUMBERS

D

Billings and revenue flat at \$3.6 billion and \$163 million, respectively. Worst revenue performance of all 10 shops, and eighth in revenue/staff ratio. Won Staples (\$50 million), Supercuts (\$15 million), Botox (\$10 million). Lost Masterfoods and Mars Bar print buying (combined \$100 million).

MANAGEMENT

C-

A far cry from 2001's sterling new-business record, when almost \$1 billion from GlaxoSmithKline, Danone and Diageo vaulted Grey Global Group shop into media Top 10. CEO Alec Gerster left in April for same position at IPG's Initiative Media North America after three decades at Grey. COO Alexander Schmidt-Vogel replaced Gerster, and co-managing directors Dene Callas and Jon Mandel—who were already making many of the daily decisions—were promoted to co-CEOs of MediaCom U.S.

PLANNING

C+

One of the most press-shy media-agency executives, Callas gets little public attention but is a top strategist. Still, plans continue to favor television, which many attribute to Mandel's expertise.

BUYING

B+

Plans to spend \$200 million over five years on network TV on behalf of liquor client Diageo Guinness-UDV North America caused a furor among activists, Congress and the media. Plan was scotched in March when NBC, the first network to say it would accept the ads, bowed to pressure and reversed its decision. Undeterred, shop created unwired TV network comprising cable, local network and other outlets to carry its spirits advertising. Mandel also out front in industry's lobbying efforts with FCC against further deregulation of media ownership, testifying in Washington and taking the issue to the press.

COMMENTS

A rough year for Mandel & Co. Still, he and Callas make a good team: Mr. Outside and Ms. Inside. Shop has influence and client roster that belie its position as smallest player in the Top 10. But it finds itself increasingly outgunned by rivals that are amassing ever more resources and buying leverage.

C

MEDIAEDGE:CIA

NUMBERS

C+

Billings and revenue up 10% to \$4.5 billion and \$172 million, respectively. Ranks last among 10 agencies in revenue/staff ratio. Won planning for GlaxoSmithKline's and Bayer's sexual-dysfunction remedy, Vardenafil (\$75 million), and \$200 million combined from ChevronTexaco, Land Rover, Payless ShoeSource, Mars Bar print buying, Lost Sony Electronics (\$100 million-plus), H&R Block (\$35 million).

MANAGEMENT

C+

In first year after parent WPP Group purchased Tempus Group and merged its CIA Medianetwork into The Media Edge, shop completed transition fairly smoothly (a dozen layoffs, seven employee defections) with one big exception: CIA CEO Tom Sassos, who became chairman but left in September to join audit firm MediaAnalysisPlus. Global CEO Charles Courtier promoted North America CEO Steve Lanzano to North America chairman, replacing Sassos. Significantly, shop began to pitch and win business again after a very quiet 2001.

PLANNING

B

Vardenafil planning win offered another indication that this is one of agency's most saleable resources. Shop reorganized research department run by Joe Abruzzo, renamed it MediaLab, and added strategic functions such as new-product sales-volume prediction and awareness modeling.

BUYING

B

As expected, January arrival of former TeleVest top buyer Rino Scanzoni as head of Mediaedge:cia national broadcast energized buying department. Shop also took steps to build Hispanic capabilities with first national Spanish-language buys for KFC.

COMMENTS

Moving in the right direction, but much more needs to be done. Until two years ago, The Media Edge was one of the hottest shops in the U.S., and its founders, including former CEO Beth Gordon and broadcast chief Bob Igiel, were among the best in the business. With all of the changes in the past two years, network retains that legacy in name only. Agency needs a stronger identity and is looking in unusual places to develop one: This year, Lanzano has been exploring content creation as way to differentiate shop from its rivals.

B-







2003

BRANDWEEK DIRECTORY

6,793 Brand Names

2,643 Marketing Companies

44 Industry Categories

17,677 Key Personnel

Advertising Agency:
House
Personnel:
..... Susan Kronick
..... Michael Osborn
Vice Pres., Mktg. Carlton B. Watson Jr.
Vice Pres., Adv. Gilbert Lorenzo
Vice Pres., Special Events/Publicity
..... Ron Rodriguez

BURGER KING RESTAURANTS
Burger King Corp.
Cutler Rd., 3 North
33157
378-7011
78-7910
burgerking.com
Founded: 1954
Organization:
United Kingdom
927-5200
Service Category: Fast Food/Restaurants
Total Media Expenditure:
\$328,691,800
2001 Sales: \$8,600,000,000 approx.
Advertising Agency:
DraftWorldwide, Chicago, IL

Key Personnel:
Pres./CEO Monroe G. Milstein
Vice Pres./COO Mark Nesci
Vice Pres./Exec. Merch. Mgr. ... Andrew Milstein
Vice Pres./Gen. Merch. Mgr. ... Stephen Milstein
Vice Pres./Gen. Counsel Paul Tang
Vice Pres. Henrietta Milstein
Dir, Human Resources John Weston
Dir., Mktg. Garry Graham
Dir., Admin. Bob Grapski
Mgr., Media Rel. Ric Bramble
Sr. Media Rel. Specialist Bonnie Malamut

BURLINGTON COAT FACTORY
Burlington Coat Factory Warehouse Corp.
1830 Rt. 130 N.
Burlington, NJ 08016
(609) 387-7800
Fax: (609) 387-7071
URL: www.coat.com
Year Established: 1972
Product/Service Category: Retail Stores/Chains
2001 Media Expenditure:
\$66,808,500
Lead Advertising Agency:
Norman J. Stevens, South Orange, NJ

..... Monroe G. Gilstein
..... Mark Nesci
..... Stephen Milstein
Vice Pres., Mktg./Adv. Mari Ann McCormack
Vice Pres., CIO Michael Prince
Mgr. Media Rel. Ric Bramble

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Newell Rubbermaid, Inc.
29 E. Stephenson St.
Freeport, IL 61032
(815) 235-4171
Fax: (815) 381-8155
URL: http://www.newellco.com
Product/Service Category: Home
Furnishings/Textiles
Key Personnel:
Chrmn. William P. Sovey
Pres./CEO Joseph Galli Jr.
Pers. Cor. Devel./CFO William T. Aldredge
Pres., Burnes of Boston Scott Slater
Vice Pres., Cor. Commun. Ken Ross
Vice Pres., HR Timothy J. Jahnke

ORGANIZED BY BRAND NAME

Address, Telephone, Fax, Email, Web Site, Parent Company, Headquarters Location, Media Expenditure, Year Brand Established, Lead Creative and Specialized Agencies, Key Corporate and Brand Personnel

Indexed by State/City, Industry Category and Marketing Company
Top 2000 SuperBrands ranked by Media Expenditure, Brand Web Site Roster

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MEDIAVEST

NUMBERS

C

Billings and revenue up 7% to \$5.3 billion and \$201 million, respectively. Won \$105 million combined from Heineken, Touchstone Energy, Rentway, Guardian Insurance, Herbalife and Ruby Tuesday's. Picked up \$75 million in additional Capital One business. Lost Denny's (\$55 million), Burger King (\$335 million), although full impact won't be felt until '03 since Denny's left at end of year and BK after end of third quarter.

MANAGEMENT

C+

Dismantling of Publicis Groupe sister D'Arcy Masius Benton & Bowles overshadowed CEO Donna Salvatore's attempts to raise MediaVest's profile in last year of her tenure atop media network. Except for Novartis, the shop was on the sidelines of most major media reviews. Its saving grace was staying power: It held onto (and in some cases increased) business from major clients shared with D'Arcy (P&G, Heineken, Cap One). Still, the task of replacing BK and Denny's is a big one, and it falls to Salvatore's successor, former Starcom MediaVest Group Latin America CEO Laura Desmond, who began in January this year.

PLANNING

B+

Solid department under COO Renee Milliaris with big, loyal planning clients (Coca-Cola, P&G, Kraft). For example, after D'Arcy demise, P&G shifted all of its Pampers business to Saatchi & Saatchi—except media planning, which stayed at MediaVest. Looks to be even more solid with the arrival of Desmond, former worldwide planning chief on Coke account.

BUYING

B

As expected when he took over from high-profile buying chief Rino Scanzoni last year, former president of U.S. broadcast Mel Berning proved an able leader. A tested pro, Berning is "Buying 2.0," says one executive.

COMMENTS

Desmond is no stranger to network building. In three years, she expanded SMG Latin America from a small office in Mexico to an 18-country operation with 400 employees. But she faces same stubborn challenges shop has wrestled with since 2001: Pitch and win big accounts, and do away with shop's image as "Starcom's conflict agency."

B-

MINDSHARE

NUMBERS

C+

Billings and revenue up 9% to \$9.3 billion and \$356 million, respectively. Won Gillette's \$600 million consolidated global business (\$170 million U.S.), Novartis' consolidated \$250 million account, \$150 million Cisco Systems global business (financial impact not realized until this year), \$25 million Western Union Financial Services. Added \$60 million in cable buying assignments from existing client Twentieth Century Fox. Lost \$65 million Hershey's buying in global consolidation.

MANAGEMENT

B+

As with other shops in 2002, the numbers don't tell the whole story. Gillette, the largest media review in 2002, was also MindShare's most impressive win. With no prior relationship to client, the shop beat incumbents OMD and Universal McCann, *Adweek's* 2002 Media Agency of the Year, in a year when those agencies won almost everything they pitched. Worldwide CEO Irwin Gotlieb completed two-year effort to build U.S. management structure with promotion of Marc Goldstein from president of national broadcast and programming to North American CEO. Shop did lose three top execs: Detroit director of local broadcast Cathy Tocco to GM Mediaworks in June; Chicago managing director Kathleen Brookbanks to OMD in July; president of operations Jean Brooks to Universal McCann in December. Brookbanks replaced in December by former McDonald's media chief Bruce Smith.

PLANNING

B+

Buying-centric agency has evened out somewhat. MindShare is lead media shop for Unilever, a client that pioneered communication-channel planning concept now in wide use among major advertisers. Econometric modeling unit Advanced Techniques Group rolled out globally in '02.

BUYING

A-

With one of the most respected buying executives as its North American CEO and its perennial rank as No. 1 or 2 in total U.S. billings, shop doesn't have to do much more than tinker with operations. Nontraditional media unit WOW Factory also expanded worldwide last year.

COMMENTS

WPP shop doesn't pitch as much as its peers at the top of the Top 10, but when it wins, it wins big. Gillette, Novartis added to list that also includes accounts like \$800 million Unilever and \$275 million Bristol-Myers Squibb, all won since 2000. With U.S. management issue settled, shop has no major weaknesses.

B+

OMD

NUMBERS

C+

Network became full-service in 2002, adding planning, buying and research from sister Omnicom shops BBDO, DDB and TBWA\Chiat\Day. Compared with 2001, billings and revenue up 9% to \$7.6 billion and \$342 million, average compared with rest of media Top 10. Won Johnson & Johnson (\$200 million), Hershey's (\$150 million), Prevacid (\$100 million), Sterling Jewelers (\$80 million), Masterfoods (\$60 million). Lost Gillette (\$170 million) in global media consolidation, Pep Boys (\$30 million), Novell (\$12 million), Lands' End (\$10 million).

