Television/Radio Age

BLAIR'S ROSENFIELD talks shop/44

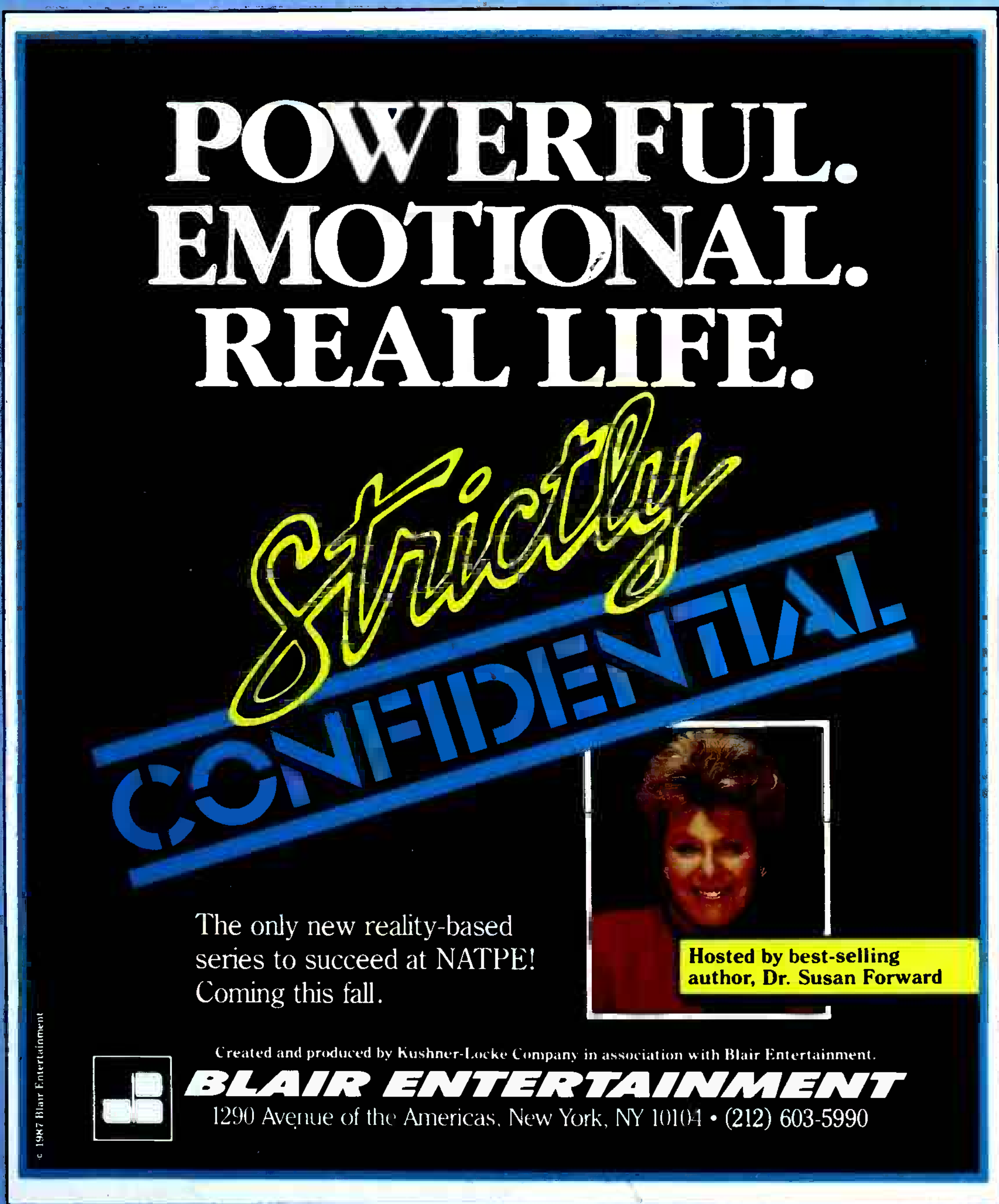
MSO CLOUT
Financial interest in cable program services eyed/39

ENG ACTION
Half-inch VCRs, small format recorders gain/42

CBS AFFILS
Say network may be listening too much/50

CLASSICAL RADIO
New ripples in programming, marketing/A1

May 11, 1987 • $3.50



Put Punky in her place.

With the family.

Remember Punky Brewster? Cute, precocious, an 8-year-old whirlwind of energy?

Well, look again. She's not just kid stuff anymore.

These days, Punky's place is with the family. Moms, dads, and kids of all ages.

With 44 new family-oriented episodes, plus all the charm of the original 44 shows, Punky's got the edge in turning everyday family situations into everyday fun.

It's a half-hour of guaranteed laughs, love, and surprises for everyone. With enough "PUNKY POWER" to propel your station right to the top.

Punky Brewster. 88/110 episodes available for stripping, Fall '87. From Coca-Cola Telecommunications.

Television/RadioAge

May 11, 1987 *Volume XXXIV, No. 21*

DEPARTMENTS

Television/Radio Age (ISSN #US0040277X) (USPS #537160) is published every other Monday for $50 per year by the Television Editorial Corp. Publication Office, 1270 Avenue of the Americas, New York, NY 10020. Second class postage paid at New York, NY and additional mailing offices. POSTMASTER: Send address changes to Television/Radio Age, 1270 Avenue of the Americas, New York, NY 10020.

Television/Radio Age

Editorial, Circulation and Publication Offices
1270 Avenue of the Americas
New York, NY 10020
Phone: 212-757-8400
Telex: TELAGE 421833
Facsimile Number: (212) 247-3402

Publisher
S. J. Paul
Executive Vice President
Lee Sheridan

Editorial
Vice President & Editor
Sanford Josephson
Vice President & Executive Editor
Alfred J. Jaffe
Managing Editor
Edmond M. Rosenthal
Associate Editors
Robert Sobel, George Swisshelm, Les Luchter
Contributing Editors
Dan Rustin
Europe: Pat Hawker

Washington
Howard Fields
716 S. Wayne St.
Arlington, VA 22204, (703) 521-4187

London
Irwin Margolis, *Managing Director*
Sally Mann, *Associate Editor*
International Division
Commerce House, 6 London Street
London, W2 1HR, England
01-402-0919

Advertising
Vice President & Sales Director:
Mort Miller
Sales Representatives
Marguerite Blaise,
William J. Mathews
Production Director
Marvin Rabach
Circulation/Marketing Director
Brad Pfaff
Marketing Coordinator
Anne Hoey
Business Office
Marjorie Bloem

West Coast Office
Jim T. Moore, *Sales Account Executive*
Paul Wilner, *West Coast Correspondent*
1607 El Centro, Suite 25
Hollywood, CA 90028
(213) 464-3552

Member Business Publications Audit of Circulations, Inc.

TELEVISION/RADIO AGE is published every other Monday by the Television Editorial Corp. Sol. J. Paul, President: Lee C. Sheridan, Executive Vice President; Mort Miller, Vice President; Alfred Jaffe, Vice President. Editorial, advertising and circulation office: 1270 Avenue of the Americas, New York, N.Y. 10020. Phone: (212) 757-8400. Single copy: $3.50. Yearly subscription in the U.S. and possessions: $50; elsewhere: $60


Barney
Great
©1987 COLUMBIA/EMBASSY TELEVISION
3-16-87

Miller

egs.

COLUMBIA/EMBASSY TELEVISION
A unit of Coca-Cola Television

Publisher's Letter

Markey's colleagues embarrassed by his treatment of web news execs

Two weeks ago the nation was treated to a congressional display of sheer stupidity, boobery, and blatant invasion of private or corporate rights. If a politician's primary objective is to grab some questionable headlines, Edward J. Markey (D.Mass.), chairman of the House subcommittee on telecommunications and finance, achieved this objective by turning the spotlight on himself and on the three networks—ABC, NBC, and CBS, and their news presidents.

The entire procedure made some committee members uncomfortable—particularly Dan Coats (R-Ind.) and Thomas Tauke (R-Iowa) who were forthright enough to say to Lawrence Grossman of NBC, Roone Arledge of ABC, and Howard Stringer of CBS that they were outraged to find these three gentlemen reporting to a congressional committee on the quality and quantity of television newsgathering. The First Amendment, stated Coats, made their appearance "at first irrelevant and at worst irresponsible: I find it offensive and I think you ought to find it offensive." But Markey insisted that the purpose of the hearings was to examine the impact of recent network ownership changes on newsgathering.

"We are anxious to see whether network news is being reshaped by forces unleashed in the Reagan policy against regulation," Markey reasoned. But if Markey's objective is to look at the fruits of deregulation, he either doesn't know what is going on or is six years too late. And even though he says, "We have no aspirations to sit at the news desk," Coats, for example thought that by holding these hearings, Congress was "crossing a line it should not be crossing."

New low. A new low was struck when Rep. John Bryant (D-Tex.) was concerned with how coverage of his state's economic problems affects the economic help Congress might give Texas. Therefore, special attention, he maintained, should be paid to Texas. A perfect example of a TV news Catch 22! As it happens, CBS has more coverage in Texas than it had five years ago, according to Stringer.

But Bill Leonard, former head of CBS News, questioned whether the news heads should have appeared at all. In an interview in *USA Today*, Leonard remarked that he would have politely declined if called: "If subpoenaed, I suppose I would go. It might be appropriate for corporate heads to appear, but certainly not news chiefs."

Congressman Tauke said the hearings were "a dangerous operation. The Founding Fathers didn't want the news media to be accountable to government. They wanted them to be accountable to the people."

The hearings had a chilling effect on many observers in the committee room. One thing is certain: Had newspaper publishers been called to explain a staff reduction, the reverberations would be heard across the land.

S.J. Paul

THIS IS THE BROADCAST INDUSTRY'S MEDAL OF HONOR.

TO WIN ONE IN A LIFETIME IS A REMARKABLE ACHIEVEMENT. TO WIN FIVE IN ONE YEAR IS A REMARKABLE STATEMENT.

PROMISE
A "Hallmark Hall of Fame Presentation"

THE KENNEDY CENTER HONORS: A CELEBRATION OF THE PERFORMING ARTS

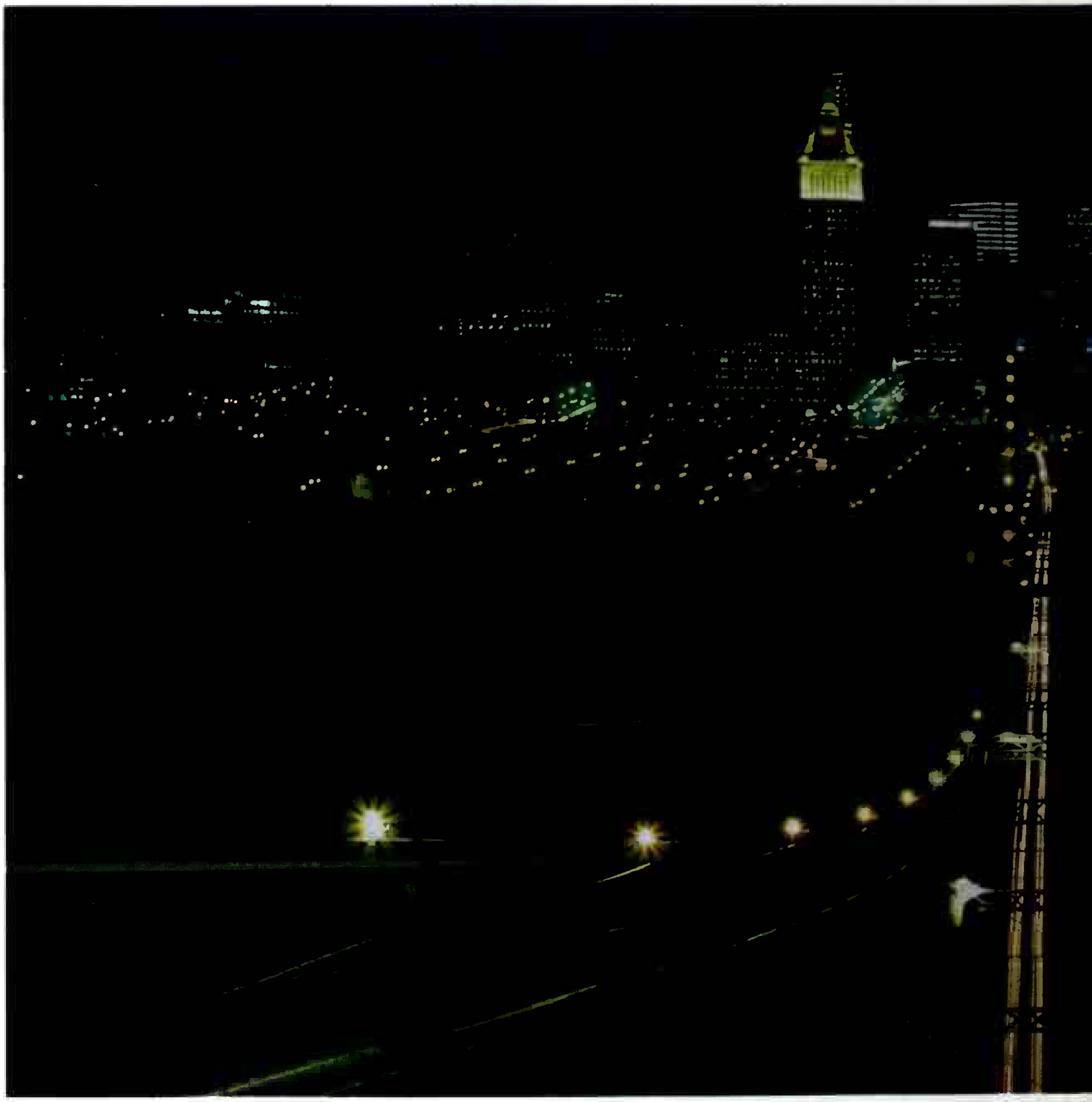
CBS NEWS SUNDAY MORNING: VLADIMIR HOROWITZ