MANAGEMENT

B+

Numbers don't reflect shop's much-improved competitive situation. Worldwide CEO Joe Uva, who arrived in November '01, efficiently re-engineered shop: promoted OMD USA chief strategy officer Page Thompson to CEO of OMD North America in November, replaced her with OMD West leader Monica Karo. Wooed talent including MindShare Chicago managing director Kathleen Brookbanks, who joined to run OMD's Chicago operations in July, and Initiative Media evp, director of marketing Jill Botway, named managing director for OMD East in February '03. One big one got away: OMD managing director Dan Rank left for Universal Television Group in November, replaced in January '03 by former Raycom Sports CEO Ray Warren. Uva, a former Turner sales exec, used knowledge of seller's side to great advantage in April, crafting \$1 billion Disney cross-platform deal that was biggest of the year.

PLANNING

B+

Planning and research capabilities on par with rest of Top 10 after shop became fully integrated in March. Launched units designed to facilitate integration (OMD Checkmate) and innovation (OMD Ignition).

BUYING

A-

Disney deal cost-effective and value-loaded for OMD clients. Launched third specialized unit, OMD Concepts, to develop more cross-platform programs.

COMMENTS

For two years, Omnicom had promised it would give its primary media brand the tools to compete. In the meantime, OMD chafed as an indentured buying service for its three creative sisters. Last year Omnicom delivered, and the agency finally realized its potential.

B+

Photograph by Gridley & Graves



"I am **PASSIONATE**
 about the past, but
 I live in the present.
COUNTRY LIVING
 delivers a sense of history
 and **TRADITION MIXED**
WITH A DASH OF ME.
 That's why I always come
 home to the comfort of
COUNTRY LIVING."

PATTY CARMODY, 38, mother, interior designer, avid skier

For more information on why 66% of American women live the casual, comfortable lifestyle, as reported by the Country Living/Yankelovich study *America's Pursuit of Comfort*, contact Steven Grune, VP, Publisher, at 212-649-3190.



Come home to comfortSM

STARCOM

NUMBERS

B+

Billings and revenue rose 25% to \$5.8 billion and \$222 million, respectively. Performance powered by two factors: impact of \$1 billion Disney planning and buying business, won in December 2001 and taken over in second quarter; and 15% organic growth across client roster. Won Sun Microsystems (\$100 million), but lost Maytag (\$100 million). Won Bank of America (\$175 million) in October but held it for only 14 weeks, as account moved to Deutsch in February '03 when client consolidated business within IPG.

MANAGEMENT

B+

A year of living comfortably. Shop did not pitch many accounts, but with Disney revenue and more business from existing clients, it didn't have to. CEO Renetta McCann had little executive churn. Her most significant achievement may have been putting a Disney service team in place in Los Angeles that satisfied a client famous for being tough even by show business standards. McCann spent much of the year traveling between the West Coast and Chicago headquarters, working with L.A. office leader Kathy Ring to make Mickey happy.

PLANNING

A-

Starcom brands on its ability to think strategically. Case in point: Allstate Insurance campaign, which took the TV-heavy advertiser's message onto airport baggage carousels and driving ranges. Evp/chief media strategist Dan Albert named a *Mediaweek* All-Star.

BUYING

B+

With Disney added to heavyweight client P&G on shop's roster, chief broadcast investment officer John Muszynski brings more clout to the negotiating table.

COMMENTS

Without all the Sturm und Drang of other shops, Starcom remains at top of its game and is still one of the best at what it does.

B+

UNIVERSAL McCANN

NUMBERS

A+

Billings, revenue rose 31% to \$8 billion and \$360 million, respectively. Won or successfully defended a combined \$1.7 billion from Sony Corp., Nestlé, Purina, American Airlines, Maytag, Richemont, ExxonMobil Lubricants & Specialties. Added \$240 million Wendy's media (impact not fully felt until 2003). No losses.

MANAGEMENT

A

In 2001, worldwide CEO Robin Kent promised 2002 would be the year restructuring would "bear fruit." And how: Kent led shop to *Adweek's* 2002 Media Agency of the Year honors. Kent and tight-knit management team, including chief strategy officer Mark Stewart, AOR director George Hayes, broadcast director Donna Wolfe and N.Y. evp/managing director Sean Cunningham, played up their ties to sister McCann-Erickson as the "bundled unbundled," and won eight of the nine media-only pitches they participated in. IPG link also paid off when shop added Wendy's after fast-food chain moved to McCann in August. Host of big-name media execs joined, including MindShare's Jean Pool, Zenith's Kim Kadlec, Bristol-Myers' Peggy Kelly. Talent influx continued into '03 with March addition of Fallon N.Y. media chief Mary Gerzema.

PLANNING

A

Core of shop's competitiveness. Stewart is a fervent believer that media specialists should be "communications-channel experts," and shop touts its thinking ability at every turn. Hires speak to the concept: Rob Kabus, formerly of Leagas Delaney, has two titles: director of strategy planning at McCann-Erickson and director of media planning at Universal McCann. Shop has even added a creative to the mix: svp, cd Alan Schulman, who arrived in January '03 from IPG corporate identity firm Futurebrand to develop messaging for clients in interactive and online media.

BUYING

A-

Superior buying strength backed by negotiating power of sister Magna Global. Dedicated client teams keep buyers close to planners, McCann-Erickson creatives. December addition of Pool and her decades of spot buying experience, especially on Ford, helped solidify LCI unit's hold on \$1 billion General Motors dealer business.

COMMENTS

Its positioning rankles rivals, but there's no arguing with shop's success in 2002, a rare star in IPG's troubled firmament last year. Clients seem to truly find the selling proposition compelling, and agency is well positioned to be successful this year as well.

A

ZENITH

NUMBERS

B

Billings and revenue up 13% to \$6 billion and \$190 million, respectively—an above-average performance compared with rest of the Top 10. Picked up combined \$770 million in assignments from clients Toyota, General Mills, AstraZeneca, Allied Domecq, Schering-Plough, HSBC, Georgia Pacific. Won \$50 million in new business from Wyeth (Premarin, Synvisc). Lost combined \$100 million-plus accounts ExxonMobil Lubricants and United Airlines.

MANAGEMENT

B+

Adweek's Media Agency of the Year in 2001 failed to maintain blistering new-business pace of past two years—but 2001's 30% billings rise would be tough to match. Pitched but did not prevail in several big reviews, including Maytag and Bank of America. North America CEO Rich Hamilton's team found another way to grow: new assignments from existing clients. A notable win was Toyota's launch of youth-targeted car Scion, following a review—Zenith had been considered too large and mainstream for the assignment and wasn't on the original invitation list.

PLANNING

A-

Planning staff of Neil Ascher, evp/director of communications services, doubled in size for the second year in a row, to 80 people. More than \$400 million in billings growth came from planning-only business, including \$300 million shift of General Mills planning to the shop, which already buys for the client. Capping a good year for the planning operation, shop took over strategic resources and research functions for all offices of Publicis Groupe sister shop Saatchi & Saatchi.

BUYING

B+

Under national broadcast leader Peggy Green and spot chief Bonita LeFlore, buying operation moved deeper into cross-platform dealing. Programs included numerous Verizon "Can you hear me now?" content imbeds, CDC's "Wild and Crazy Kids" tour, and cross-platform deals for Schering-Plough, Lexus and Toyota.

COMMENTS

Not as impressive a performance as the two previous years, but Zenith is still one of the best-run and most client-service-driven shops in the business. Intriguing question for '03: How will Zenith and its fiercest rival, Starcom, coexist within Publicis Groupe?

B+



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Broad Options

As broadband acceptance grows, the ways in which advertisers can use the medium increases. BY HILLARY ROSNER

Judging from the fervor with which America Online is pushing its broadband service, the volume of direct mailers offering DSL, and the flurry of late-night television commercials touting cable modem services like Time Warner's Roadrunner, consumers could be forgiven for thinking that dial-up is dead.

Although dial-up still accounts for almost 70 percent of all Internet use at home, broadband is gaining momentum—and advertisers are gearing up to try to capitalize. A report issued in January by Nielsen/NetRatings showed that broadband use grew almost 60 percent in 2002, while dial-up usage shrank by 10 percent.

And broadband users may be more likely to respond to ads, since their fast connections mean no time lost waiting for downloads. "Seventy-five to 80 percent of the impressions we deliver are to broadband," says Maggie Boyer, vice president

of media at Avenue A. "The people who are consuming the ads online are those with broadband connections. It'll be fun to watch how we stop talking about rich media like it's an anomaly and start calling it media again. Not only is it the majority, it's by far the majority. It's the anomaly when we're serving up to dial-up."

All of which might seem to be an advertiser's dream come true: Finally, an opportunity to combine the strengths of online marketing with the sophistication, emotional pull and reach of television ads. But the message resonating throughout the online advertising community is as much about temperance as it is about creative exuberance. Concerned about a potential backlash that could arise from indiscriminate use of sound, video and intrusive technologies, many agencies are cautioning clients that bells and whistles must add value, or risk becoming a detriment instead of an asset.

"Advertisers and agencies need to use it responsibly and sparingly, when it makes sense," says Blair Shapiro, vice president and creative director for iTraffic, a unit of agency.com. "There will be a rush to, if you have the bandwidth, fill it up." Shapiro, whose clients include the Discovery Channel, cautions that a message has to fit its specific medium. "When it's done right, like with the Discovery Channel, it's an entertainment-oriented client on an entertainment site, where sound makes sense because people are in that mindset. But if you're surfing a heavy-duty news site and you're at work and this screaming thing jumps out at you, you're going to be turned off. That can have a negative impact."



Lars Bastholm, creative director for the Danish agency Framfab—which designed the much-touted Nikefootball.com Web site—agrees. “On one hand I’m really excited about the new possibilities,” Bastholm says, “but on the other I’m worried that we’ll see a lot of sites that use these technologies because they are available, not because the communication goals warrant it.”

“Think about how misused Flash has been over the years. Now imagine the same thing all over again, only with video. The horror...”

To be effective, of course, ads designed for broadband must promote a product whose consumer base is likely to use the technology. “We’re selling premium automobiles to highly educated people,” says Phil Beinert, manager of CRM and e-business for Volvo Cars of North America. Designing bandwidth-needy campaigns makes sense for a company like Volvo, whose customers are likely to be technology’s early adopters. “Broadband campaigns are the Volvo sweet spot,” Beinert says. “They may not be the right thing for someone selling a different product. Yes, there’s critical mass [of broadband users], but it’s critical mass of a fairly unique segment because it still costs 50 bucks a month.”

Still, a recognition of the need for restraint has not diminished enthusiasm for what broadband offers to advertisers who figure out how to tap into the technology’s true potential. Dawn Winchester, vice president of client services at R/GA, says she believes the promise of broadband lies in combining a more immersive, multi-dimensional front-end interface with a data-heavy back end. “Bring data to people but give them a much more functional, expressive, rich front-end, allow them to see demos of products, or experience a product or brand through a gaming environment,” she says. “Do that on a top layer on top of the Web site they may be at.”

Nike’s multimedia Nikelab campaign, for which R/GA designed and built the Web site, is an example. The Web site features sound, video, and video game-style elements.

“It has some of the filmic qualities of a BMW film,” says Winchester, “but there are also games, demos, product pieces where you can get in and move a shoe around. There’s tremendous attention to sound and sound design. And it’s all in a flash interface, with a rich data back end. It’s at least a guidepost on the way to where we can go.”

Framfab’s Bastholm points to Sony’s Camcamtime site (which was discontinued last month) as an example of effective use of bandwidth capabilities, calling the site “ground-breaking in its user involvement and broadband utilization.” Camcamtime, a marketing tool for Sony in Japan, enabled users to upload to a server one second of a movie they shot themselves. A screensaver displayed on the site featured the video clips. “Basically, it’s a screensaver, but it’s a very unique one,” says Bastholm, who had no involvement in it. “Users ‘own’ one second of the ‘network clock’ that the screensaver displays. This means that Camcamtime contains 86,400 one-second movies created by someone somewhere in the world.”

For Sharon Katz, vice president and director of media at Modem Media, the key to success is translating “value exchange” to a broadband environment. “If you’re going to offer a recipe in a banner, it definitely offers value exchange,” Katz says. “If I’m going to do a recipe that’s just about making a sandwich and putting deli meat between two slices of bread, I don’t need broadband for that.”

For broadband, according to Katz, the ad might teach the user how to cook complex meals with many ingredients, offering different camera angles and an opportunity to zoom in on

the sauté pan, as well as enabling detailed textures and colors.

“People are using the Internet, they’re not watching it,” she says. “You need to provide value.”

Besides increasing creative capabilities, the ubiquity of broadband could make it easier to deliver rich targeted messages in the right time frame. “A lot of times in terms of media buying, people will tailor something that’s K-intensive [large files requiring a lot of bandwidth] to a weekday,” when most people are surfing the Web from high-speed connections at work, says iTraffic’s Shapiro. “And on the weekend you tend to run lower bandwidth because you think people are at home on a dialup.” That can prove difficult for a client like the Discovery Channel, which may be unable to promote a weekend show in the most effective way possible due to bandwidth restrictions. “Let’s say we have a show on Sunday night and we want to do a day-of media buy,” Shapiro says. “That will open up.”

And despite concerns that ad budgets will have to skyrocket to keep pace with the latest sound, video and other tech-

“Bring data to people but give them a much more expressive, rich front-end.”

— R/GA’S DAWN WINCHESTER

nologies, Beinert points out that multidigital platform campaigns could actually prove cost effective. “By producing a 30-second spot differently, I can repurpose it for online, DVD,” and other applications, he says. “Broadband adds one more digital platform so we can reuse assets in a different way.”

For media directors, the steady maturation of online advertising paved the way for acceptance of broadband capabilities. “Circa 1998 or ’99, we had a really hard time convincing anybody but hardcore direct-response marketers to advertise online,” says Avenue A’s Boyer. “My life today is completely different. I don’t feel like it’s an absurd story to tell that we can make an impactful creative unit [for online].”

Still, the greater willingness of clients to buy into the promise of broadband has many worried about a backlash. “Too much of anything is a bad thing,” says Shapiro, “and if everyone jumps on the bandwagon, all of a sudden consumers will react. Advertisers need to really be conscious of where they are, where the people are, where the units are running, and for what purpose.”

Boyer hopes consumers will be tolerant. “There will continue to be zealots that will abuse the capability we have now. I think even really reputable companies will,” she says. “But none of it is very damaging. I think users of the Internet have become accustomed to the fact that advertising online is paying their way for access to all of this content. There’s a tolerance that is growing.”

As advertisers try to tap broadband’s potential for both branding and sales objectives without annoying consumers, many also stress the need to do something more than simply run TV commercials online. But at least one element of TV advertising’s success might serve as an inspiration for online campaigns. Says R/GA’s Winchester: “I’m looking forward to the day when a rich media ad makes a consumer cry the way a TV campaign does.”

Hillary Rosner is a freelance writer based in Boulder, Co., who writes frequently about technology and the Internet.

Interactive Agency Report Cards

We begin working on our Report Card issue soon after we finish our top interactive agencies list (for this year's chart, see *IQ*, Feb. 3, 2003). We use the information from that list first to decide which agencies will be graded (we take the top 10 largest agencies, based on revenue) and second, use the financial information to help determine agencies' grades. Luckily, while interactive agencies that are part of large holding companies received an edict last month not to discuss financial information with the press (the rationale being that the information they release might be inconsistent with publicly reported numbers), we had been gathering data since last November. Here's how we got the grades: **Numbers:** We look at interactive advertising revenue and year-to-year growth. Then, *Adweek's* financial columnist Alan Gottesman calculates the revenue per employee to determine productivity for each agency, and issues a grade. **Creative:** Grades are based on visual design, ease of navigation and strength of user experience. **Technology:** Creating proprietary technologies garner high grades, although agencies that find innovative ways to use existing technologies get credit, too. **Management:** How execs run their businesses, especially taking into account the financial issues of 2002. **The final grade:** We use a formula to average the other four marks.—*The Editors*

AGENCY.COM

C+

NUMBERS

D+

\$80 million revenue is down 11% after a heart-stopping 51% drop in 2001; a refocus on core business of Web development plus cost-cutting resulted in four profitable quarters last year.

CREATIVE

B+

Miller Lite's Virtual Racing League gains in size and popularity. Redesign of Grainger.com created a clean site packed with info. Rigorous user testing eliminates confusing features.

TECHNOLOGY

B+

Work for the Institute of Health Care Site, built on the .Net platform, includes some beta tech from Microsoft. The Verified by Visa application involved the tough job of hooking into multiple banks' backend systems.

MANAGEMENT

C

Realizing that arrogance doesn't play well, kicked founder Chan Suh upstairs and founder Kyle Shannon out the door. COO Don Scales has brought needed maturity.

COMMENTS

Agency.com is taking a client-focused direction and capitalizing on its strengths in Web development. A buyout by Omnicom Group—which owns 50% of parent company, Seneca Investments—may be next on the to-do list.

DIGITAS

C+

NUMBERS

D+

Interactive ad revenues were \$72 million, down 13% from \$83 million in 2001. Wins included GM's OnStar, VeriSign, Millennium Pharmaceuticals and USA Funds. No losses.

CREATIVE

B

Work for Best Buy, with stick figure reenacting movies, captivates; rich media campaign for American Express' Open network stays long enough to grab attention, not too long to annoy.

TECHNOLOGY

B

Its Multi-Channel Marketing Automation Lab in San Francisco, in which IBM is a partner, helps clients test marketing programs, but still a work in progress. Shop also has tech partnerships with Intel, Interwoven and Divine.

MANAGEMENT

C

Rob Cosinuke upped to president of global operations, CFO Jeff Cote adds COO title as part of reshuffle after departure of president/COO Michael Ward. Clean-up of excess real estate should enhance financial stability.

COMMENTS

Better-than-expected financial results in Q4 2002 leads the agency to be "cautiously optimistic" and expect a profit in Q1 2003.

DIVINE ADVANCED BRANDING

B-

NUMBERS

?

If Divine's Advanced Branding Group could be graded by itself, it would garner an A-, with revenue of \$60.8 million, up 7%, and an enviable revenue per employee ratio. But parent company's February 2003 Chapter 11 filing is impossible to ignore and impossible to grade.

CREATIVE

B-

New work for Harley Davidson captures the brand's power. Tide Kick sampling program was largest in P&G's history. Meat and potatoes work gives lots of gravy to clients.

TECHNOLOGY

B+

Rich Internet apps, clean but complex, shine in sites for Harley and Bank of America (in beta), though some is still in demo mode. Able to track customer interactions in all media.

MANAGEMENT

C

Led by Dave Edington, the management team has been together since the days of USWeb/CKS; all have traditional agency experience. Parent's bad management is biggest problem.

COMMENTS

Parent Divine, Inc. expects to auction assets this week. Though the market isn't exactly hot for interactive investments, this might be one asset worth buying.

EURO RSCG INTERACTION

B+

NUMBERS

B

Revenue of \$239 million, a 4% gain over 2001, partly attributable to Euro RSCG Worldwide integration-focused restructuring.

CREATIVE

B+

The Nokia Game, which earned a gold lion and 1 million online players, is a conceptual tour-de-force, though not completely original. Joop.com and German Peugeot site navigation is innovative; New Balance is run-of-the-mill.

TECHNOLOGY

B+

Work for H.J. Heinz's online auction and Intel's inexpensive, idiot-proof publishing tools show technological diversity, if not razzle-dazzle. Euro committed to sharing technologies throughout its network.

MANAGEMENT

A-

CEO George Gallate has retained his focus on unit's contribution to "Creative Business Ideas" agency strategy. I-shop is that rare beast which has full backing of agency management, particularly chairman/CEO Bob Schmetterer.

COMMENTS

Shift to one P&L for all of Euro RSCG Worldwide should have a positive impact on interactive operations, as will Gallate's passion for being the best instead of just the biggest.

GREY DIGITAL MARKETING **C+**

NUMBERS **D-**
Revenue off 22 percent, dropping from \$206 million in 2001 to \$161 million in 2002. Low revenue per employee ratio also hurts grade. Wins include 3M, Gerber and Canon; existing clients Procter & Gamble and Wyeth Consumer Healthcare gave them more.

CREATIVE **B**
Agency shows you can have fun doing online packaged goods with amusing take on M&M's Global Color Vote. Other work, for clients including Gerber, is crisp, clean and practical.

TECHNOLOGY **B**
Particular strength in gaining behavioral insights that extend beyond online environment, as in M&M custom-ordering effort and personalized site for visitors to covergirl.com.

MANAGEMENT **B-**
Stability in upper ranks continues to be strong suit. Holding company move to have Grey Interactive, Direct report into Synchronized Partners prez Joe Celia should help integrate.

COMMENTS
Despite economic blues, agency is well poised for interactive upturn. Focus on broader ramifications of online behavior smart strategic move.

MODEM MEDIA **C+**

NUMBERS **F**
Revenue declined 28% to \$70.1 million, after 2001's 25% decline. Company recorded net loss of \$5.2 million in Q4 2002. Good thing the cash balance increased.

CREATIVE **A-**
Delta Air Lines has in-banner utilities that allow users to demo online services. My GM-Link car service makes good on auto industry's CRM promise. Equally adept at building viral marketing through Planters' Peanuts game.

TECHNOLOGY **B+**
Modem uses rich media ad technologies that are certified by the Web's biggest media properties—an expertise that will serve it well as online advertising comes back.