CBS REPORTS: THE VANISHING FAMILY– CRISIS IN BLACK AMERICA

CBS NEWS NEWSMARK: WHERE IN THE WORLD ARE WE?
Broadcast on the CBS Radio Network

CBS

Batting a thousand ir

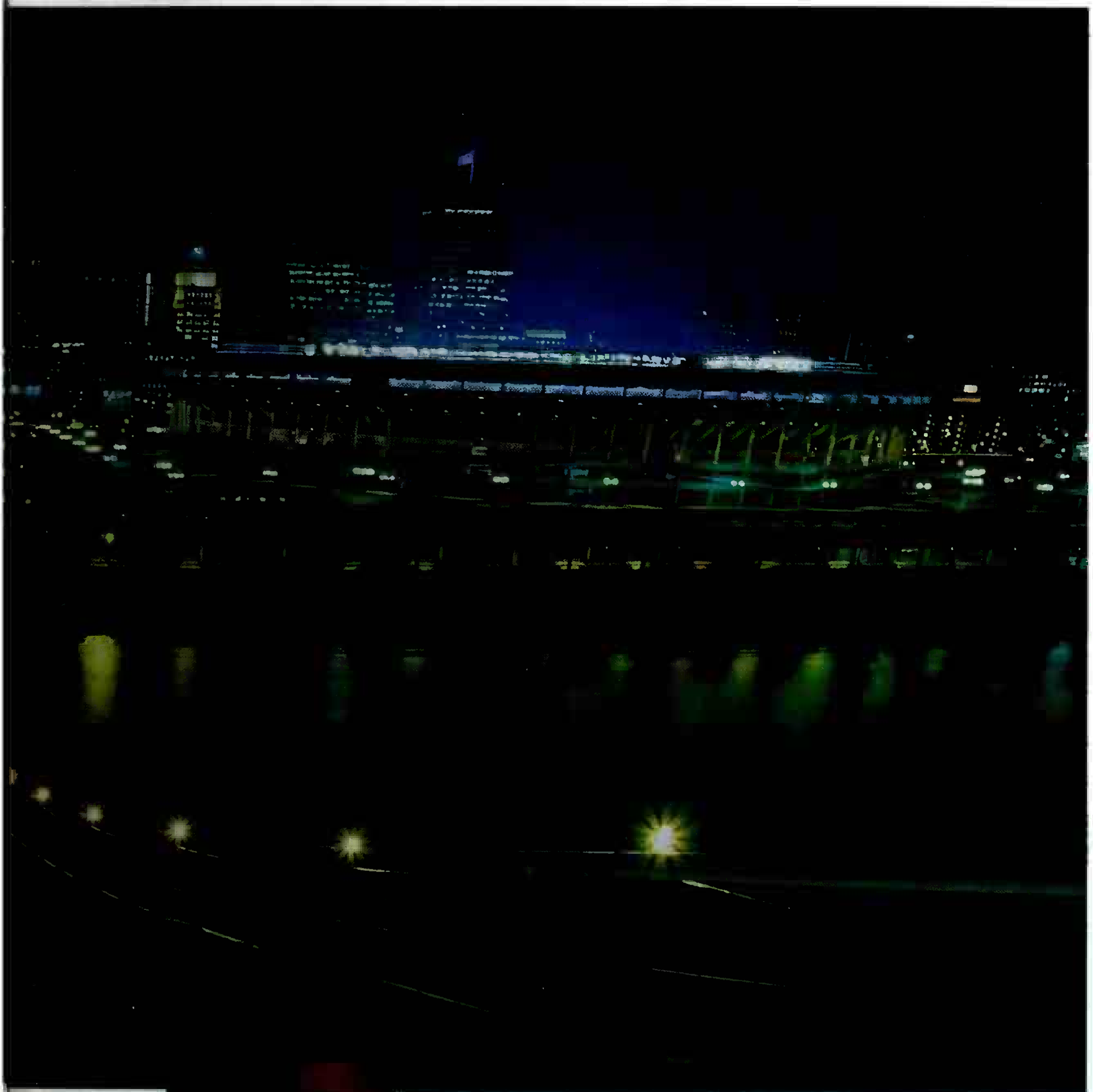


WLWT-TV

“As an NBC affiliate, we are delighted that we will be continuing the tradition of The Cosby Show, the most popular family show in television history, on Channel 5 in Cincinnati.”

Tony Kiernan, *Vice President and General Manager, WLWT-TV, Cincinnati*

Cincinnati.



nd The Cosby Show

Viacom

Nearly 50 affiliates part of networks' satellite plans

While they may have been late getting into the satellite newsgathering arena, the three television networks are moving steadily ahead in certifying affiliates for partial reimbursement of Ku-band satellite news vans (SNV). NBC, with 20 stations signed up for its Skycom service and CBS with 18 stations part of NewsNet, seem well ahead of ABC, which at this point reports only seven affiliates certified for reimbursement under its Absat plan. However, Donald Dunphy, vice president and director of affiliate news services, predicts another 10 sign-ups within the next eight to 10 weeks and between 20 and 25 by the end of the year.

Meanwhile, Cable News Network has 13 broadcasting affiliates as part of its Newsbeam operation, eight of which are also part of their respective network's system. CNN does not subsidize affiliates for truck purchases, but provides satellite transponder time, helps put together packages that will enable stations to purchase trucks and other equipment at attractive prices and offers other logistical support, etc.

Following are listings of affiliates of satellite support systems of all four news organizations. Manufacturers of satellite news vans are in parentheses.

ABC (Absat)

WLS-TV	Chicago(Hubcom)*
KTRK-TV	Houston(Dalsat)
WTNH-TV	Hartford-N.H. (Dalsat)
WKRC-TV	Cincinnati(Midwest)
WPEC(TV)	W. Palm Beach-Ft. P.-VB(BAF)
KAKE-TV	Wichita-Hutch.(Dalsat)
WBRZ(TV)	Baton Rouge(Hubcom)

* Using Absat coordinating center but not completely certified.

CBS(NewsNet)

WUSA(TV)	Washington(BAF)
WCCO-TV	Minn.-S.P.(Dalsat)
WTVT(TV)	Tampa-S.P.(Hubcom)
WBAL-TV	Baltimore(Hubcom)
KTSP-TV	Phoenix(BAF)
KCTV(TV)	Kansas City(Dalsat)
WTVF(TV)	Nashville(Hubcom)
WBTV(TV)	Charlotte(Hubcom)
WBNS-TV	Columbus, O. (Midwest)
WWL-TV	News Orleans(Dalsat)
WRAL-TV	Raleigh-Dur.(Hubcom)
KSL-TV	Salt Lake City(Dalsat)
KENS-TV	San Antonio(Dalsat)
WHAS-TV	Louisville(Midwest)
WYOU-TV	W.B.-Scran.(BAF)
WSBT-TV	S.B.-Elk.(Roscor)
WCSC-TV	Charleston, S.C. (Hubcom)

NBC(Skycom)

WNBC-TV	New York(Hubcom)
KNBC(TV)	Los Angeles (Hubcom)
WBZ-TV	Boston(Hubcom)
WDIV(TV)	Detroit(Dalsat)
KPRC-TV	Houston(Hubcom)
WSVN(TV)	Miami(Hubcom)
KARE(TV)	Minn.-S.P.(Midwest)
WFXL(TV)	Tampa-S.P. (Hubcom)
KCRA-TV	Sacramento-Stock. (Centro)
KPNX-TV	Phoenix(BAF)
WTHR(TV)	Indianapolis (Midwest)
WESH-TV	Orlando-D.B.-Mel. (Hubcom)
WTMJ-TV	Milwaukee(Roscor)
WDAF-TV	Kansas City(Midwest)
WSMV(TV)	Nashville(Dalsat)
KUTV(TV)	Salt Lake C.(Hubcom)
WXII(TV)	Green-W.S.-Ash. (BAF)
WJKS(TV)	Jacksonville(Hubcom)
WNDU-TV	S.B.-Elk.(Midwest)

CNN

WCVB-TV	Boston(Hubcom)
WDIV(TV)	Detroit(Dalsat)
WTVJ(TV)	Miami(Hubcom)
WCCO-TV	Minn.-S.P.(Dalsat)
KCRA-TV	Sacramento-Stock. (Centro)
WTHR(TV)	Indianapolis(Midwest)
WTNH-TV	Hartford-N.H.(Dalsat)
WCPX-TV	Orlando-D.B.-Mel.(own design)
WTMJ-TV	Milwaukee(Roscor)
WBNS-TV	Columbus(Midwest)
KSL-TV	Salt Lake City(Dalsat)
WJXT(TV)	Jacksonville(Dalsat)

Conus, the newsgathering cooperative partially owned by Hubbard Broadcasting (55 per cent) and widely credited with starting the trend toward stations using Ku-band trucks, now has 54 affiliates, 45 of which have SNVs. Although the majority are from Hubbard's Hubcom, trucks owned by Conus affiliates also include those manufactured by BAF, Dalsat and Midwest.

Must-carry hits WWBT, blacks out local Charlottesville coverage

John Hutchinson, vice president and general manager of WWBT(TV) Richmond, is upset. The Jefferson-Pilot station, he says, spent a month installing more than $100,000 worth of equipment to provide remote news coverage from Charlottesville, some 70 miles distant. Then, two days before the news bureau's scheduled premiere on May 1, Hutchinson received a letter from Jefferson Cable in Charlottesville informing him that WWBT was being dropped from the 32-channel system—effective May 1.

Cable system manager Joseph Price says the timing was a coincidence, that plans for the news bureau were not known when multiple system owner Multi-Channel TV Cable decided to drop WWBT. He did know by the time of the announcement, however, since as Hutchinson notes, WWBT's construction site was "across the street."

Such factors as local news coverage matter little, however, under the latest must-carry rules. Cable systems can now drop duplicated network signals, and Price says WWBT was the "least-watched" of three duplicate network signals coming in from Richmond. He adds that Charlottesville's own NBC affiliate WVIR-TV was the most-watched local station.

But both Hutchinson and Jefferson-Pilot vice president for administration John Edgerton point out that WWBT was the fourth highest-rated station (2 rating/10 share) by Arbitron in the Charlottesville (Albemarle County) ADI, beating non-Richmond ABC and CBS duplicates.

Hutchinson and Edgerton stress the irony that the Charlottesville cable system originally grew because of its ability to bring in the Richmond stations. "That part of the state is very hilly," says Hutchinson, and 65–70 miles away from Richmond—helping Jefferson Cable achieve its current high penetration of about 70 per cent (20,600 subscribers).

"We'll be beaming back live news stories from the [nearby] University of Virginia that the people in the town can't see," complains Hutchinson. Despite the interest of WWBT's other viewers in such stories, he says the station, at some point, will have to determine if keeping the bureau open "is cost-effective."