MANAGEMENT **C**
Bottom line-oriented CEO Marc Particelli has ensured Modem's survival, but continued large revenue drops are a concern. Good move to put founder G.M. O'Connell on "the vision thing."

COMMENTS
Modem is as smart as it gets in using online to further client goals. Some recent undisclosed new business could mean the word is getting out. Is it possible the stand-alone agency structure hurts financials?

OGILVYINTERACTIVE **B-**

NUMBERS **C-**
Revenue down 6% to \$160 million. Landed additional duties from clients Eli Lilly, Glaxo-SmithKline, Kodak and IBM. Won MeadJohnson's Enfamil with direct sibling OgilvyOne. digital marketing chores from Coca-Cola and interactive assignment from AT&T Wireless.

CREATIVE **B+**
Sprite site extends offline "What's your thirst?" campaign; Ameritrade rich media ads let users calculate their share of the market.

TECHNOLOGY **B**
Developed online serial using Flash 6 to show fusion of IT and business strategy for IBM. Designed Web app to serve content by job and industry for IBM's vertical industry group.

MANAGEMENT **B**
OgilvyOne NA president Carla Hendra combined online and offline creative departments, and absorbed duties of OgilvyInteractive NA president Jeannette McClellan, who left in November, falling in line with popular integrated structure.

COMMENTS
Look for lines to continue to blur between interactive and direct, as the two groups move to share same management and business.

R/GA **A-**

NUMBERS **B**
Revenue was \$56.5 million, up 3% from 2001. Expanding current relationships plus 16 new-business wins, including two very major engagements, bode well for 2003.

CREATIVE **A**
Nikelab.com features original music, games, video from international indie stars. Smithsonian site redesign put a tangle of information into coherent order. In-house digital production studios foster experimentation.

TECHNOLOGY **A**
Reuters Times Square sign uses software controls to integrate lighting and staging with huge video displays. R/GA has expanded definition of interactive with Internet-connected architectural elements, CRM and e-commerce.

MANAGEMENT **A-**
Chairman and CCO officer Robert Greenberg, who has led the company for more than 25 years, works his niche well. Shop is making hay of relationship with parent Interpublic Group.

COMMENTS
R/GA has managed to maintain its image as a creative boutique while handling ever more complex engagements. Now, if Bob can just get a handle on those numbers.

SBI **B**

NUMBERS **B**
Acquisitions of Scient, Lante pushed revenue to \$75 million, or a 44% gain over 2001; 20% came from Scient and Lante. 20 new client wins, expanded Microsoft business, plus more acquisitions should continue upward trend.

CREATIVE **C**
SBI has a cool visual aesthetic evidenced on sites like Postopia, a chunk of engaging eye-candy that encourages kids to learn while fooling around. Adidas T-MAC 2 lacks depth.

TECHNOLOGY **B+**
Strong at integration. It built B2B extranets for Visa's partner banks. Solid analytics lie behind branding sites such as FruCrew.com for Garnier Fructis and Adidas T-MAC 2.

MANAGEMENT **A-**
Co-founders Ned Stringham, Carl Wilhelm continue to lead SBI, while former MarchFirster Darin Brown heads creative and user experience. Acquisitions in bargain market brought on worker bees without the overhead.

COMMENTS
Long-term relationships with clients like Adidas, Mattel and Post provide financial stability; 2003 purchase of unstable but glam Razorfish will add some fizz.

ZENTROPY PARTNERS **B**

NUMBERS **B-**
\$69.5 million revenue up 12%, thanks to 15 new client wins and expanding engagements. Benefits from huge client base of parent MRM Partners, a unit of McCann-Erickson.

CREATIVE **B**
Hot email campaign for Xbox used viral marketing from influencer gamers for launch. Reebok Women site has video, Flash, and 3D within elegant interface. GM Viewmaster campaign was sexy—and garnered awesome clicks.

TECHNOLOGY **B+**
Creates hard-working sites—like H&R Block—that are packed with tools. Smart backend work for Park Place Entertainment resulted in 9 sites with different skins, shared architecture and a content-management system for easy maintenance by hotel staff.

MANAGEMENT **B**
Steve Woolford was promoted from EVP to worldwide MD; is this a sign that Zentropy will be more important within MRM?

COMMENTS
As one of the first of many i-agencies to struggle, Zentropy's been keeping a low profile. Now it needs to start explaining itself, and maybe do a little bragging.



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Movers

TV

Kieran Clarke has been named vp and general manager of KWBP-TV, Tribune Co.'s WB affiliate in Portland, Ore. Clarke was most recently director of sales for KTXL-TV, the company's Fox affiliate in Sacramento, Calif.... **Terry Conway** was named general sales manager of WHNS-TV, Meredith Corp.'s Fox affiliate in Greenville, S.C. Conway had been gsm of KWBT-TV, Cascade Broadcasting's WB affiliate in Tulsa, Okla.... **Sylvia Torres** was named local sales manager for KFTR-TV, Univision Communications' owned-and-operated Telefutera affiliate in Los Angeles. Torres was national sales manager for NBC affiliate KWHY and Telemundo affiliate KVEA, NBC's duopoly in L.A.

MAGAZINES

Tony Catalano, vp/group publisher of the Consumer Electronics Group of Hachette Filipacchi Media, has been promoted to vp/national sales director of HFM's Integrated Marketing Group, responsible for more than 100 corporate accounts. Scott Constantine, vp/publisher of Mobile Entertainment, will replace Catalano... **Rogier van Bakel**, former editor of *Creativity*, has been named editor in chief of *MBA Jungle*, replacing **Vince Bielski**, who became executive editor at Time4 Media's *Popular Science*... Science/culture bimonthly *Seed* has promoted **Anna Herceg** to advertising director from ad sales manager.

CABLE TV

Cliff Lachman has joined VH1 as senior vp, production and development, overseeing projects at the network's East and West Coast offices. Lachman had headed up programming development at Twentieth Television and oversaw the launches of syndicated fare including *Texas Justice* and *Divorce Court*.

RADIO

At Salem Communications, **Errol Dengler** and **T.J. Mallevsky** were both promoted to regional vp of operations. Dengler, general manager of Salem's stations in Cleveland, will expand duties to all of its stations in Ohio and Pennsylvania. Mallevsky, gm of Salem's stations in Hawaii, adds responsibility for Sacramento and San Diego.

media elite

EDITED BY ANNE TORPEY-KEMPH

Quicktakes

COURT TV BESTOWED HERO STATUS on House Majority Leader Senator Bill Frist (R-Tenn.) and Arizona Senator John McCain (R) at the cable network's recent "Everyday Heroes" event at the Capitol Building in Washington. CEO

Henry Schleiff handed out Beacon Awards recognizing above-and-beyond efforts in work or daily life demonstrating acts of bravery or courage. Frist, a world-renowned surgeon, received the award for rendering crucial aid to the victims of a

recent car crash in Florida, and McCain was recognized for his bravery as a decorated Vietnam War veteran. McCain asked if

"President" Kerry had arrived yet, referring to his fellow honoree and White House hopeful John Kerry (D-Mass.). And when one senator saw the light buffet and quipped that there didn't seem to be enough food for lunch, Schleiff replied: "We're serving hero sandwiches later."... **Dana Cowin's** credibility was on

the line, but the *Food & Wine* editor understood perfectly. When she called the mag's 10 picks for Best New Chefs in America to tell them they'd been chosen and invite them to a party to be held in their honor on April 1, 8 of them expressed extreme disbelief and 2 even called the *F&W* offices later to make sure it wasn't an April Fools' Day prank. But all 10 showed up to be feted at the newly opened Chelsea Art Museum with great fanfare, and great fare, prepared by former BNC winners. Among *F&W* staffers on hand for the festivities was special projects editor **Kevin Patricio**, who

also got some attention that night—from the casting director for ABC's *The Bachelor*, who was on the lookout for new unattached talent. When we called Patricio, he admitted he's been eyeing the c.d.'s card on his desk and

blushing at the prospect of courting 25 beautiful single women... Speaking of bachelors, *Men's Health* editor Dave Zinczenko might have gotten lots of ink when he was named one of *People's* 50 Most Eligible last year and when he later started appear-

ing on the arm of *Charmed* star Rose McGowan, but big brother Eric jests that Dave's a distant second to him in the gym and on the field. The elder Zinczenko, just named publisher of *MH* sibling Rodale title *Backpacking*, claims to have better abs, too, but *People* probably won't notice: Eric's married... **This Old House** found its new host under several stubborn layers of wallpaper. **Kevin O'Connor** and his wife Kathleen had e-mailed the experts at *Ask This Old House* about how to handle the wall-covering problem in their 1894 Victorian home in suburban Boston. *TOH* sent out a few contractors with a camera crew to lend a helping hand, and a star was born. "In Kevin, we found the perfect mixture of optimism and energy, two

ingredients an old-house owner must have to survive," says Russell Morash, creator and director of the popular PBS home-improvement series and its companion show. "When we later saw him on camera, the 'Eureka!' bell went off." O'Connor, who'll join the ensemble cast this fall, just informed his bosses at Fleet Boston, where he's been working as vp of the sports finance group. Later this month, he'll be heading to *TOH* boot camp for several weeks of filming. ■



Heroes on the Hill: Court TV's Schleiff (c.) with honorees Frist and McCain in D.C.



Sent 'packing': Zinczenko



This Old House-bound: O'Connor

Spotlight On...



John Ridley Executive producer, UPN's *Platinum*

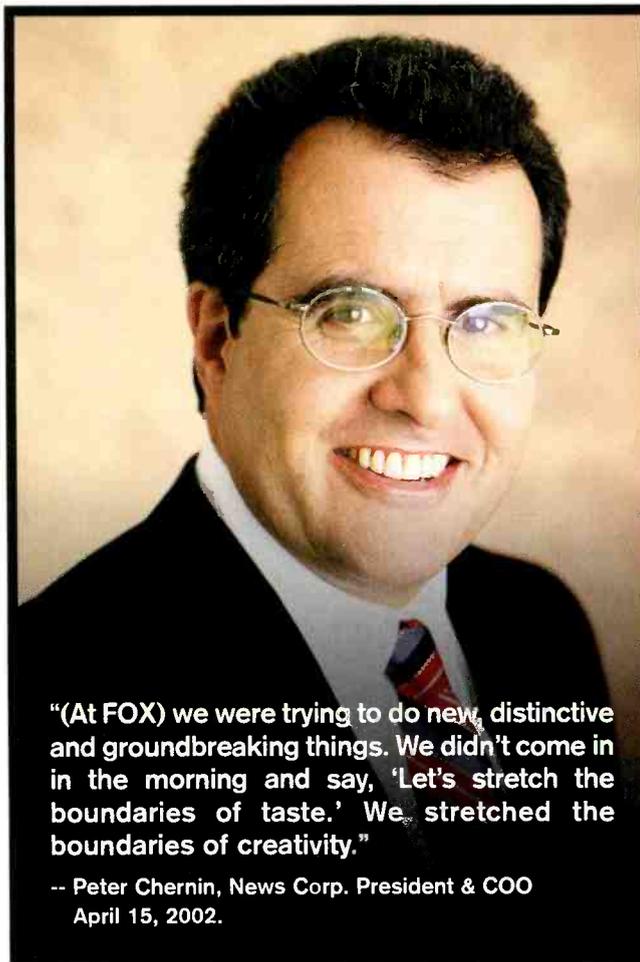
The TV networks started aggressively courting John Ridley after he wrote 1999's Persian Gulf War theatrical *Three Kings* and followed it with blaxploitation spoof *Undercover Brother*. And although a flurry of projects were announced over the past several seasons, none made it to air. Until now.

As an executive producer on UPN's hip-hop family saga *Platinum*, Ridley teamed up with filmmaker Sofia Coppola (*The Virgin Suicides*) to take a compelling look at the music industry through the story of two brothers whose high-profile music label is struggling to stay afloat. Following a special preview tonight at 9, *Platinum* moves into its regular time slot tomorrow at 9 for a six-episode run.

Ridley notes that *Platinum* originally was developed for HBO, which passed. Then it went to Fox, "for a minute," he says, and finally landed at the Viacom-owned netlet, making for a launch that Ridley admits is somewhat anticlimactic. "When it takes three years, you kind of get tired of seeing your own stuff."

But he's still excited about at least one aspect of *Platinum*: its multicultural cast. Pointing to stereotype-busting icons Tiger Woods and Eminem, Ridley says, "At a time when the biggest golfer in the world is black, and the biggest rapper is white, TV is still so segregated. Young people are so willing to cross over that line now, and you just don't have a show this diverse anywhere else on television."

Ridley, 38, began his career as a stand-up comic while attending New York University in the early '80s. After moving to Los Angeles to pursue comedy, the Milwaukee native began writing for TV series including *Martin* and *The Fresh Prince of Bel Air*. While realizing he was more of a "behind-the-scenes guy" than a performer, Ridley ultimately was drawn to writing for its lucrative perks. "It's the only business where you can fail and have a nice car," he says, adding. "And the more you fail, the nicer the car." —A.J. Frutkin



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-- Peter Chernin, News Corp. President & COO
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8:30 - 9:00am | **BREAKFAST**

9:00 - 10:00am | **GENERAL SESSION**

10:00 - 11:30am | **BREAKOUT SESSIONS** (Attendees will have the opportunity to attend 2 out of the 4 sessions)

11:30am - 12:30pm | **NEW YORK MAGAZINE EXPO & COCKTAILS**

12:30 - 2:00pm | **LUNCHEON & KEYNOTE SPEAKER**

2:00 - 2:30 pm | **NEW YORK MAGAZINE EXPO CONTINUES**

Magazines: Let's Give 'Em Something to Talk About! | **GENERAL SESSION**

First they said radio would get us. Wrong. Then television was supposed to wipe out magazines. Wrong. Then, everyone panicked during the Internet boom. Very wrong. So where does that leave us now?

The invincibility of the magazine genre has been proven, but that doesn't mean times aren't tough for individual titles. What's new for the magazine business in the post dot com decade? What do we have to look forward to? How can we get a bigger piece of the shrinking media pie? Industry leaders share their insights.

Steven Giannetti, *Vice President/Group Publisher, National Geographic Magazine* | Cyndi April, *US Director, Print Group, OMD*
Moderator: **Brian Moran**, *Editor, MEDIAWEEK*

BREAKOUT SESSIONS

Magazines and Brands: The Perks of Partnership | **Breakout 1**

The whole is greater than the sum of its parts. How your magazine and your brand can benefit from teamwork.

For Magazines – How to find brand partners and create "the big idea," even with limited assets. **For Brands** – How to select the right magazine partner that will give you the biggest bang for your buck.

Denise Favorule, *Vice President, Group Publisher, Rodale Women's Publishing Group* | Kathleen Kayse, *Publisher, People*
Toni Racioppo, *Senior Vice President, Director of Strategy, OMD* | Brad Simmons, *Vice President, Media Services, Unilever*
Moderator: **Mary Beth Wright**, *Publisher, FamilyFun Magazine*

Out of the Box and Onto the Page: Making GREAT Print Advertising | **Breakout 2**

How to create advertising that literally jumps off the page: new formats, new options.

How do you raise the creative bar of excellence on print advertising? How "creative" can you – and should you – get?

Overcoming the perceptions that there may be brands that just don't work in print?

Rick Estabrook, *Partner, Padin & Estabrook LLC*. | Steve Mitsch, *Senior Art Director, Bozell* | Bill Oberlander, *Senior Partner, Executive Creative Director, Ogilvy & Mather*
Richard Wallace, *Creative Director, Bozell* | Moderator: **Katie Ryan**, *Director, Strategic Planning, TargetCast TCM*

"Buy" the Book: The ABC's of Circulation | **Breakout 3**

What role does circulation play in a magazine's vitality?

The latest information you need to know about audit statements, pricing issues, subscriber acquisition programs, etc.

Steve Aster, *Executive Vice President, Consumer Marketing, Primedia Consumer Media and Magazine Group* | Mary C. McEvoy, *President, M.C. McEvoy & Associates*
Kerry Tucker, *Manager, Advertiser & Advertising Agency Marketing & Sales, Audit Bureau of Circulations* | Lee Zobrist, *Vice President, PHD*
Moderator: **Chip Block**, *Vice Chairman, USAPubs, Inc.*

The Three "R's" of Magazines: Reading, Writing & Relationship | **Breakout 4**

Publishers, editors and advertisers all share one key focus – the reader. What unique issues/concerns do each of these constituencies bring to the business and what insights can be gleaned from their experiences? How do we reconcile sales goals while maintaining content integrity? What role does ad-positioning play?

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Joanne Burke, *Senior Vice President, Managing Director, Carat* | Carol Evans, *Chief Executive Officer, Working Mother*
Sandy Golinkin, *Publisher, Lucky* | Bernard Ohanian, *Associate Publisher, National Geographic*
Moderator: **Cyndi Stivers**, *Editorial Director/President, Time Out New York*

Luncheon & Keynote Address | Michael Clinton, *Executive Vice President/Chief Marketing Officer/Publishing Director, Hearst Magazine*

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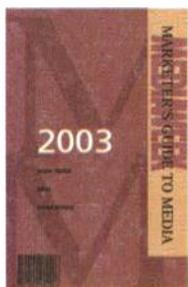
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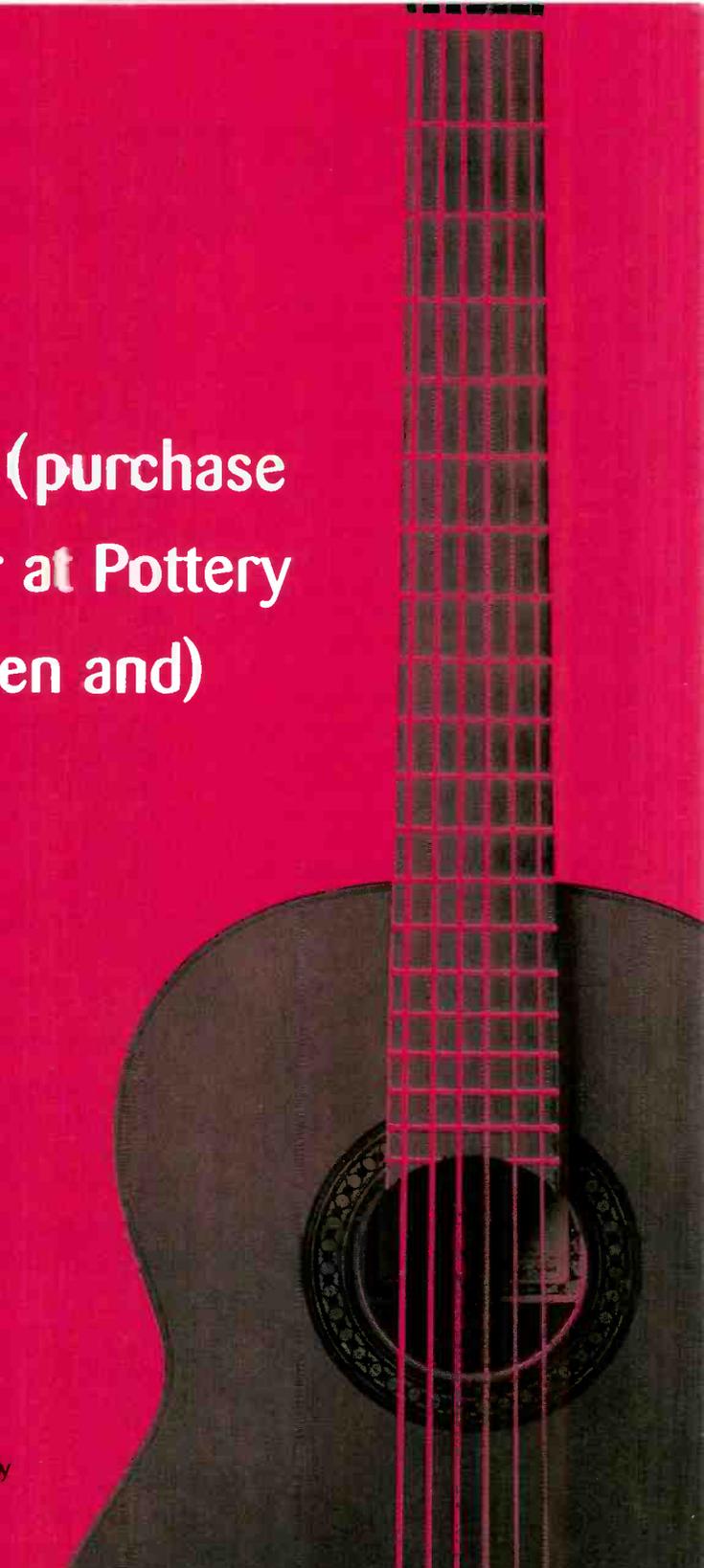
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NEWS OF THE MARKET

FNC Tops Q1 News Heap

Despite major audience gains by CNN and MSNBC in March, Fox News Channel is still America's favorite source for news. FNC grew its total-day delivery of persons 2-plus 94 percent in the first quarter to 1.2 million. Its prime-time delivery alone grew 83 percent to 2.1 million. CNN came in second place with a total-day delivery of 953,000 and a prime delivery of 1.5 million. And though it tripled its audience over first quarter 2002, MSNBC still trailed its rivals with a total-day delivery of 461,000 and a prime-time delivery of 666,000.