WRTV
INDIANAPOLIS

We're Showing Radio and Newspaper Advertisers a Better Channel.

Advertising is the art of persuasion. And at WRTV/ Indianapolis, we've been persuading radio and newspaper advertisers to tune into our channel.

How? Our Vendor Support Marketing Program. With this innovative program, we understand the vendors' needs, and offer them a more effective and efficient media buy for their dollar. For many, it's their first time ever using "expensive T.V." The results have been extraordinary—20 new accounts in the last year, alone.

The success feels great. Like our recognition for excellence in programming, community leadership and news. We won best newscast in the state (AP/ UPI), and in the entire midwest (UPI).

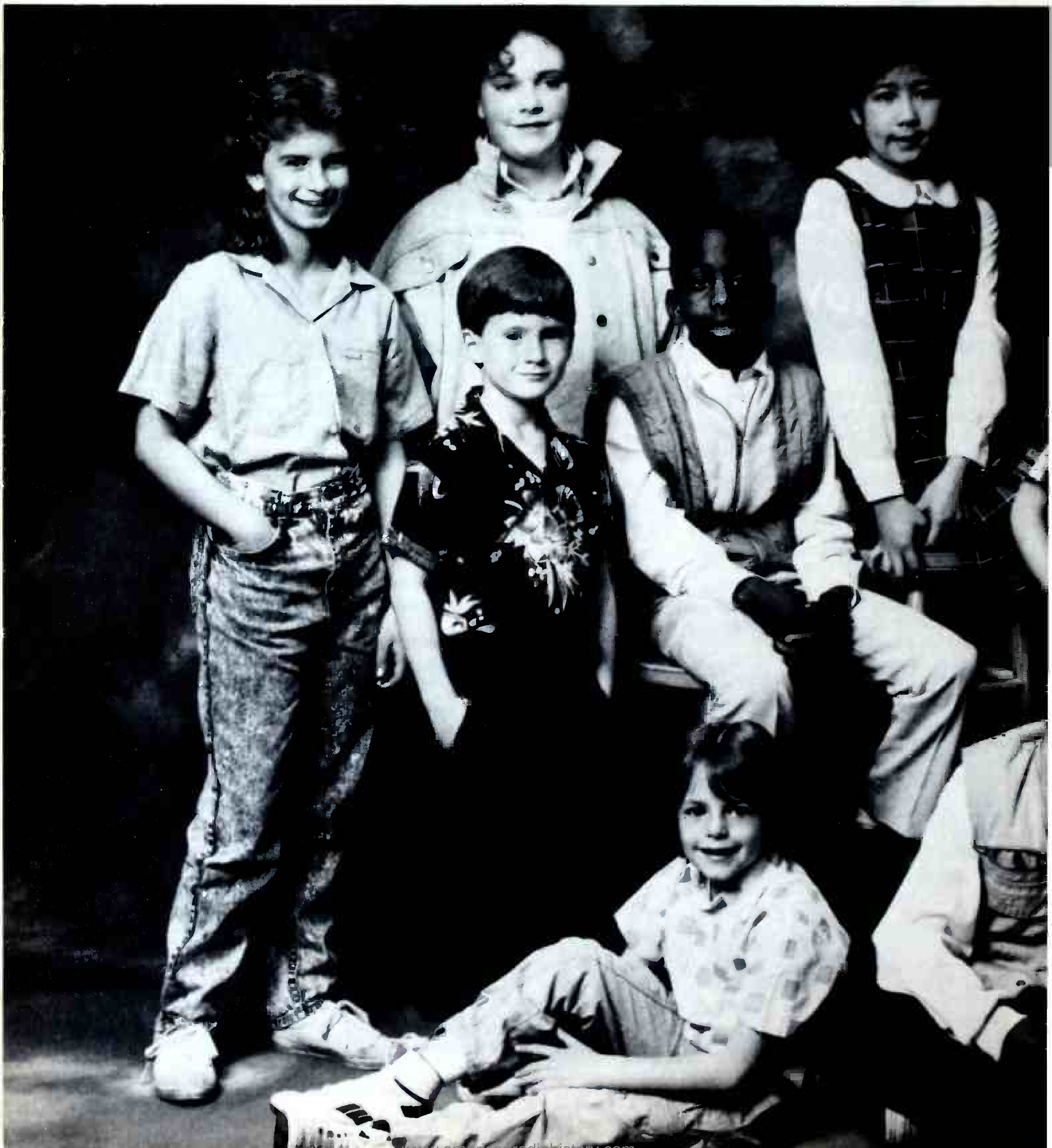
About our sister stations? They're all on the same channel. Broadcasting excellence.

McGraw-Hill Broadcasting.
Broadcasting Our Commitment.

KMGH-TV *Denver* **WRTV** *Indianapolis* **KGTV** *San Diego* **KERO-TV** *Bakersfield*

McGraw-Hill

To find out what's on kids' to some remarkable consu



inds we've listened
tants.

MBAs they're not.

However, they've certainly mastered the ABCs of being themselves—expressive, honest, concerned children.

And naturally, children are the perfect people to question when developing television programs *for* and *about* children.

That's just what we've been doing for over a year now during our FOR KIDS' SAKE community outreach campaign.

We've listened.

We've learned, together. And all along the road to presenting over thirty hours of enlightening, important specials, news reports, and PSA projects, the children were a reminder of what they represent for all of us. Our future.

KYW-TV 3 GROUP W

Letters

Satellite pioneering

I was disappointed by A. James Ebel's piece on the evolution of satellite technology that appeared in your March 16th issue (*The satellite evolution*), because I'm afraid it may create some misconceptions. In concentrating on the role of the networks in the development of the business, Mr. Ebel's piece created the impression that the networks were the first to exploit the technology, and that they were solely responsible for its growth. Such is not the case, and I'd like to set the record straight.

Nearly 40 years ago, in 1948, Westinghouse was the first company to explore the possibility of bouncing signals off an airborne object for the purpose of providing distant stations with material for broadcast. In that year, we sent up a B-29 bomber with a repeater on board and provided stations on the eastern seaboard with news of the 1948 election. The effort was called "Stratavision." While this was simply an experiment, it pointed out a new application for the rockets that were then under development by the government.

In fact, Group W has been there from the beginning of the satellite business and remains a leader in the field. We were the first broadcaster to put satellite uplinks in all our stations, back in the late 1970s, in an act of foresight by chairman Dan Ritchie that was not widely appreciated at that time. In creating The Newsfeed Network, we established the first interactive satellite news service among our stations, trading information via our uplinks, predating the networks and other imitators by several years.

On January 12, 1981, The Newsfeed Network provided its first feed to Group W stations, and by the end of that year about 25 additional stations had joined Group W, trading news and information. At that time, we provided one hour per day, five days a week. Today, The Newsfeed Network has grown, with over 120 stations participating with us in two separate news services. Today, we provide three feeds a day on weekdays and have added weekend feeds, plus feeds to Australia, Europe and Puerto Rico. We have tripled the size of our Washington bureau and implemented "request coverage" for our member stations. We are the largest non-network television news service.

In addition, Group W, at its Satellite Communications division (GWSC) in Stamford, Conn., also operates the largest satellite uplink facility in the United States, uplinking a wide variety of both broadcast and cable networks.

In omitting Group W's role from his article, Mr. Ebel has painted an incomplete picture. Thanks for this opportunity to sketch in the missing links.

RICHARD P. SABREEN
Vice President and general manager,
The Newsfeed Network,
New York

Tv sales techniques

As is most often the case, your *Publisher's Letter* of February 16 ("Expected changes in the economy set stage for aggressive TV selling") really rang the broadcast bell!

There is no substitute for knocking on clients' doors and "one on one-ing" the agencies' personnel. All of which is "back to the future" for those of us who have been in television and/or radio long enough to be familiar with 70- and 80-hour weeks.

What makes the going easier today and in the future is the combination of better equipment and facilities, together with brighter client, agency, national representative and station staff personnel!

RICHARD S. NICKESON
Director of marketing,
Morgan Murphy Stations,
Madison, Wisc.

Good looking

Maybe I just haven't been paying attention lately, but I just received my copy of your February 16 issue, and every item seemed to jump right off the page.

The format, the heads, the organization, the layout, the contents—it's the sharpest looking broadcast book I've seen in a long time.

BILL DAVEY
Account manager,
MarkeTech Division,
Colle & McVoy Advertising Agency,
Minneapolis

Japanese 'dominance'

Your editorial on the Japanese (*Publisher's Letter*, "Japanese long-term planning is key to their dominance in technology," April 13) was right on target, particularly the conclusion, "That means investment in real things—products—instead of corporate raids."

EDWARD M. CRAMER
Attorney at law,
New York

Clutter: Out of control?

"We'll return to our important commercial messages in just one moment...right after this brief pause for programming."

Things haven't really gotten that bad yet in television. Still...I am concerned.

This month, as you may know, I'm retiring from the world of broadcasting. It's an industry I love and which has been good to me. Filled with bright and dedicated people, it plays a uniquely important role in our country.

Yet for some time now, I've been troubled by certain trends. In an age of Federal deregulation, no industry code, and unprecedented financial pressures, I fear that broadcast television has begun to lose its identity and mission.

The Benefit of Traditional Regulations

We in Group W have long argued that American broadcasting would be best served by retaining certain traditional regulations. We believe, for example, that the Fairness Doctrine has stimulated freedom of speech by requiring those granted a broadcast license to provide their communities with a broad range of viewpoints on controversial issues.

Similarly, by requiring licensees to own and operate a station for at least three years, the Anti-trafficking Rule encouraged the idea of broadcasting as a public trust and long-term investment, rather than overnight speculation.

A Threat To The Public Interest

After the FCC abolished this Rule in 1982, some stations have been owned by as many as three different licensees within a year. And our entire industry has been swept by multibillion-dollar mergers, acquisitions and takeover attempts, with concomitant levels of debt that threaten news and other public-interest programming.

But no less important is the immediately visible problem of commercial clutter. I believe that by permitting ever-increasing amounts of clutter, we're in real danger of damaging television, of cheapening it.

Please understand. I'm not offering up a sermon on lofty ideals and the dangers of grubby materialism. The real conflict is not between business and charity, but rather between two kinds of business enterprise: smart and dumb. By aiming at today's maximum bottom-line, we risk diluting television's potential as the greatest advertising medium the world has ever known.

No One Wins

Clutter is like inflation. In the short run, inflation benefits a lot of people. In the short run, commercial clutter benefits many in our industry.

But in the long run, clutter -- like inflation -- is bad for everyone: our audiences, those who create our programming, the artists who design and execute the commercials, those who purchase advertising time, and eventually the very medium itself.

The facts of clutter are beyond dispute. Since 1965, the number of network commercials in the average week has almost tripled, from around 1800 to nearly 5400. In the last two years alone, local station commercials have increased by 20 percent.

Enter The 15-Second Commercial

Some of the recent surge has been caused by an introduction, in 1984, of the 15-second ad. Last year, network 15-second commercials represented about 20 percent of the total inventory. This year, they will likely account for about 30 percent. And by 1990, according to J. Walter Thompson, fully half of network ads will be 15 seconds.

These trends will be made even worse by two other forces.

The networks, under severe financial pressure, will almost certainly continue to increase the number of commercial minutes per week, as they have with regularity in the past.

The Proliferation Of PCAs

In the meantime, syndicators will continue to expand the commercialization of PCAs (promotional consideration announcements.) Not long ago, PCAs appeared only at the end of game shows -- brief flat camera-card pictures with voice-over: "Transportation for contestants was provided by X--- Airways." Today, they frequently are full-fledged 10-second moving commercials, scattered through the program, and often not even directly tied to the content of the show.

Six such announcements add another minute of commercial clutter per half-hour, with no financial benefit to the station. Add that to the prevailing 6.5 minutes of commercials, all of which could now be devoted entirely to the new 15-second ads, and we have a theoretical potential of 32 commercial messages in a 30-minute program.

And today's potential is likely to become tomorrow's reality. One can predict, as a kind of Gresham's law, that those stations and networks that clutter will gain a short-term economic advantage, thereby forcing everyone else to do the same.

Can anyone doubt the impact that kind of clutter would have on broadcasting?

Daniel L. Ritchie

Viewers Become More Antagonistic

Audiences are very conscious of clutter. Indeed, they tend to overestimate it. On our logs, four 15-second spots look the same as one 60-second commercial. But most people don't view television with a stopwatch. They believe a cluttered minute has stolen additional time from the program they're watching. They're not only aware of clutter, they hate it.

This is particularly true of certain viewers, including adults between 18 and 34, cable subscribers, VCR owners, and viewers with remote-control devices. In other words, television is turning off those viewers who represent a growing percentage of our total audience, those who are above the median in affluence, and those who represent our future, rather than our past.

Advertiser Recognition Is Plummeting

But not only do our audiences hate clutter, they're also confused by it. Network commercials increased from 1965 to 1981 by 150 percent. During that same period, viewer recall declined dramatically.

Self Regulation Preferred

I'm certain that most broadcasters would agree with me in preferring self-regulation to any new regulations by Big Brother. A tough NAB Code on clutter would be more efficient and productive (and considerably more pleasant to work under) than any likely FCC regulation.

But any NAB Code will require a Congressional act, exempting the industry from the kind of antitrust judgement by which the Courts eliminated our old Code in September 1982. This makes many broadcasters nervous -- and with reason. There is a real danger that Congress, in considering a new Code for Television, would soon intrude into questions of program content.

What broadcasting does not need is regulations based on vague, idiosyncratic opinions, on personal evaluations and judgement-calls -- just the kind of regulations that would threaten our genuine First Amendment freedoms.

Clutter Can Be Controlled

In contrast, the problem of clutter is particularly suitable for regulation. Clutter is a fact -- specific, discernible and quantifiable: so many messages, so many seconds. Yes. No.

This distinction is clear to leaders within our government and within our industry. If these leaders choose to work together, I believe the threat of commercial clutter can be defeated.

If it isn't, I'm afraid the day will come when people say of television, what Yogi Berra said of his once-favorite restaurant:

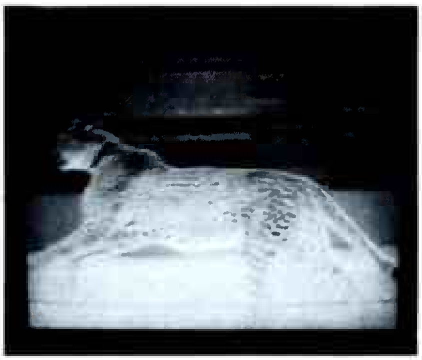
"Nobody goes there anymore. It's too crowded."

Daniel L. Ritchie
Retiring Chairman and CEO
Westinghouse Broadcasting Co.

Sidelights

So they cheetah little

Through intercut slow-motion footage, New York Yankee Ricky Henderson is likened to a cheetah as he steals second base in a 30-second promotion spot running on Tribune Broadcasting's WPIX(TV) New York. The spot is part of an enhanced promotion effort this season necessitated by the reduced



Yankee TV schedule, according to Paul Bissonette, WPIX vice president of creative services. "People can't assume there's a game on WPIX any more," he explains.

Although Henderson and the cheetah are shown together in the spot, during a closing scene where both enter a clubhouse tunnel, Bissonette says the two stars were filmed separately and put together only in post-production. "There was no way I was going to put Henderson on the field with the cheetah," he proclaims.

The privately owned Los Angeles-based cheetah, named Kareem, was flown to Florida for filming on the first day of spring training.

In the closing scene, Henderson refers to Kareem as his coach. If so, the Yankee star has a bit more learning to do. WPIX says Henderson can race from home to first base in 3.2 seconds and that a cheetah can run at 70 miles an hour. That translates into .88 seconds from home to first for Kareem, three times faster than Henderson. The cheetah has an unfair advantage, however—it's the only cat with non-retractable claws, so Kareem comes with built-in spikes.

Pioneers award

The Broadcast Pioneers has set up a life achievement award, and who better to receive the initial honor but Joe Baudino? Baudino, who retired as senior vice president of Westinghouse Broadcasting in 1969, began his career with the company back in 1927 and was

Joseph E. Baudino

speech-equipment engineer, chief engineer at WBZ radio Boston and at KDKA radio Pittsburgh as general manager and as executive vice president of Westinghouse Broadcasting.

As for the broadcast industry, Baudino has served as a teacher at Carnegia Tech, as a director at Broadcast Music Inc., chairman of the board of the Radio Advertising Bureau, member of the television board of the National Association of Broadcasters, a founder and president of the Broadcasters Foundation. Also, Baudino has been published in *The Journal of Broadcasting*.

But besides his credits in the industry, Baudino did a lot for his country. He was a member of the federal communications unit of the National Defense Executive Reserve, a member of the U.S. Board of War Communications, a member of the advisory council on Federal reports in the Bureau of the Budget and a member of the communications committee of the U.S. Chamber of Commerce.

Isolated women execs

You're a female vice president, earning $75,000 a year. Everything is rosy, right? Wrong, says Edith M. Gilson, senior vice president, group director of strategic services at J. Walter Thompson/New York. In her recently released book, *Unnecessary Choices—The Hidden Life of the Executive Woman*, published by William Morrow & Co., she paints a mostly depressing picture of the woman executive—often isolated from other women as well as from male associates, romantically unfulfilled, insecure and unable to reconcile a career with home and family.

The basis for the book is a 20-page questionnaire sent to more than 500 successful career women—vice presidential level and above and averaging $75,000 a year—plus personal interviews with 25 whose responses are condensed into fictitious case histories. But the first chapter of the book details her own experiences and observations at JWT, indicating how they motivated her to write the book.

The book opens in 1982, when the author first heard some shocking news about a female associate, Marie Luisi, senior vice president in charge of the agency's syndication unit. With her case still pending trial, Luisi was suspended and later dismissed "pending an investigation of financial irregularities in her department."

What bothered the author even more was that, although she had been thrown together with Luisi at industry events and had been sent a bottle of champagne by Luisi on her promotion, she never got to know her—a point about isolation among women executives developed elsewhere in the book.

Gilson writes, "I contend that Marie, through her seclusion, destroyed herself professionally. In one way or another, she needed help and wasn't able to reach out for it. Had she been part of a business team, sharing her problems with co-workers, she couldn't have remained so long in the dangerous position of portraying projected profits as actual revenues. With others' council and support, she would have rectified the situation long before it escalated into the scandal known as Luisigate."

9

WWOR·TV

Marking the first phase *of a comprehensive graphics package, a new logo and call letters have been introduced for WWOR-TV New York. The new owner, MCA Broadcasting Inc., officially closed the sale of WOR-TV with the station's former owners, RKO General, at the beginning of April. Station is located in Secaucus, N.J.*

Announcing

BPME/BDA '87

ATLANTA
BPME & BDA
SEMINAR
JUNE 10–14

Our 33rd annual SEMINAR and EXPOSITION...
A joint production of Broadcast Promotion & Marketing Executives and the Broadcast Designers' Association

FEATURING

- More than 80 exhibitors & hospitality suites.
- More than 70 workshops and general sessions.
- More than 160 expert industry leaders and speakers.
- Complete agendas for radio stations & cable systems.
- Complete agendas for independent TV stations.
- Complete agendas for broadcast designers.
- 15 station idea-sharing workshops.
- Five-hour advanced course in leadership.
- Five-hour advanced course in post production.
- Galleries of BPME & BDA award-finalist video and print.
- Gala BPME and BDA awards ceremonies.
- "Siskel & Ebert & The Promos" highlight session.
- "TV Advertising: State of the Art" highlight session.
- Attended by more than 2,000 promoters and designers.
- Thousands of promotion/design ideas & resources!

WESTIN PEACHTREE PLAZA & HYATT REGENCY HOTELS
ATLANTA MERCHANDISE MART/MARKET CENTER

For registration information and forms, call BPME at (717) 397-5727 TODAY. Designers call BDA at (415) 788-2324.

Don't miss this one.
One good idea could be worth a fortune to your promotion and design effort!

Tele-scope

CBS affiliate chief: Hour news 'no free lunch'

"There's no such thing as a free lunch," contends Philip A. Jones, chairman of the CBS Affiliates Association board of directors, in discussing the prospect of CBS offering affiliates an additional half hour of network news. A CBS spokesman confirms current thinking is toward giving affiliates the option of taking the extra half hour, with all commercial time going to the station.

But Jones tells TV/RADIO AGE, "If we give away our time, eventually we're going to pay for it." He's concerned not only with the prospect of the network subsequently changing the terms but also with getting locked into the half hour and with the local audience's "sense of loss" if their CBS-affiliated station is not carrying a full hour and others are.

Jones says he believes the network will decide not to propose the additional half hour. He reports CBS advised him of its thinking several weeks ago so that he wouldn't be surprised if its thinking became public—which it did when CBS CEO Laurence A. Tisch unraveled it before a Congressional subcommittee examining the impact of new network ownership on network news. Jones says his response was to laugh at the proposal and tell the network to "go back and run the network and improve primetime" (see *CBS affiliate board chairman aims for focus on winning*, page 50).

No issue. "This is not an issue as far as I know," Jones says. The CBS spokesman concedes it will inevitably be discussed at the May 17–20 affiliates meeting now that the cat's out of the bag, "but I don't know if it will be in the form of a proposal."

Jones believes that only the smaller stations, in markets 100-plus, would be prone to taking the free programming but that even third-ranked stations in the larger markets would not be interested: "I don't think many affiliates are going to fold up their tents and go home just because *Wheel of Fortune* is beating them. Stations covering over 75 per cent of the population will not want it. What we need is the biggest numbers that we can get in that time period and strong local news."

With the extra half hour representing more costs and no added revenue for the network, the network spokesman says it is seen as ratings enhancer for the network and "a leadership showcase." Jones adds, "They want the public and their news personnel to understand their commitment to the news," with more than 215 news personnel having lost their jobs in recent cutbacks.

Speculating that CBS' next proposal could be something like a one-hour, Saturday night special, which probably also wouldn't intrigue affiliates, Jones concludes, "They're looking to capitalize on the talent and expertise they have, but they're not going to do it in my time."

First quarter feel

Total TV station revenues for first quarter could turn up 5 to 10 per cent ahead of last year's very strong first quarter, Roger Rice, president of the Television Bureau of Advertising, told the Broadcast Financial Management Association at its recent meeting in Boston. Rice reported that most reps feel that "Spot will probably finish up 3 to 5 per cent, and we think local will be up 8 to 11 percent, though there is no consistency from market to market."

Rice cautioned that this was only a "feel of what first quarter looked like in late April," since it was too early to report first quarter time sales survey results.

Speaking of the lack of consistency, Rice noted "wide swings based on station size, geography and whether you're an affiliate or independent. And there are even wider swings within particular markets."

He added that the network economy seems to be "healthier than it's been in a while. There was a strong upfront market and there seems to be little inventory left for the scatter market. This should bode well for second quarter spot if network is filled."

Turning to last year's biggest category gainers and hottest newly developing categories, Rice pointed to moving and storage companies, whose $5.5 million in local television during first nine months of '86 was a 197 per cent increase from the previous year (TV/RADIO AGE, April 27). Other growth sources for TV, said Rice, include hearing aid centers, up 507 per cent to $1.6 million dollars last year; gift and book stores, now a $6 million local category; heating, plumbing and air conditioning contractors, a $7 million category, and transit and local transportation companies, now a $4 million source of new revenue.

Other big percentage increases last year, continued Rice, came from such service industries as optical services, up 64 per cent; medical and dental services, up 31 per cent; local education services, up 22 per cent; and legal services, up 23 per cent. Also, appliance stores boosted their television spending by 16 per cent and movies increased local TV investments 32 per cent.

Latest people meter data

Some of the most recent (first quarter) data from Nielsen's gradually-building national people meter sample were unveiled to non-subscribers recently at a seminar on people meters conducted by NATPE International in New York. In a comparison of the PM sample with the current NTI/NAC sample, Nielsen vice president Bob Paine showed the following data:

(1) Women 18–49 viewing levels in primetime are lower in the PM sample than in the current NTI/NAC sample, while men's PM viewing is virtually identical to NTI; (2) children's PM viewing in primetime is 11 per cent higher than NTI, though it's substantially lower on Saturday morning; teens' PM viewing in primetime is also higher than NTI; (3) in daytime, women 18–49 PM viewing is lower, though the differences seem to be getting smaller as the sample gets larger;

The School of Journalism and Mass Communication

of

The University of Georgia

Is Pleased to Announce

Winners of the

1986 George Foster Peabody BROADCASTING AWARDS

NBC Radio News for the radio coverage of the attack on Tripoli, Libya.