Hearst Draws Shutters on *Victoria*

Victoria, the women's home and lifestyle magazine published by Hearst Magazines, will fold following publication of the June issue. A Hearst spokesman cited "the economic uncertainty" as the key factor in shutting down the 16-year-old title. About 30 staffers will either be offered severance packages or new jobs at the company. Ad pages through April fell 10.8 percent to 106 pages, according to the *Mediaweek* Monitor. Though the magazine "had one of the highest subscription renewal rates in the industry, strong advertising support has been unachievable," according to a Hearst statement. Paid circulation remained flat at 969,180 through the second half of last year versus the prior year, according to the



Series like the tricky *10 Count* lead the lineup of alternative-sports fare.

ing partnerships with advertisers including videogame, soft drink and telecom businesses. The network will be available to 11 million digital homes via DirecTV's Sports Pack. Time Warner Cable also plans to add Fuel to its digital sports tier.

Audit Bureau of Circulations. Newsstand sales fell 4.6 percent. Another factor may have been the rise of more-modern, more-defined titles such as *O*, *The Oprah Magazine*, published by Hearst and Oprah Winfrey, and *Lifetime*, a soon-to-launch brand extension of the cable network that will be co-published by Hearst and Lifetime Entertainment Services, which is jointly owned by Hearst and the Walt Disney Co. *Victoria* for many years had difficulty explaining its mission, offering a hodge-podge of editorial that included everything from "romantic living," to gardens, homes, food and "inspiring women."

AOL, Univision Expand Partnership

America Online has expanded its content and marketing partnership with Univision Communications, which is waiting for approval from the Federal Communications Commission to complete its \$3.5 billion merger with Hispanic Broadcasting Corp. Intended to attract more Hispanics to AOL Latino, the alliance includes advertising on Univision and HBC TV and radio stations, cross-promotion between the two companies, and an exchange of some Internet content.

ESPN Radio to Launch *Max & Mariotti*

Award-winning *Chicago Sun-Times* sports columnist Jay Mariotti teams with ESPN TV personality Max Kellerman in a new

radio show that launched April 12 on ESPN Radio. *Max & Mariotti* will air Saturdays 9-11 p.m. While the topics will be new, the banter should be polished, as the two have been sparring on air since November 2002 on ESPN's *Around the Horn*, which airs weekdays at 5 p.m. Mariotti will broadcast from ESPN Radio in Chicago on WMVP-AM, while Kellerman will be based at WEVD-AM in New York. The new show replaces ESPN Radio's *College Hoops Today* and will run through Aug. 23, when *On Campus With Chris [Fowler] and Kirk [Herbstreit]* takes over for the football season.

Telemundo to Air *People's Most Beautiful*

Time Inc.'s *People en Español* has partnered with Spanish-language network Telemundo to produce a TV special on the magazine's "25 Most Beautiful" franchise. The issue hits newsstands May 12. A two-hour special to air May 18 from 9-11 p.m. will present highlights from celebrity performances, red-carpet and behind-the-scenes happenings from the second annual "25 Most Beautiful" celebrity gala at New York's Roseland Ballroom May 14. Honda is sponsoring both the event and the TV special. Other sponsors include Home Depot, Maybelline and Continental Airlines.

T+L Plans CNBC Special

Condé Nast's *Travel + Leisure* is getting into the television game with a one-hour special on CNBC titled *Travel + Leisure: The Next Destination*. The show, scheduled to run in three installments on May 17, 18 and 26, gives viewers a behind-the-scenes look at the workings of a cruise liner aboard the new Radisson Seven Seas Voyager. Sponsors include Lincoln and the Bermuda Department of Tourism. In other Condé Nast news, *T+L* sibling *Vanity Fair* will raise its rate base with the July issue. The general interest/lifestyle monthly will increase the advertising rate base by 5 percent to 1.05 million, from 1 million. The last increase was in 1995.

New York Disc Jockeys Prepare to Strike

On-air personalities at four of the five radio stations owned by Clear Channel Communications in New York voted to begin the process of seeking strike authorization from the New York Local and National Boards of the American Federation of Television and Radio Artists. AFTRA has

FCN Fuels Up Action Sports Net

Fox Cable Networks last week announced its new action sports digital network, scheduled to launch in July, will be called Fuel. Targeting teen males and younger men, the network will offer original programming covering competitive and noncompetitive alternative sports including surfing, skateboarding, snowboarding and motorcross, with some music mixed in. New programs include *Firstrand*, which looks at the day-to-day lives of leading athletes in these sports; *Check 1, 2*, a program in which athletes and recording artists jam together; *Fuel Live Concert Series*; and *10 Count*, which highlights the top 10 tricks pulled during alternative action sports. Fuel also has licensed the Bruce Brown Film Collection, which includes classics *Endless Summer* and *On Any Sunday*. Additionally, Fuel has entered into market-

Calendar

been in negotiations with Clear Channel for more than a year and a half. Three stations, WKTU-FM, WWPR-FM and WLTW-FM, are operating without contracts. Negotiations have stalled over the practice of voice tracking, using announcers and personalities outside the market. Clear Channel, which uses voice tracking between 10 p.m. and 2 a.m. on WWPR, wants to maintain the right to use voice tracking. AFTRA has scheduled a rally for April 24 in New York's Bryant Park to protest the practice.

Philly's WMMR-FM Pumps Up Mornings

On-air personalities Mike Missanelli and Joe Conklin are set to join current morning-show host Vinnie the Crumb on WMMR-FM, Greater Media's Rock station in Philadelphia. WMMR could use a lift. Overall share was down in the Fall Arbitron book to 2.8 from 3.4 in Summer. Set to launch in the next few weeks, the music-intensive show targeting young men 25-34 will include comedy, song parodies and guests. Missanelli, a lawyer, writer and teacher, has spent the past 11 years as mid-day host on Infinity Broadcasting-owned Philly Sports outlet WIP-AM, as well as three years as sports anchor on Tribune Broadcasting's WPHL-TV 10 p.m. news. A stand-up comedian and master of more than 200 voices, Conklin has been a part of the WIP morning show since 1994.

Parenting Adds Moms Panel Online

Time Inc.'s *Parenting* is developing an online consumer panel of 8,000 mothers for its advertisers, called the Mom Connection. The Web site, expected to launch by month's end, will offer advertisers an array of data, including trial and purchase intent, as it collects attitudinal, behavioral and market-trend data. The site is being developed in partnership with agencies including Carat North America and Y&R, and clients including Chrysler. The Mom Connection will launch in conjunction with the 2.1 million-circ title's revamped May issue.

Sci Fi Peaks With Original *Tactics*

The premiere of Sci Fi Channel's new series *Scare Tactics* averaged a 1.5 household rating and delivered 2.1 million persons 2-plus with back-to-back airings on April 4 at 10 p.m. The series returned to its regularly scheduled run of one half-hour show at 10 p.m. on April 11. Delivering 1.3 million

viewers 18-49, the premiere of *Scare Tactics* rated higher than any original series in the network's history and was the highest-rated non-news program on cable on April 4.

Raven on a Roll at Disney Channel

The Disney Channel has renewed the series *That's So Raven* for a second season. During first quarter, the series about a teenage girl who can see into the future was a close second in popularity among kids 2-11 and tweens (9-14) behind the irrepressible *Lizzie McGuire* (coming soon to the big screen) among Disney Channel series. *Raven* generated a 4.7 rating (860,000 viewers) among kids 6-11 and a 5.2 rating (971,000 viewers) among tweens. The series, starring former *Cosby* kid Raven, did particularly well among girls 6-11 with an 8.3 (707,000) but is also the highest-rated Disney Channel series among boys 6-11 with a 2.9 (282,000). The premiere of season two has yet to be announced, but the series resumed production last week.

Postal Rates to Save Mags' Mailing Costs

The United States Postal Service will keep postal rates steady until at least 2006, thanks to legislation passed by Congress last week that is expected to save mailers \$7 billion in postage fees. The bill will allow the USPS to lower its payments to the Civil Service Retirement System. The postal reform follows months of lobbying efforts from groups including Magazine Publishers of America and American Business Media.

Coca-Cola Invests \$10 Mil in CSTV

The Coca-Cola Co. has agreed to invest \$10 million in College Sports Television, which launched last week, and will spend an additional \$5 million on integrated marketing and promotional opportunities for the network. CSTV is dedicated to all types and levels of college sports, offering coverage of 1,200 universities across major conferences including the Big East, Big Ten, Ivy League, Sun Belt and Atlantic 10. Under terms of the deal, Coca-Cola senior vp Chuck Fruit will serve on CSTV's board. Coca-Cola will be the presenting sponsor of the network's Sunday-night block of Notre Dame sports premiering this fall. In addition, CSTV and Coca-Cola will work on new programming projects that will appeal to college athletes as well as fans and build upon established initiatives, including Coca-Cola's 11-year sponsorship of the NCAA and Footballtown USA. ■

The Television Bureau of Advertising will hold its **annual marketing conference** April 15 at the Jacob Javits Convention Center in New York. Tim Russert, host of NBC's *Meet the Press*, will present the opening keynote. Contact: 212-486-1111.

Magazine Publishers of America will present **New York Magazine Day** April 29 at the Ad Club of New York. The event includes breakout sessions with advertisers, media directors and publishers. Contact: Cathryn Weber, 212-533-8080.

Deadline for entries for the **Eddie Awards** (formerly the Editorial Excellence Awards), presented by *Folio* magazine, is May 1, with both consumer and b-to-b titles eligible. To qualify, titles must have frequency of at least twice a year and issues entered must have been published during calendar year 2002. Contact: folioshow.com or call 212-716-8577.

American Business Media will hold its **spring meeting** May 4-7 at the Westin Savannah Harbor Resort & Spa in Savannah, Ga. The program includes a state-of-the-industry panel with Charlie McCurdy of Primedia and Gary Marshall of CMP and a panel on global advertising. Contact: 212-661-6360 or visit www.americanbusinessmedia.com.

Mediaweek and sister magazine *Editor & Publisher* will present the **Interactive Media Conference & Trade Show** May 7-9 at the Paradise Point Resort in San Diego. Topics to be covered include converged media and interactive advertising. Contact: 888-536-8536.

The Radio Creative Fund will present the **Radio Mercury Awards**, recognizing excellence in radio creative, June 19 at the Waldorf-Astoria in New York. Contact: 212-681-7207 or visit www.radiomercuryawards.com.

The Association of National Advertisers will present the **Print Advertising Forum**, bringing together client-side marketers, publishers, ad agencies and others, June 19 at the Plaza Hotel in New York. Contact: 212-697-5950.

Fashion Statement

Fairchild's *W* looks to build appeal with its readers and advertisers with more celebrity coverage and spinoffs

SINCE ITS 1972 LAUNCH AS A NO-FRILLS BROADSHEET FOCUSED ON FASHION AND HIGH SOCIETY, the now glossy, oversized *W* has won accolades for its design, photography and fashion-forward appeal; the women's monthly won a National Magazine Award for Photography in 1998 and is among the nominees

for a General Excellence award this year.

What has continued to separate the Fairchild Publications title from other fashion bibles such as Condé Nast's *Vogue* and Hearst Magazines' *Harper's Bazaar* is its cultivation of upscale readers. The median household income of *W*'s

draw by 10,000 to 15,000 copies.