Canadian Broadcasting Corp., the radio network, for "Paris: From Oscar Wilde to Jim Morrison."

Connecticut Public Radio for "One on One."

CBS News for "Newsmark: Where in the World Are We?"

WHAS Radio News, Louisville, Kentucky, for "A Disaster Called Schizophrenia."

The Fine Arts Society of Indianapolis, Indiana.

WTMJ-TV, Milwaukee, Wisconsin, for "Who's Behind the Wheel?"

WFAA-TV, Dallas, Texas, for "S.M.U. Investigation."

KPIX-TV, San Francisco, for the "AIDS Lifeline" Public Service Campaign.

CBS News for "Sunday Morning: Vladimir Horowitz," with special reference to the contributions of Robert "Shad" Northshield.

MacNeil/Lehrer Productions and the British Broadcasting Corp. for "The Story of English."

WQED/Pittsburgh for "Anne of Green Gables."

ABC Entertainment and Churchill Films for "The Mouse and the Motorcycle."

Thames Television Intl. and D.L. Taffner Ltd. for "Unknown Chaplin."

WQED/Pittsburgh and the National Geographic Society for "The National Geographic Specials."

CBS News for "CBS Reports: The Vanishing Family - Crisis in Black America."

Awards will be presented to winners on Wednesday, May 6, at a noon luncheon sponsored by the Broadcast Pioneers at The Plaza in New York City.

For information concerning the Peabody Awards, please contact Dr. Worth McDougald Director, Peabody Awards, School of Journalism and Mass Communication, University of Georgia, Athens, 30602.

The John F. Kennedy Center for the Performing Arts for "1986 Kennedy Center Honors: A Celebration of the Performing Arts."

Thames Television Intl. and WGBH-TV, Boston, for "Paradise Postponed."

NBC Entertainment for the "Cosby Show."

CBS Entertainment and Garner-Duchow Productions for "The Promise."

Jim Henson and "The Muppets" for 30 years of entertainment.

WSB-TV, Atlanta, Georgia, for "The Boy King."

WCCO Television, Minneapolis, Minnesota, for "Project Lifesaver."

WCVB-TV, Boston, Massachusetts, for "A World of Difference" Public Service Campaign.

ABC News for "This Week With David Brinkley."

Mrs. Dorothy Bullitt of King Broadcasting, Seattle, WA, a personal award for her outstanding contributions to broadcasting.

(4) in early evening news, women 18–49 viewing is higher, but men's is lower; (5) in late fringe, virtually all PM demos are higher than NTI's, including men and women 18–49 and adults 18–34, but especially teens and children, which are much higher.

In comparing PM data with metered markets, Paine warned that there are only 400 meters installed in the 13 markets compared. He disclosed that in primetime and across the total day there were virtually no differences in the HUT levels of the two groups. However, in daytime and early fringe the PM data was slightly lower. In late fringe, the PM HUTs were 21 per cent higher.

Switch in WARC outlook

In an unusual switching of roles, government representatives are speaking pessimistically and industry representatives optimistically about next year's international meeting to determine satellite allotments.

At a two-day conference in Washington sponsored by the Annenberg Schools of Communications, leaders from several segments of industry and government discussed the issues facing the orbital slot planning meetings of the World Administrative Radio Conference next year.

Abderrazak Berrada, a member of the International Frequency Regulation Board (IFRB), felt that delegation to the conference next year will have great difficulty in making decisions on the allotments, which are critical for U.S. direct broadcast satellite services.

No one solution. Thomas Tycz, deputy chief, domestic facilities division, Federal Communications Commission, said that while computer software has been developed to sort out the allotments, "I don't think any of the programs today provide an optimum solution." One solution, he said, is "sequence-dependent, so that depending on which satellite you start with first, you end up with different solutions."

Bruce Krascelsky, senior attorney with the National Telecommunication and Information Administration, added that the 1988 conference will still have to be one of "extreme compromise."

Ronald Stowe, vice president of Washington operations for Pacific Telesis, struck the positive note, saying that if the compromises that were worked out in Geneva in 1985 are kept in mind "I think there is an effective chance to reach a successful solution in 1988."

Oxide tape for M-II VCRs

Panasonic is expected to announce imminently the coming availability of a metal oxide (MO) tape for its M-II half-inch recorders. The tape was developed originally for JVC's highly-touted Super-VHS consumer VCRs, unveiled in Japan earlier this year and expected to be shown at the big summer Consumer Electronics Show in June.

M-II recorders were designed for use with metal particle (MP) tape, which gives a better picture than MO types, but is more expensive than MO. The new move is expected by Panasonic to bolster sales of the M-II camcorder system to TV stations in the company's battle with Sony's Betacam and Betacam SP half-inch recorders (see story in this issue).

Betacam SP, an improved version of Betacam, was also designed for use with MP tape. However, it can also play back MO tapes, though the current Betacam models cannot record on MP tapes. Sony will begin delivery of Betacam SP models this summer.

MP tape costs for M-II are already lower than MP tape costs for Betacam SP—approximately 70 per cent less—because of the lower recording speed of M-II recorders. This was cited as a factor in NBC's adoption of the M-II format for both studio and field use in a comprehensive move affecting all facets of the company's recording facilities. However, this economy does not appear as yet to have had much sales impact outside of NBC.

Cable shares get stronger

Viewing of network affiliates in pay cable households fell to exactly 50 per cent of total TV viewing during the first quarter of 1987, according to Nielsen Cable TV Status Report figures released by the Cabletelevision Advertising Bureau. The share was 52 per cent a year earlier. In total cable households, the network affiliate share dropped from 57 per cent to 54 per cent, and in total TV households from 67 per cent to 65 per cent.

In primetime, the network affiliates received 64 per cent of the viewing in pay cable homes, down from 66 per cent a year earlier; 67 per cent in total cable homes, down from 69 per cent; and 75 per cent in total TV homes, down from 77 per cent.

Other shares for this year's first quarter broke down as follows: basic cable networks (excluding superstations), 19 per cent in pay cable homes, 18 per cent in total cable homes and 10 per cent in total TV homes; pay services, 16 per cent in pay cable homes, 9 per cent in total cable homes and 5 per cent in total TV homes; independent stations; 13 per cent in both pay cable and total cable homes, 16 per cent in total TV homes; superstations, 7 per cent in pay cable homes, 8 per cent in total cable homes and 6 per cent in total TV homes; and public TV, 3 per cent in both pay cable and total cable homes and 4 per cent in total TV homes.

The basic networks' 10 per cent share of 24-hour viewing in all TV households was up from 8 per cent a year earlier. Their 18 per cent share in all cable homes was up from 15 per cent, and their 19 per cent share in pay cable homes was up from 15 per cent.

In other dayparts, the basic networks' share in total households rose from 6 per cent to 7 per cent in primetime, 8 per cent to 10 per cent in daytime, 7 per cent to 9 per cent in both early and late fringe, and 11 per cent to 13 per cent on weekends.

TV Business Barometer

March rise same as in February

The slowdown in spot TV, which has been plaguing stations since the beginning of the year, continued in March with spot showing percentage increase identical to that of February. March represented the third month with a low to middling single-digit increase.

The March rise was 2.5 per cent, compared to 5.7 per cent in January and, as noted, a 2.5 per cent increase in February.

March spot TV volume was $452.0 million, compared to $335.7 million in February. A good part of the increase represented the normal seasonal trend, but there was another factor: March was a five-week Standard Broadcast Month (SBM) vs. four weeks in February. This element is offset somewhat by the fact that most stations reporting in the *Business Barometer* sample submit their figures based on the calendar month. It has been found, however, that the ratio differs from month to month.

In any event, both 1986 and 1987 first quarters are 13 weeks under the Standard Broadcast Calendar (SBC)—though SBC quarters are not always 13 weeks. The first quarter increase came to 3.5 per cent, not a promising augury and somewhat disappointing in the face of expectations that a tightening of the network scatter market would push some money over to the spot side.

However, there is not exactly a flood of ad dollars available, and the direct competition of barter syndication and cable networks give advertisers and agencies some options.

Spot TV time sales for the first three months of '87 came to $1,152.4 million, compared to $1,113.5 million during the corresponding '86 quarter, representing a modest gain of $38.9 million. With local TV station business gaining on spot, the quarterly total for local time sales appears to be less than $25 million below the spot figure, according to preliminary *Barometer* estimates. The two-month *Barometer* total for '87 showed the following: spot, $700.4 million, and local, $628.8 million.

The 3.5 per cent increase in spot billings during the first quarter of this year compares with a hike of 11.5 per cent for the same quarter of last year. Thus it might be argued that the '87 first quarter was weak because it came off a large base. However, this is not a common view and, in addition, the first quarter of '86 was not the best quarter, anyway. The last quarter was. Spot TV during the October–December period last year was up 13.2 per cent, according to *Barometer* estimates.

Smaller outlets up

The smaller stations did a little better than the larger ones in spot TV increases during March—not much better, of course, since none of the three revenue brackets regularly broken out in the *Barometer* reports did particularly well. But it might be noted that the smaller stations have been doing relatively better than the larger stations through last year and this year so far.

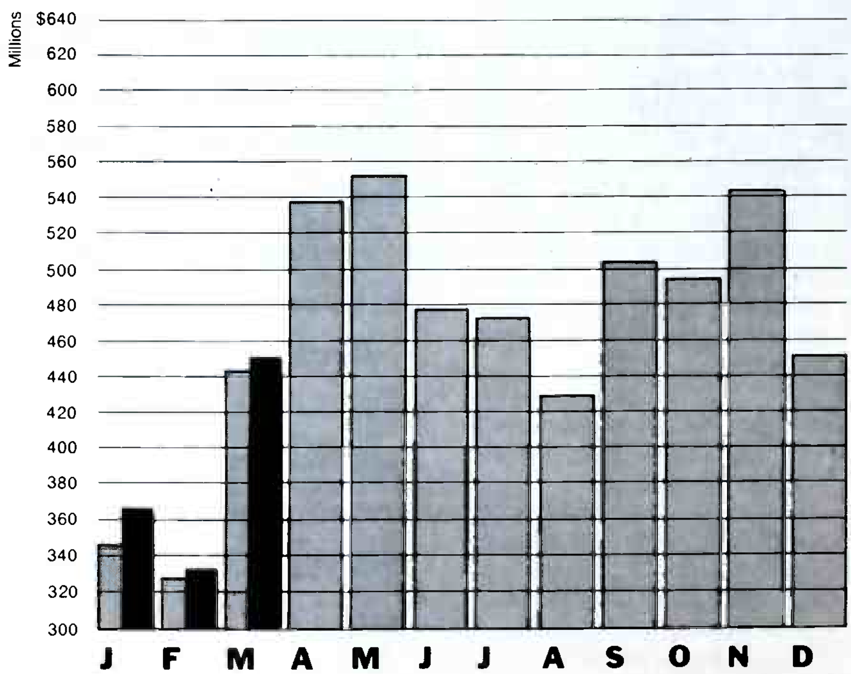
National spot +2.5%

(*millions*)

1986: $441.0 **1987: $452.0**

Changes by annual station revenue	
Under $7 million	+4.4%
$7–15 million	+2.0%
$15 million up	+2.4%

March



NOT MUCH GETS PAST BLAIR.

Blair is top dog in spot TV sales because we never take anything for granted. Not one sale. Or one fact. Or even one sales strategy. We can't take anything for granted because everyone at Blair is accountable for his or her performance. And we don't like to lose. Neither do our station clients. That's why they chose Blair. A leader in spot TV sales for 38 years.

BLAIR. ONLY BLAIR.
Television

Cable Report

Ohlmeyer gets NFL plum, ESPN gets more football

"It was certainly curious that he [Don Ohlmeyer] is on ESPN's board and ended up with the rights. It raised a lot of eyebrows." That was one reaction from a losing bidder to the news that ESPN had chosen Ohlmeyer Communications to handle its NFL games' "point-to-point distribution"—sales of the telecasts to broadcast stations in the markets of each game's teams. Ohlmeyer, known primarily as a producer and media buyer, received the ESPN rights over several top syndicators. ESPN and its majority owner Capital Cities/ABC say Ohlmeyer triumphed only because it made the most cost-effective and profitable bid, and other losing bidders contacted by TV/RADIO AGE agree that ESPN was fair in the bidding process. Some observers note that a part-owner that pays its own company for rights can hike up the bid since the money, in effect, comes back to the bidder in the end.