The book's ad pages are up 12.6 percent this year to 614 through April, reports the *Mediaweek* Monitor. "If there's one thing I can say about *W*, it's consistency," says Eric Bethel, Optimedia senior vp/group director. "Putting a page in there, you know what you're getting."

Still, *W* has been branching out editorially, adding edgier, celebrity-driven content. "It used to be a totally fashion-insider [magazine], but you have to broaden the approach," says Patrick McCarthy, Fairchild chairman and editorial director. "The audience is interested in what Madonna's doing, in what Jennifer Aniston is doing. That's what upscale [readers]

are into."

W's three NMA-nominated issues feature Julia Roberts (March 2002), Reese Witherspoon (September) and Julianne Moore (December). The Witherspoon issue sold 67,540 copies on newsstands and was 2002's best seller.

"It's all about the mix," says McCarthy of last September's edition. "You have the old blonde, Goldie Hawn, the new blonde, Reese Witherspoon, a major movie star, Ralph Fiennes, a little gossip, and great photos by Bruce Weber. That's what makes *W, W.*"

The title's cover subjects have been "more aggressive and gutsy," says Pattie Garrahy, president of PGR Media, citing last June's Winona Ryder cover. Ryder, who was on trial for shoplifting, made a personal fashion statement by

sporting a "Free Winona" T-shirt. "It had been a safe, fashionista place, but in terms of its look, *W* is turning it up a notch," Garrahy adds.

W's current issue (April), featuring a 44-page portfolio of Madonna, is expected to be one of its best performers ever; the edition has sold more than 70,000 newsstand copies so far.

Beyond more celebrities on the cover, McCarthy notes *W* has also been expanding its Hollywood coverage inside the book. "We're much more interested in the powers behind the scenes and the world that creates the movie stars," he says. February's second annual A-List issue included everyone from the chicest decorators and most-trusted psychics to the most powerful studios.

W is also branching out in other ways. Earlier this month, Fairchild launched the 75,000 controlled-circ *W Jewelry*, the first of several planned spinoff titles. "It is a classic high-end fashion luxury product," McCarthy says of the quarterly. "There had not been a real consumer magazine available for people fascinated with jewelry or for advertisers. We're exploring other categories [for spinoffs]—accessories, beauty and travel."

The next spinoff, which is expected to have a larger circulation than *W Jewelry*, is slated to launch in the fourth quarter or early next year, McCarthy says. —LG

Network News

Lifetime to bow on April 22

After 18 months in the works, *Lifetime* magazine will finally hit newsstands next week. The cable network-branded magazine, co-published by Hearst Magazines and Hearst-Walt Disney Co.'s Lifetime Entertainment Services, will launch with a 258-page May/June issue, including 104 pages of ads.

Lifetime joins an expanding lineup of women's lifestyle magazines led by Time Inc.'s *Real Simple* and *O, The Oprah Magazine*, co-published by Hearst and Oprah Winfrey. Lifetime is also the latest in a string of print extensions of cable networks, including *ESPN the Magazine* and *Biography*.

One media buyer who has seen the prototype of *Lifetime* expressed concern about how closely the print product may be tied to the network. "I hope there is enough differentiation," says Pam McNeely, Dailey & Associates senior vp/group media director. "If it's too vertically aligned, I think it will hurt sales."



Mix master: McCarthy's blend of stars and style landed *W* a General Excellence nod.

readers was \$138,900 last year, according to the Mendelsohn Affluent Survey—\$30,000 above the report's median of \$107,300. (Mendelsohn surveys readers with \$75,000-plus incomes.)

With that attractive demographic in mind, *W* has deliberately kept its circulation at relatively modest levels compared to rivals such as the 1.3 million-circ *Vogue*. *W*'s paid circ grew 1.9 percent to 464,169 in the second half of last year, according to the Audit Bureau of Circulations. Newsstand sales fell 9.1 percent to 52,210; the falloff was due in part to cutting the month-

Mediaweek Magazine Monitor

WEEKLIES April 14, 2003

	ISSUE DATE	CURRENT PAGES	ISSUE DATE LAST YEAR	PAGES LAST YEAR	PERCENT CHANGE	YTD PAGES	YTD LAST YEAR	PERCENT CHANGE
NEWS/BUSINESS								
BusinessWeek	14-Apr	32.05	15-Apr	52.41	-38.85%	740.22	806.54	-8.22%
The Economist	5-Apr	36.00	6-Apr	43.00	-16.28%	580.00	686.00	-15.45%
Newsweek ^E	14-Apr	49.20	15-Apr	73.77	-33.31%	519.60	513.95	0.13%
The New Republic ⁺⁺	14-Apr	6.16	15-Apr	8.74	-29.52%	85.22	95.33	-11.53%
Time ^E	14-Apr	50.09	15-Apr	89.22	-43.86%	616.06	643.60	-4.22%
U.S. News & World Report ^B	14-Apr	37.85	15-Apr	42.21	-10.33%	352.20	355.47	-0.92%
The Weekly Standard	21-Apr	9.50	22-Apr	7.50	26.67%	127.64	131.29	-2.72%
Category Total		220.85		316.85	-30.30%	3,020.94	3,238.18	-6.71%
SPORTS/ENTERTAINMENT/LEISURE								
AutoWeek	14-Apr	22.73	15-Apr	20.26	12.19%	332.65	344.21	-3.36%
Entertainment Weekly	11-Apr	34.48	12-Apr	27.26	26.49%	479.06	444.65	7.74%
Golf World	11-Apr	25.95	12-Apr	28.63	-9.36%	323.20	447.46	-27.77%
New York	NO ISSUE		15-Apr	42.80	N.A.	630.60	711.10	-11.32%
People	14-Apr	69.82	15-Apr	75.33	-7.31%	972.96	940.09	3.52%
Sporting News	14-Apr	14.17	15-Apr	15.83	-10.49%	196.16	211.39	-7.22%
Sports Illustrated ¹	14-Apr	43.23	15-Apr	40.76	6.06%	671.03	721.40	-6.98%
The New Yorker	14-Apr	25.66	15-Apr	25.42	0.94%	551.49	499.46	10.42%
Time Out New York	9-Apr	72.38	10-Apr	83.31	-13.13%	964.37	836.75	7.54%
TV Guide	12-Apr	36.06	13-Apr	54.69	-34.06%	719.49	714.89	0.64%
Us Weekly	14-Apr	28.66	NO ISSUE		N.A.	371.01	277.84	33.23%
Category Total		373.14		414.29	-9.93%	6,212.02	6,209.24	0.04%
SUNDAY MAGAZINES								
American Profile	13-Apr	9.30	14-Apr	8.60	8.14%	133.90	128.25	4.41%
Parade	13-Apr	15.32	14-Apr	13.79	11.09%	202.26	189.29	6.85%
USA Weekend	13-Apr	16.67	14-Apr	12.99	28.33%	184.69	186.01	-0.71%
Category Total		41.29		35.38	16.70%	520.85	503.55	3.44%
TOTALS		635.28		766.52	-17.12%	9,753.81	9,950.97	-1.88%

B=Best Graduate Schools special; E=estimated page counts; 1=one fewer issue in 2003 than in 2002; ++=two more issues in 2003

CHARTS COMPILED BY AIMEE DEEMEN



CSI's Helgenberger gets intimate with Lifetime, dishing on how "normal" her life really is.

In developing the 500,000-circulation magazine, editor in chief Sally Koslow says she used the network primarily for inspiration in creating a separate identity for the print spinoff. "I've tried to give the magazine a sense of spaciousness and relaxation," Koslow says. "Women come to the Lifetime network as a treat for themselves. They don't go there to be a better mother or a better sex partner. I've tried to convey that same sense of reward in the magazine."

Targeting thirtysomething women, *Lifetime* mixes in hints of gravitas with heaping doses of levity. The magazine opens with a section called Live a Little, which offers readers suggestions on how to spend their free time. Further along, What Mom Forgot to Teach Me provides practical advice.

Along with affordable-fashion guidance, basic beauty tips, travel and food recipes, there is a dollop of celebrity coverage. In every issue, *Lifetime* Does Lunch will feature a Q&A with a star; in the premiere issue, *CSI*'s Marg Helgen-

berger talks about her personal life and career.

The magazine will have tie-ins with three of the network's franchises. Faith Hill, who graces the launch issue's cover, on April 28 will be featured on the net's *Lifetime Intimate Portrait*. This month's *Lifetime* original movie, *Homeless to Harvard*, inspired the magazine story "From Welfare Mom to Legal Eagle." And the network's monthly *Lifetime* Commitment advocacy campaign, which in May will focus on

empowerment, will be addressed in the magazine with pieces on self-esteem.

Lifetime's second issue will be July/August; it will publish monthly beginning in September.

Separately, Brent Poer, formerly director of marketing and events at Lifetime Entertainment Services, has been promoted to the new position of vp, Lifetime brand, print. Poer will serve as the liaison between Lifetime and Hearst for the magazine. —LG

60sec. With



James Kelly Managing Editor, *Time*

Q. Given the wall-to-wall coverage of the war on television, what sort of challenge has it been to provide fresh information on a weekly basis? **A.** The war has actually played to *Time*'s strengths, most notably with the photography... And because the war has been on such an accelerated news cycle, with events changing from hour to hour, being able to sit back and offer perspective once a week is better than offering it up every hour or seven days a week. We've been careful to not overreact to the latest news. **Q.** How are your newsstand sales tracking? **A.** Our first war cover [March 31] sold 325,000 to 340,000 copies, and the second [April 7] sold 225,000. Our average last year was 190,000. So clearly for the first two weeks of the war, our issues sold very well. During the first Gulf War the newsstand was a little higher, selling about 400,000. I guess it's because there wasn't all this TV coverage then. **Q.** What other stories are getting lost because of the war? **A.** Maybe SARS, and maybe the HealthSouth scandal would have gotten more coverage. The second week of the war, I was intent on making sure we got in the news about the band of dissidents in Cuba. There's a history of governments doing things when there's another big news story, in the hopes it will attract less attention...[such as] the crack-down in the Baltics by [former Soviet president] Gorbachev during the first Gulf War. **Q.** So, what are you doing these days to relax? **A.** I take my 4-year-old son on the subway. Every Sunday we get on the subway at 86th Street and go all the way up to Van Cortlandt Park [in the Bronx], then we get right back on the subway and come back down. That's how I relax. It's actually a lovely ride.

media person

BY LEWIS GROSSBERGER



Blame It on Saddam

AS A PUBLIC SERVICE, THIS WEEK MEDIA PERSON IS BRINGING YOU SOME IMPORTANT developments you may have missed because of all the war stuff clogging up the media. Much of the following is true: The *National Enquirer's* front page declared, "It's Over!" This referred not to the war but Julia

Roberts' marriage. Secret divorce talks are under way, the paper said, between Julia's lawyers and lawyers for the guy she's married to, who Media Person can't quite recall and neither can Julia, which may be the problem. From now on, it is believed, she will marry no more but instead take a series of concubines, as befits someone of her rank, America's Sweetheart.