ESPN, forced into station sales by its NFL contract, says Ohlmeyer's function is not "syndication." But the network admits it can't distribute the games itself because Cap Cities/ABC is prohibited from syndication by the FCC's financial interest and syndication rules. Ohlmeyer Communications, however, happens to have two seats on ESPN's board of directors—not surprising considering that the non-Cap Cities portion of ESPN is owned by RJR Nabisco, Inc., the co-venturer in Don Ohlmeyer's company.

"There was no influence," says a spokesperson for Cap Cities/ABC Video Enterprises, the division that oversees ESPN. "We were looking for the best bid based on a minimum guarantee against a distribution fee. Ohlmeyer gave the best bid."

One losing bidder stressed that ESPN showcased its objectivity: "It was all handled above board. They accepted all the bids at arm's length and took the best one. We *know* that Ohlmeyer made the highest bid." Another also-ran says he wasn't privy to Ohlmeyer's bid, but that "Herb Granath [chairman of the board of ESPN and president of Cap Cities/ABC Video Enterprises] is a very fair man. Anything those people are involved in, if they told me it was fair, it was fair." He adds, however, "the only thing I hope is that all the details that were given to Ohlmeyer were given to me."

If ESPN had conducted a less open process, says one competing syndicator, "A lot of people, including ABC and the NFL, would have asked if Ohlmeyer won because he was an insider." NFL director of broadcasting Val Pinchbeck, for one, says he has no doubts about ESPN's fairness, adding that the league would have no problem even if ESPN itself were the distributor.

Although Ohlmeyer is not generally thought of as a syndicator, the company does have previous experience syndicating cable programming to broadcast stations—namely, the *MTV Music Video Awards*. Ohlmeyer has also "worked closely with other syndication companies," points out Peter Chrisanthopoulos, president and chief operating officer of Ohlmeyer's RJR Nabisco Broadcast division.

Tricky task. The 12 ESPN contests, including four pre-season clashes, involve 13 different markets covering eight of the top 10 DMAs. Stations in home team markets will only be able to proceed with broadcasts if the games are sold out 72 hours in advance, adding a possible tricky dimension to Ohlmeyer's sales task. But, according to Pinchbeck, "the likelihood of all the games selling out is good."

Throwing another wrinkle into the quagmire facing Ohlmeyer is the possibility that ABC and NBC O&Os won't be able to take the games because of union restrictions against televising non-union live sports. In New York, where the ESPN/NFL contract bars sales to two indie superstations, and Fox's WNYW(TV) doesn't want the games (*Tele-scope*, March 30), that seems to leave WCBS-TV in an enviable bargaining position.

On the cable side, ESPN is still attempting to convince operators that paying a separate subscriber fee of some 10–20 cents for the NFL games is a good idea (*Cable Report*, April 13). In this regard, it recently commissioned a study by Keleman Associates. The results: 4 per cent of non-subscribers not previously planning to take cable within a year said the NFL acquisition has now made them "very likely" to subscribe; another 9 per cent said they would now be "somewhat likely" to subscribe.

Dana Redman, ESPN vice president, research and measurement, interprets the findings as follows: "We assumed that 90 per cent of the 'very likely's' and 20 per cent of the 'somewhat likely's' would actually subscribe, resulting in a lift factor of 5 per cent among those who originally did not plan to subscribe. In an average system where two-thirds of the homes passed are currently subscribers, the 5 per cent lift factor translates into effective lift factor of 2 per cent overall."

Indoors too. Hardee's, the fast food chain; USA Wet, a new Gatorade competitor; and Wilson's Sporting Goods will be among the sponsors of another new ESPN football package—five games of Arena Football's "preview season." Under a one-year barter deal, the new summer league is selling national ad time itself while ESPN handles production. Other expected sponsors, according to league president Jim Foster, include an airline (most likely, USAir) and automotive company.

If Arena Football's test season proves successful, ESPN has an option to renew for five years in a revenue-sharing arrangement, according to network president William Grimes. Foster says ESPN would then take over most national ad sales for an expanded schedule of at least 29 games played by eight–10 teams. The league now consists of four teams—Chicago, Denver, Pittsburgh and Washington, each playing six-game schedules. ESPN's primetime coverage will begin June 20 and conclude with the championship game on August 1.

Foster also expects local radio coverage in the four markets and possibly broadcast TV coverage of road games not picked up by ESPN. He stresses that Arena Football is not another USFL out to compete with the NFL. The new league's patented rules, structured for hockey/basketball arenas, require a different type of player than for traditional pro football, he notes. Each team will have a 16-man roster and field eight players, who will double on offense and defense.

Polo power. Foster dreamed up Arena Football while viewing an indoor soccer game several years ago. Small-scale baseball has yet to arrive on the scene, but an indoor version of polo—not exactly a major sport even in its normal guise—is already into its second season. Teams play three aside in the National Polo League, which has eight clubs in major cities and is ready to receive its first national TV exposure next month.

ESPN's not the vehicle for this one, which is fielded by an ad hoc network of regional cable services. Such interconnecting of regional services has become common in the past few years as the mostly sports networks seek programming to fill their hours. Generally, the services sell or barter their nationally oriented events to each other; they have not banded together as a consortium to bid on properties.

Home Sports Entertainment, serving the Dallas-Ft. Worth market, will produce coverage of the National Arena Championship polo game, to be taped May 30 for cablecasting during a June window. Electra Pictures Inc., a Dallas-based producer/syndicator, is handling sales of 13 national ad minutes (an equal number are set aside for regional/local sales).

Ten other regional networks are expected to join HSE in showing the game. Nine of the top 10 markets will be represented, say the polo pushers, with 6.4 million subscribers in all.

Videoconferences to PPV?

Pay-per-view technology keeps forging ahead, but new PPV programming ideas are hard to come by. Not so at NYT Cable TV in southern New Jersey, whose First Run service is showing a *Wall Street Investment Seminar* hosted by Louis Rukeyser several times this month. This three-hour, 30-minute program, beamed live as a videoconference to closed-circuit sites in late February (*Sidelights*, January 19), is being offered for $40—quite high for a PPV event, but much lower than the $95 charged in February.

NYT Cable, which acquired the seminar from co-producer Pomeroy Communications, may decide to distribute it and similar Pomeroy programs covering other fields to cable operators nationwide. David MacDonald, president of NYT Cable and vice president of the parent New York Times Company, says such plans depend on how this month's program fares. If only 1 per cent of First Run subscribers take the seminar, he notes, it will still succeed because of the price.

Meanwhile, NYT Cable continues to tout use of Sprucer's two-way addressible converter as the key to its PPV success. In March, the operator hit a record buy-rate of 101 per cent (computed by dividing the number of PPV purchases by the number of subscribers), which MacDonald says is about three times the industry average. Begun in 1984, First Run made its 500,000th sale this February 18 and was already near 600,000 by the end of April. NYT Cable vice president Robert Townsend says the second 500,000 could be reached by the end of this year, and MacDonald says the buy-rate will reach 200 per cent by 1990.

Over 35 per cent of NYT Cable's 143,000 subscribers, or 50,000 of them, currently take First Run service, and 91 per cent of them pay an extra $2.50 per month for remote control capability. Neil DeCostanza, manager of sales and marketing for the Sprucer Cable Group of Kanematsu-Gosho (USA) Inc., points out that addressibility also saves NYT Cable the costs of sending out trucks and crews to make service changes.

MacDonald agrees that impulse PPV is just part of the advantages of two-way addressibility but says the results are worth paying about $100 more per $110 box for the PPV capability. Why then is NYT still the only operator using Sprucer? MacDonald feels that since NYT Cable only entered the cable business in 1981, it hadn't been turned off to two-way cable by Warner Communication's ill-fated Qube experience. "We walked in an picked up the chips," he says. "We didn't have any of that baggage. Two years ago, two-way was an anathema in the industry . . . . Everybody thought we were crazy." Now, however, he says he finds the industry coming around to NYT's way of thinking.

Tempo shuts shopping shows

Tempo Television, which has run up to four daily hours of home shopping programs under the *Tempo Galleria* banner since last fall, will drop all such shows as of May 15. R. B. Smith, network president, attributes the format's abandonment to an "abundance" of home shopping services and to affiliate preference for Tempo's other types of programming (i.e., international, instructional, outdoor). Tempo, which dropped affiliate fees the same time it expanded home shopping, has previously admitted that the category wasn't bringing in nearly as much revenue as had been anticipated. A spokesperson adds that affiliate growth was also affected adversely; there are no present plans to reinstate the affiliate fee, she says.

One notable Tempo failure in home shopping was *Shoppers University*, a 90-minute twice-daily program cancelled earlier this year after a run of less than two months. Tempo charged producer H&T Ventures with non-payment for airtime, but H&T claimed that Tempo had failed to deliver a promised number of viewers. H&T is a mail-order subsidiary of Horn & Hardart Co, owner of the Hanover House catalog operation and a partner, with Lorimar-Telepictures and Fox Television Stations, in another struggling home shopping venture—the syndicated *Value Television*.

International Report

Cannes

Robert Maxwell adds one more iron to European fire

Robert Maxwell, speaking at the MIP-TV market in Cannes recently, made known his intention to be at the forefront of European broadcasting, announcing the launch of a European news service similar to those run by NBC and CBS. The fact that the new "European Coalition Broadcasting Corporation" presumably would conflict with the European Broadcasting Union apparently did not bother Maxwell, who currently has half a dozen other European projects in the works.

His publishing group, Mirror Group Newspapers, is a majority shareholder in MTV Europe which is due to start broadcasting in mid-August via Intelsat. In addition, Maxwell has been invited to rejoin the French DBS venture and also has had discussions with the governments involved about investing in private television in Spain and Portugal.

Speaking at MIP of his various pan-European interests, Maxwell declared, "We will try to stem the flow of material which has been flooding Europe from Hollywood for so many years. Criticizing the export imbalance, he said, "You cannot have a one-sided relationship."

London

AGB raises funds to support people meter venture in U.S.

AGB Research has raised the estimated $40 million it needs to fund its people meter venture in the U.S. and says it expects to have 2,000 people meters installed by September. At an extraordinary general meeting late last month, additional investment in the company, amounting to about $32 million from a consortium led by venture capital group Schroder Ventures, was approved by AGB shareholders. Shareholders also agreed to an increase in ordinary share capital of between $8 million and $9.6 million.

Tax and legal problems had delayed AGB's financing plans, which it had hoped to complete last fall. Now, says company secretary David Elyan, the venture is "moving ahead; we are quite excited."

IBA puts pressure on regional companies for late-night fare

The Independent Broadcasting Authority is planning a shakeup of independent TV in the U.K. before contracts with the regional companies expire in 1989. It is putting pressure on the broadcasters to provide a full nighttime service by then. If that doesn't happen, it will consider creating a separate company, similar to TV-AM, to handle late-night programming.

Channel 4, Yorkshire and Central have in fact already started limited late-night broadcasts. However, while the other major companies—Thames, LWT and Granada—also are planning to start their own services later this year, the smaller regional companies are concerned about low advertising potential and the high labor costs involved.

Other changes planned by the IBA include loosening the grip of the "Big Five" companies on the independent TV network, allowing the smaller companies to contribute more programming to the network schedule. Meanwhile, Granada has suggested that the national network give back time on weekends so that stations in the north of England can offer a different schedule.

Lisbon

Government shift leaves private TV hopefuls in limbo

TVS, Granada Television and Robert Maxwell, all among those interested in getting involved in private television in Portugal, have had their plans temporarily frustrated by upheavals within the Portuguese government. Portuguese president Mario Soares will dissolve the Parliament, which was due to review the country's present broadcasting legislation this spring. He has called an early election for mid-July, which means, together with the summer holiday break, that discussions now are unlikely to continue until the fall.

Even then it will probably will be some time before a new law is agreed upon, since there are powerful groups within Portugal, all with their own ideas about the form private broadcasting should take.

The principal groups involved are the church and SIC, a private organization headed by former Portuguese prime minister, Pinto Balsemao, comprising his own newspaper, another major newspaper, two film companies and other interests. Both groups have significant power: The church is a major force in Portugal, a largely Catholic country; and Balsemao has money and the backing of influential businesses.

Balsemao's latest proposal is for four channels, all controlled by SIC: one public network financed by taxes, one network financed solely by advertising, one operated by regional authorities, and one by the church.

The church, meanwhile, has different plans for itself. It wants permission to build a new TV station, which it says would reach 60 per cent of Portuguese viewers. In addition, it wants to dictate who would run the other private channels. It says it would allow "general interest" private channels, but not channels controlled by "minority" groups.

There are currently just two state-owned channels in Portugal, run by Radiotelevisao Portuguesa, and the government accepts the need for more choice. While talks drag on, however, viewers are making do with broadcasts from neighboring Spain, from satellites and from a couple of highly-popular pirate channels within the country itself.

Helsinki

Channel Three to get broader audience, more broadcast time

Channel Three Finland, whose broadcasts are currently limited to one feature film an evening in and around the Helsinki area, has bigger plans for the future. The channel, which began broadcasting in December last year, will be extended to several other Finnish cities in August, reaching about half the country's population. Its airtime will increase to between five and seven hours daily, and possibly eight to 10 hours daily on weekends. In addition, new legislation in June will require cable networks to relay all channels transmitted by the state-owned Finnish Broadcasting Company (YLE), including Channel Three, which is 50 per cent owned by YLE.

The high cost of TV advertising in Finland has in the past limited the number of advertisers, with television's share of overall advertising currently only 8.4 per cent. When Channel Three is running at full steam, however, it plans to start transmitting ads to specific regions as well as nationally.

This, it says, will substantially reduce ad rates. Managing director Heikki Lehmusto says the number of advertisers may increase "at least tenfold and maybe much more than that" as the price threshold drops dramatically over the next couple of years. The channel's profile eventually will be upmarket, aimed at yuppies with purchasing power.

HIT VIDEO USA
PROFITABLE PROGRAMMING FOR BROADCAST

Hit Video USA Air Staff

MUSIC VIDEO 24 HOURS A DAY FROM COAST TO COAST

Hour by hour clearance available all dayparts.

- Interactive
- Toll-free request lines
- Low Cost
- LIVE
- 24-Hour Music Video
- 6 Minutes of Avails
- 14 Personalities
- Responsibly Programmed
- Local Winners
- Feature Programming

HIT VIDEO U S A

SATCOM IV Transponder 18

For more information contact us at 713-655-7200.

Radio Report

Spanish research glitches show up in Chicago study

The recent meeting of the Spanish Radio Advisory Council in New York, reviewing preliminary results of the pilot listening study conducted in Chicago, bumped up against some uncomfortable differences in the two methodologies studied: telephone vs. in-home interviewing. One of the most significant differences was in the share of listening to Spanish radio stations. In-home interviewing showed a share of 87.2; phone interviewing showed a share of 55.7. Overall listening data also showed in-home levels higher—21.1 vs. 16.2 per cent for total persons 12-plus, 6 a.m. to midnight, Monday through Sunday.

One unsettling figure was the Hispanic phone penetration estimate generated in the in-home part of the study. This showed half of the households claiming no phone. According to census figures, Chicago Hispanic phone penetration is 81.5 per cent. Some council members ascribed this difference and some other pilot study results to the presence of illegals in the household.

The pilot study was performed by Information & Analysis, Hicksville, N.Y., a subsidiary of AGB Television Research, with processing of the data by Birch Radio. Primary sponsors of the study, which cost $48,000, with $9,000 still to be raised, were Lotus Communications, Caballero Spanish Radio and Tichenor Spanish Radio, with more than two dozen Spanish radio outlets also kicking in. SRAC is a committee made up of stations, advertisers and agencies under the chairmanship of Abbott Wool of Saatchi & Saatchi Compton.

Emmis' sports gamble

Is 24 hours of sports a viable format? That's the question being asked in advertising and programming circles in the wake of Emmis Broadcasting's announcement nearly two weeks ago that it was changing the format and call letters of WHN New York to all-sports and WFAN, effective July 1.

Pointing out that he believes country can work in New York, but only on FM, Jeff Smulyan, Emmis president, says his company's research showed that reaching anyone under 40 with music can't be done successfully on AM.

"I have to go along with that," says consultant Jay Mitchell of Jay Mitchell Associates. "AM [music] is for 35- and 40-plus in most of the larger markets, although there are pockets of the country where AM country does well."

AM stations today, points out Mitchell, "have to have a unique selling proposition—they have to be heard above the din." Can WFAN make it? "New York," Mitchell says, "is very sports-minded. It will depend on the strength of the teams and personalities." He doesn't think the ratings will change much (2.1 share, Monday–Sunday, 6 a.m.–midnight, all persons 12-plus, winter '87), but "they will be able to go after a quality sell."

WFAN's format will consist mainly of two-way talk with at least four sports updates an hour. John Chanin, formerly chief executive officer of the Don King Radio Networks, has been hired as director of operations and will develop the programming. Chanin has also worked for Mutual and ABC.

The station currently carries play-by-play broadcasts of Mets baseball, and Chanin indicates other play-by-play franchises will be explored. Smulyan says negotiations are underway with "major sports personalities" as well as with several New York sports writers.

Adds to subcarrier service

The business of transmitting financial information to individuals and offices via a network of FM station subcarriers (SCAs) fed by satellite has had its ups and downs. For Bonneville Telecommunications Co., Salt Lake City, the situation is currently up.

In the latest of a series of expansions, BTC has entered into an agreement in principle to purchase Market Information, Inc., a BTC competitor, from United Telecommunications, Inc., Kansas City. This followed on the heels of a BTC agreement with McGraw-Hill Information Management Co. last month providing for the North American distribution by BTC of Standard & Poors' Ticker III feed.

BTC executive vice president and chief operating officer Charlie McQuinn describes the Ticker III feed as "the best financial data feed in existence." The BTC executive adds that his company is working on a number of software applications that will enable BTC customers to take full advantage of the S&P feed, "which we expect to have fully operational in a very short time." John Bunyan, senior vice president of the McGraw-Hill unit, says the arrangement will permit the delivery of the Ticker III feed "via the much more economical route of satellite and FM subcarrier" rather than the traditional phone lines that have been employed over the years.

Deal. A few months ago, BTC contracted with Oster Communications for delivery of Oster data to the latter's Commodity Communication Corp. customers as well as the delivery of an optional Commodity World News service to Bonneville's customers. Oster also has been using the satellite-plus-FM subcarrier delivery method. In this case, BTC is taking over the transmission chores for CCC.

BTC's acquisition of MII brings together two companies that had previously been linked in financial data delivery. Bonneville was a customer of MII, which became one of the largest suppliers of real-time commodity quote services. When the companies parted, BTC went on to add stocks and options quotes to its commodity market reports.

BTC already had a large financial customer base before the MII agreement, a fact noted by Bunyan in citing reasons for the S&P tie. In its plan to acquire MII, Bonneville would take over a company which, with its affiliates, has 4,100 terminals in use, about half serviced by MII directly. A BTC spokesman says the MII acquisition would double the size of Bonneville's customer base.

MII has been leasing subcarriers on about 10 FM stations, but BTC will probably take over only about half. BTC has already down-sized its FM network. At one time it had more than 40 stations, but last year it cut this down to 21 because some outlets had too few customers.

Stretching radio's impact

More radio commercials could and should project more impact than they do, Jerry Siano, president and vice chairman of N W Ayer plans to tell conferees at the 20th Annual Radio Workshop sponsored by the Association of National Advertisers and the Radio Advertising Bureau and scheduled for June 16 at New York's Waldorf-Astoria. Siano will be using both recent Clio winners and examples from old-time radio dramatic shows to demonstrate how sound can be used to stretch radio into a multi-dimensional medium that can lead listeners to visualize and interperet the situations they hear, commercial or dramatic, in their own minds to become active participants in the message.

The advertiser's keynote speech of the Workshop will be delivered by David Martin, vice president, media for Stroh Brewing Co., who will describe the strategic thinking behind the media mix used most effectively by many beverage advertisers.

Other areas scheduled for exploration at the workshop will include a new radio recall and impact study by The Pre-Testing Co., a discussion of telephones vs. diaries (Birch vs. Arbitron) by Fred Satler of J. Walter Thompson and Josh Ostroff of Hill, Holiday, Connors & Cosmopoulos, and the marketing implications of radio's role in regional and local market promotions.

Still other sessions of the half-day program, titled *Breakthroughs in Top-Down/Bottom-Up Marketing*, will address new product introductions, regional marketing, key market support programs and changing consumer demographics and psychographics. Also, radio campaigns for gasoline and auto aftermarket products will be presented.

RAB ranks agencies

American Airlines, Avis, Merrill Lynch, Chrysler, Revlon, Greyhound, the U.S. Air Force and *The New York Times* are among the clients whose use of radio put Bozell, Jacobs, Kenyon & Eckhardt at the top of the Radio Advertising Bureau's big 1986 agency spender list with a total of $148.5 million. And with 13.2 per cent of its 1986 billing in radio, Bozell, Jacobs also made 10th place on RAB's list of agencies investing the biggest share of total media billings in radio. Ross Roy was the only other agency to qualify for both lists. RAB reports a total 1986 radio investment of $65 million by Ross Roy clients, or 15.6 per cent of its billings last year.

At Bozell, Jacobs, Joel Kushins, senior vice president, media director, describes his agency's radio-using clients as among those who "have come to recognize radio's ability to offer very timely messages that can be very target focused. Merrill Lynch, for instance, can focus on business decision makers. American Airlines can focus on business travelers and vacationers.

The Air Force can focus on young adults. Clients like these have found radio to be a very cost effective way to deliver audience-specific messages. And since several of them require various degrees of flexibility, depending on market conditions, radio also offers the flexibility to turn around rapidly to keep pace with fast changing market conditions."

Second biggest agency radio spender last year, says RAB, was BBDO, whose clients placed a total of $131.1 in radio, followed by the $113.4 million placed in radio by Ted Bates. In fourth place was Young & Rubicam's $112.3 million, followed by the $111.8 million invested in radio by clients of D'Arcy Masius Benton & Bowles. Foote, Cone & Belding is sixth on the list with radio investments totaling $100.2 million, followed by the $94.6 million placed by J. Walter Thompson and Ross Roy's $65 million. Ogilvy & Mather's $54 million in radio put that agency in ninth place, and DFS-Dorland was Number 10 with a 1986 radio investment of $47.8 million.

Leaders. On RAB's "leading agency" list, which the Bureau defines as those with the highest percentage of total media expenditures in radio, The Richards Group of Dallas came up Number 1 last year with $21.4 million, or 26 per cent of its media budget, in radio. That beat out last year's leader, Davis, Johnson, Mogul & Colombatto of Los Angeles, which came in ninth.

In second place on the "leader" list was Mojo MDA-Allen & Dorward, whose $15.8 million radio investment was 21 per cent of total media billings, followed by the $16.1 million, or 18 per cent of billings placed in radio by Eisaman, Johns & Laws. Number 4 was Cole & Weber with $15.4 million, or 17 per cent of billings, in radio, and fifth place went to Bloom's $30.4 million radio ante, which RAB pegs at 16.1 per cent of total media billings.

Ross Roy came in sixth, followed by Ingalls, Quinn & Johnson's $18 million, or 15.3 per cent of billings.

W. B. Doner made eighth place with radio investments of $29.8 million, or 14.2 per cent of billings, followed by Davis, Johnson, Mogul & Colombatto's $18.4 million, which was 14.1 per cent of that agency's billings, says RAB. And 10th place went to Bozell, Jacobs.

RAB says the top five agencies billed $617.1 million and accounted for 36 per cent of all 1986 network and national spot radio business of $1,680 million. The top 10 agencies, says RAB, with radio billings of $978.7 million, accounted for 57.1 per cent of radio's national revenues.

Radio Business Barometer

Web radio March billings up 4%

Network radio business, which has been registering double-digit increases, ended the quarter with a modest rise. March figures from the Radio Network Association show only a 4 per cent lift over last year, compared with a hike of 18 per cent in January and an increase of 10 per cent in February.

March billings came to $30,589,573, compared with $29,372,355 in March of '86. That put the first quarter total at $81,144,010, as against $73,740,288 during the comparable '86 quarter The percentage increase for the quarter just about reached a double-digit figure—10 per cent. Last year it was 15 per cent.

As usual, the various sales territories showed wide differences. New York, which accounts for almost two-thirds of the network radio total was off a little, while Chicago and Los Angeles were way up over March of a year ago. Detroit was off substantially because, as previously noted, General Motors' network radio buying is now done out of New York.