The *New York Post* ran its 4,037th outdoor photograph of Sarah Jessica Parker taping a scene from *Sex and the City*. It no longer even tries to find an excuse, captioning the photo simply, "The Usual."

The only newcomer to break into the Top Ten list of New York City baby names this year is Destiny, a girl's name, though there is no explanation of why it can't be used for boys. A few names you won't find on either list, despite their appropriateness, are Obesity, Mediocrity and Video.

Health officials in Hong Kong said that cockroaches may be to blame for spreading the virus causing that new and trendy ailment, SARS (Seriously Annoying Respiratory Screw-up). A spokesman for the roach lobby denied the charge, claiming that "It's probably a beetle causing the trouble, but we always get blamed. They look a lot like us, you know."

The producer of the *The Core*, which is not about apple residue but rather Hilary Swank traveling to the center of the earth to clear up some kind of plumbing problem, wrote a letter to a California paper to take issue with a critic who called the movie's plot

line preposterous. "Many geophysicists and deep-earth scientists believe we will be down there soon enough," wrote the producer. Maybe so, but the part where Swank finds Osama bin Laden hiding down there still seems a bit hard to swallow.

The CBS miniseries *Hitler: The Rise of Evil* (former title: "Not Such a Bad Guy When You Get to Know Him") started generating its second round of controversy (and it hasn't even aired yet) when director Christian Duguay told the media that he saw Hitler's rise as a cautionary tale for contemporary America. Media Person says all these liberal comparisons of the Bush Administration to the Nazis are just plain ridiculous. Except for Ashcroft, of course.

Madonna yanked her new video because she feared it might seem insensitive to our boys and girls fighting in Iraq. It was titled "Bush: The Rise of Evil."

The chairman of the Augusta Golf Club, whom Media Person might take more seriously if he weren't named Hootie Johnson, said his organization would never change its stand against admitting female members. "If I drop dead right now, our position will not change on this issue," he declared. This was followed by shouts of

"Prove it! Prove it!"

Wonderbra model Eva Herzigova sued a Canadian underwear company that refused to pay her \$30,000 fee because she showed up for the photo shoot with a short haircut the company didn't like. You know, it's shameful in this day and age how superficial and sexist some of these ad execs are. If a woman has great maracas, what difference does it make how long her hair is?

Talk about advertising that gets into your head. James Nelson of Kansas City, Mo., turned his head into a billboard for \$7,000. He now walks around with the logo of CIHost.com, a Texas internet company, tattooed on the back of his skull. Ronzoni pasta said it would be the next advertiser to make use of the exciting new medium, with its new "Now That's Using Your Noodle" campaign.

Hugh Grant told *Vanity Fair*, "If I went to a party tonight and bumped into a fantastic girl...I [would] definitely keep my thoughts open to the idea of settling down and breeding." This sounds to Media Person like a man who is definitely ready to go into the chinchilla business...but why does he need a fantastic girl?

But wait...we may have that fantastic girl right here! Nicole Kidman told *People* that even though she isn't out on the dating scene, "I'm waiting for someone to come rock my world." No word on how she feels about chinchillas, but if Hugh bumped her hard enough, that whole rocking thing could happen. You never know.

Media Person was appalled by the box-office success of *Phone Booth*, starring Irish bad boy Colin Farrell. It's about a man who answers a ringing public phone and finds himself talking to a demented, threatening sniper who won't let him off the line. But *Phone Booth 2*, already filming, is said to be even more harrowing. This time it's a telemarketer. ■

All these liberal comparisons of the Bush Administration to the Nazis are just plain ridiculous. Except for Ashcroft, of course.

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Our Comedy Block
viewers have a
median age of 33.2...
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guy for a neighbor.



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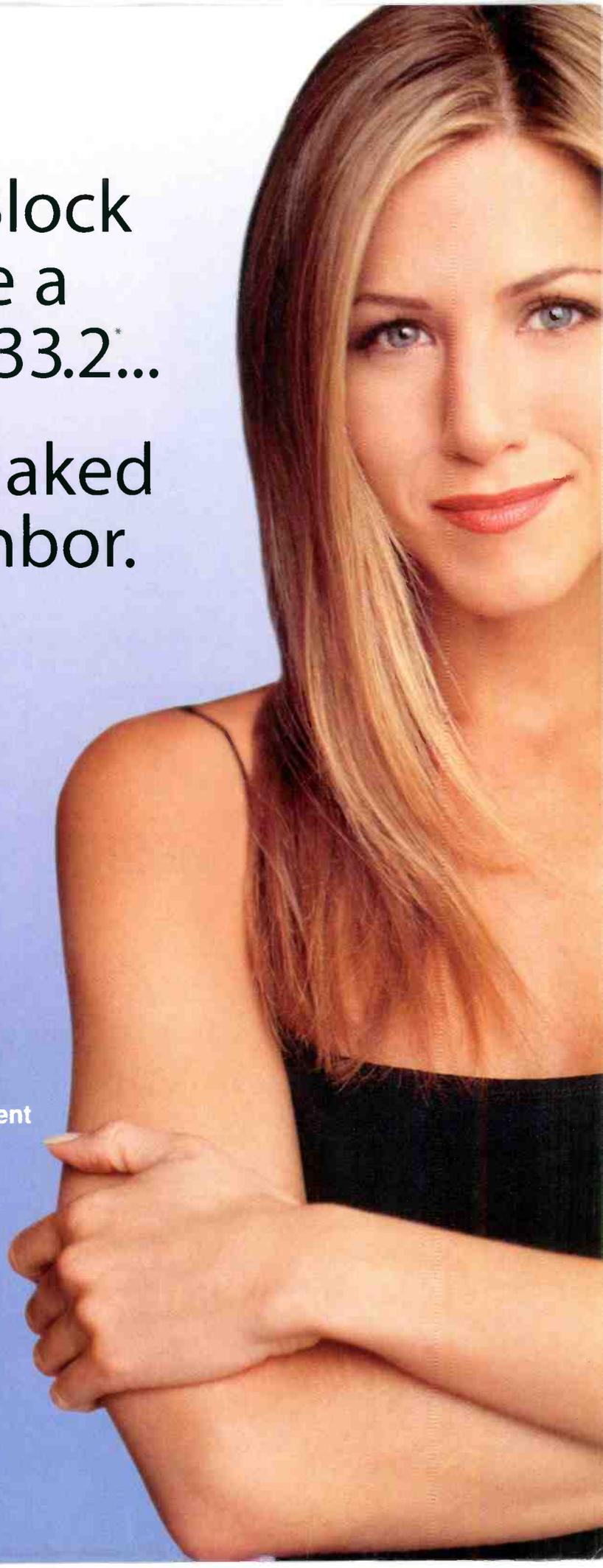
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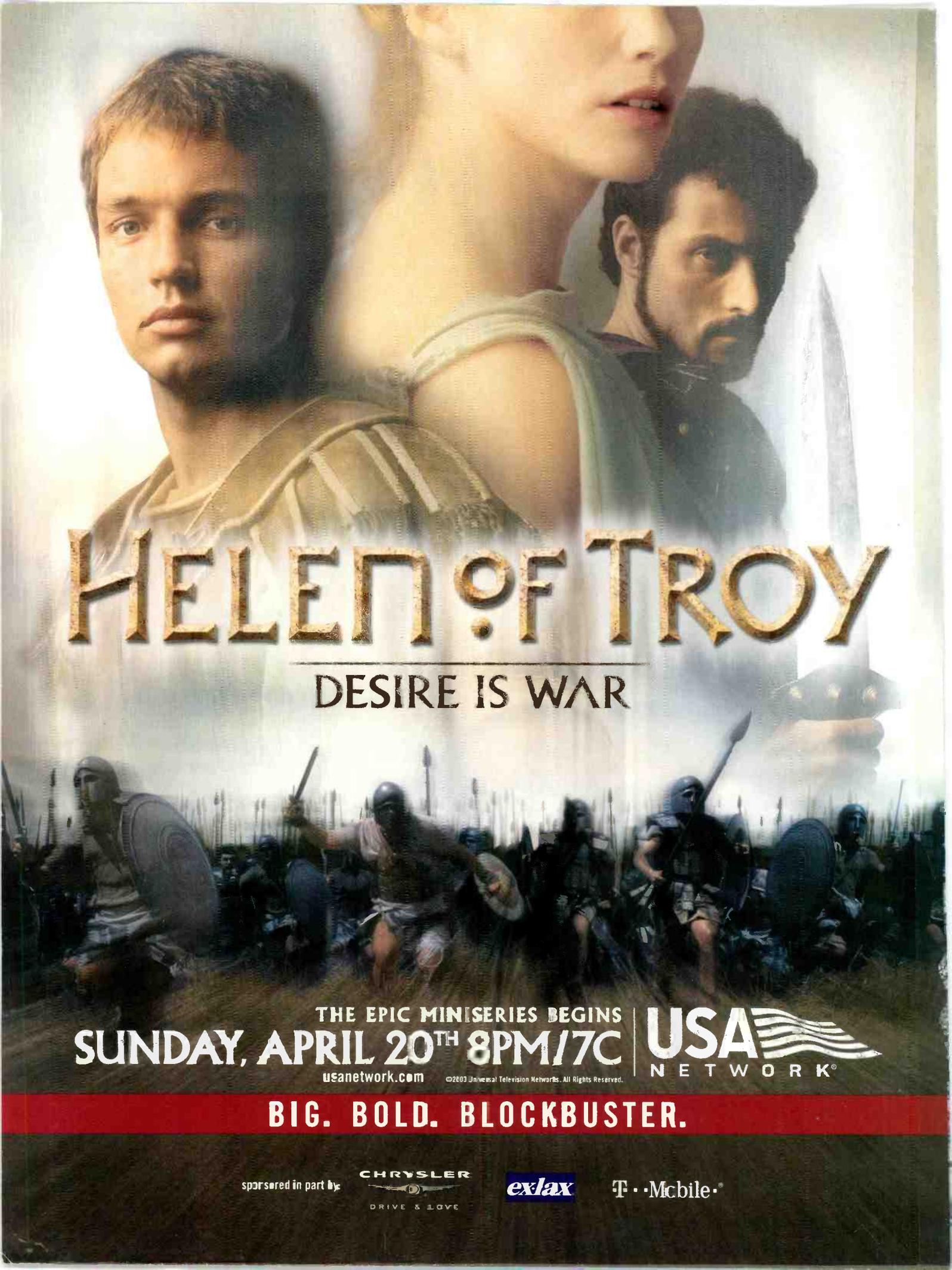
TBS
Superstation

|TBSsuperstation.com |AOL Keyword: TBS

*Source: Nielsen Media Research TBSC data (10/1/02-3/23/03), based on P2+.
Non-Stop Comedy Block programming (M-F 4:30-8p). Qualifications available upon request

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HELEN OF TROY

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