Apparently, network radio buying by automotives in general is off. According to Bob Lobdell, RNA president, part of the explanation for the dropoff in web radio growth in March is that incentive plan advertising by auto makers is down compared with last year and probably compared with earlier this year.

Despite the shift of GM network radio billings to New York, eastern territory sales were down by 3 per cent in March. Billings were $18,341,447, as against $18,816,484 the year before. But New York had an outstanding January and February, with increases of 32 and 24 per cent, respectively. Thus, eastern territory sales for the quarter were up 15 per cent to $50,565,024. The figure for the corresponding quarter of '86 was $44,006,796. The '87 quarter's increase, not so incidentally, is still higher than that of '86, which was up 11 per cent.

The second most important sales territory, Chicago, showed an increase of 29 per cent in March. This followed a decline of 13 per cent in February and a rise of 4 per cent in January.

It all added up to a 7 per cent increase for the quarter. March billings were $8,807,528 while the figures for the quarter came to $20,788,423.

Detroit way down

Because of the GM billings shift, Detroit showed a substantial decline in March, even bigger than the hefty drops during the previous two months. The March drop was 42 per cent, following a 35 per cent fall in January and a 26 per cent decrease in February. For the quarter, the drop was 35 per cent. Billings in March were $1,283,647 and for the quarter, $3,983,477.

Los Angeles has been turning out the best performance of all four territories, both in March, up 40 per cent, and the quarter, up likewise. Billings for March were $2,156,951 and for the quarter were $5,807,086.

Network +4%

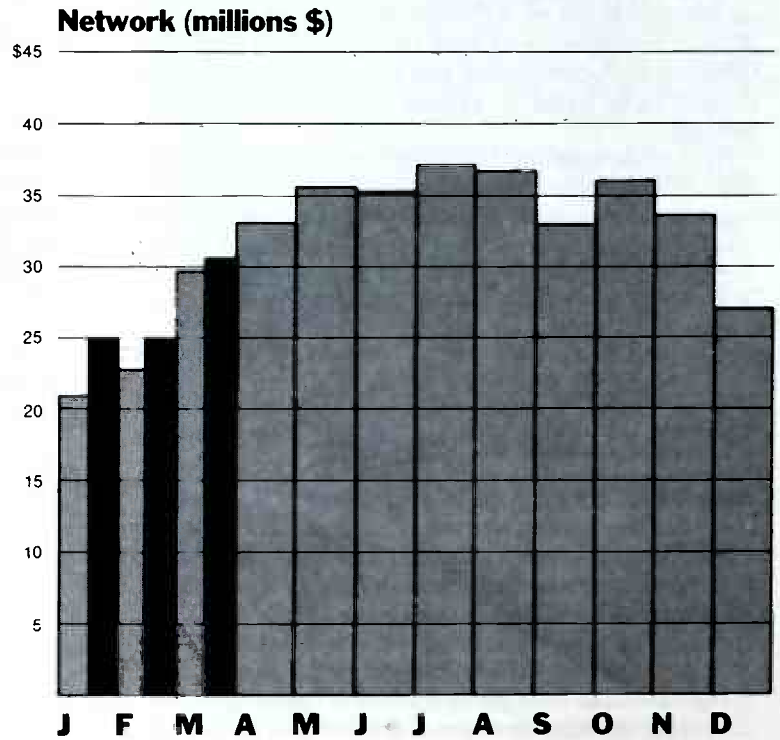
(millions) **1986: $29.4** **1987: $30.6**

Changes by territories

Territory	Billings (000)	% chg. 87–86
New York	$18,341,447	−3%
Chicago	8,807,528	+29
Detroit	1,283,647	−42
Los Angeles	2,156,951	+40

Source: Radio Network Association

March



Why Television Age International is the world's leading broadcast publication.

Action 11 News SatCam

Louisville's first and only full time **SNG** truck brings you news from anyplace, anytime, LIVE!

SNG is Satellite News Gathering and only **Action 11 News** has it!

TURN TO US!
FOR SNG

WHAS-TV
STEREO ELEVEN

Television/RadioAge

May 11, 1987

Others follow TCI lead in pushing for ownership, co-production positions

MSOs flexing their muscles; seek programming role

By LES LUCHTER

First of two parts

So what's all the fuss about cable multiple system operators wanting to invest in Showtime? This is the same Showtime, after all, that was launched in 1976 by a cable system owner—Viacom International; the same Showtime that then found itself half-owned by Teleprompter Corp. (later Group W Cable), another MSO; the same Showtime that, after reverting to full Viacom ownership, was again sliced in half investment-wise as Warner Communications and its cable systems took a half-interest. Now that Viacom again holds all of Showtime, and Viacom itself has new owners, it's only natural for MSOs to come calling. Right?

Maybe. But this time there's a different tone to the procedure. This time, it's the actual people running the MSOs who are doing the bidding, not some corporate parents. This time, there's a whole *bunch* of MSOs who want to get involved. And this time, there's Tele-Communications Inc. leading the parade.

Despite occasional forays by Viacom and a few others into launching their own program services, MSOs have long helped fund national programming mainly through per-subscriber fees. Now, TCI and others have started flexing their muscles into ownership, equity and co-production positions.

Through its own systems and various joint ventures, TCI now serves some 4.2 million subscribers, 23 per cent more than runner-up American Television & Communications' 3.4 million. And TCI

TCI, United, Cox and Newhouse put $6 million each into Discovery, assuring future program diversity.

Sid Amira, *executive director, Telstar Channels, says MSOs are in the "catbird seat," but warns that joint majority ownership can backfire. He knows, having once toiled for EventTeleVision.*

is lately becoming a main ingredient in providing new programming to the entire cable industry.

Discovery investment

TCI last year joined with three other MSOs—United Cable Television, Cox Cable Communications and Newhouse Broadcasting—in acquiring 10 per cent each of The Discovery Channel for about $6 million apiece, an investment that has come to symbolize cable's new programming priorities. Besides added funds for programs, however, the year-old Discovery Channel, fighting for advertiser acceptance, suddenly had a much more powerful weapon—four top 10 MSOs with a bottomline reason to beam the network to as many of their 8 million total subscribers as possible.

TCI also owns 50 per cent of American Movie Classics, 16 per cent of Black Entertainment Television and has equity in Cable Value Network (CVN). TCI owns a majority of X*Press Information Services, which is now attempting to market computer-delivered data as a basic cable service. TCI was part of Cable Football Network, a group of 26 MSOs which lost out to ESPN in the bidding for next season's NFL football contract. And TCI is a key player in the group of some 20 MSOs that has agreed to invest $550 million for 35 per cent of Turner Broadcasting System. The MSO already owns about 3 per cent of TBS through earlier investments.

What has made TCI and other MSOs so program-hungry of late? Says Sid Amira, executive director of Telstar Channels, a pay-per-view service: "The MSOs now have so many people soliciting them in every area for their subscribers that the trend is to sign on for cable channels and, in return, get a piece of the action. The MSOs are in the catbird seat."

At the recent Cable Advertising Conference in New York, United Cable president Fred Vierra explained the reasons behind the sudden growth in MSO program investment. Prior to 1984, he said, cable operators were still in capital construction phases and didn't "have the time nor money to worry much about the product we were delivering."

Then, "our operating margins began to increase. When we took a look at where to put this surplus cash, it became clear that the best investment we could make would be to invest in improving our product."

Such investment is manifesting itself in three ways, according to Vierra:

1) A willingness to pay higher per-subscriber fees to programmers. "ESPN was able to bid on NFL football because it knew that cable operators would be willing to pay a per-subscriber premium to underwrite ESPN's costs," said Vierra.

2) Acquisition of financial stakes in program services. United, for instance, has equity interests in CVN, Discovery and, if finalized—TBS. The MSO has been actively involved in setting up the financing ground rules for such fledgling program services as The Fashion Channel and The Preview Network. (United had previously been a force behind The Preview Channel, a now-dormant Preview Network-type service.) Notes Lou Zaccheo, Preview Network founder and president, "We went to United to help [build a] structure they felt would allow everybody to participate."

3) Formation of MSO consortiums. Although Cable Football Network lost out to ESPN in the NFL battle, Vierra says "a lot was learned about the potential for creating future programming joint ventures within the industry. You'll be seeing more consortiums in the future."

Stormy history

Majority joint ownership by MSOs of programming services has had a stormy history, however. A few years ago, Times Mirror Cable Television, Cablevision Systems, Cox Cable and Storer Cable Communications formed Spotlight, an ill-fated pay movie service. Two years ago, six MSOs—TCI, ATC, Warner, Newhouse, TeleCable and Group W—joined with Caesars World Inc. in a pay-per-view service called EventTeleVision. While other PPV services are now off-and-running, EventTelevision collapsed— evolving into the currently inactive Pay Per View Partners Inc., owned jointly by ATC, TeleCable and NewChannels.

More recently, The Preview Channel, headed by former Young & Rubicam executive Bill Donnelly, had planned to launch with some 13 MSOs—including United and TCI—as majority owners. Donnelly is now trying to finance the venture through other means.

"When you're dealing with so many entities, you can't really get agreement on too many things," says Amira, formerly executive director for EventTelevision. "You get to the lowest common denominator and make every decision by compromise and committee."

Change of 'rationale'

Donnelly echoes Amira, saying it was "very difficult" for him to reach agreements with 26 different bosses—a finance person and program person from each MSO. Another factor working against MSO ownership of The Preview Channel, he says, is that the MSOs took the "rationale" for the channel—promotion of cable—and turned it into the channel itself. "They perceived it primarily as a promotion rather than an editorial product," Donnelly says. He points out, however, that this dilemma was rather specific to a "preview"-type channel and that other potential programmers shouldn't be deterred from seeking MSO investment.

The prospect of owning NFL foot-

Fred Vierra, *United Cable president, told the Cable Advertising Conference that MSO program investment can take three paths: per-sub fees, equity in program services and joint ventures through consortiums.*

Bill Donnelly, *formerly with Young & Rubicam, tried to launch The Preview Channel with 13 MSO owners, but found that too many cooks were in this kitchen. They saw the service as promotional, rather than editorial, he says.*

ball rights was an idea that few MSOs could resist. One which did was Viacom. Terrence Elkes, Viacom International president and chief executive officer, explained in a speech late last year that the cable industry should invest only in programming which the audience perceives "they can't get except on cable." He noted that viewers can already receive NFL games over the broadcast networks, and that most NFL viewers probably already subscribe to cable.

Other MSOs saw the NFL opportunity differently. A spokesperson for ATC says landing the rights would have fulfilled a "prophecy" being trumpeted by Trygve Myhren, chairman of both ATC and the National Cable Television Association. The prophecy: that quality programming will increase cable penetration. Now that ESPN has the NFL rights, however, the spokesperson says ATC has been negotiating with the cable network "to come up with applicable cost-per-subscribers." "The value of NFL football," he adds, "may be more in retention than in acquisiton."

Cable backs Ted

And the value of funding TBS may be to hold on to what cable's already got. Explained TCI chairman John Malone at last year's NCTA convention: "The whole theory here is to let Ted have enough money to do the job, to keep him independent without liquidating his company. We would be willing to support him in any way that seems appropriate to him and us."

Ted Livingston, vice president-marketing for Continental Cablevision, confirms this thinking. "The most important thing," he says "is to maintain Turner's organization as an independent and cable-friendly entity." Bill Suter, analyst for Merrill Lynch, Pierce, Fenner & Smith, notes that the MSOs' bailout of TBS helps "one of their own" maintain control of an important programming source.

New Turner web

Under terms of the TBS/MSO deal, "super majority" votes by the new board of directors would be required to approve "certain matters out of the ordinary course of business." Such a "matter" may be the new basic service Ted Turner plans to launch as a showcase for his MGM movie library. Committing subscribers to this service was definitely not part of the MSO agreement, but Turner has hinted that the infusion of funds—pending board member approval—is necessary to get it off the ground.

Most new cable networks play this game the other way around: offering equity directly in exchange for long-term affiliation agreements.

The Preview Network, set to launch this month, is taking such an approach towards gaining subscribers. According to sources, up to 800,000 shares of stock are being offered. MSOs can buy one share per every 10 subscribers pledged for carriage, and would need to have 25 per cent of their pledged subscribers on-line at launch, 50 per cent after one year, 75 per cent after two years, and 100 per cent after three years. They could break the agreement after the first year.

With TWA's Travel Channel a notable exception, it's tough to try to launch a new cable network these days without some form of direct MSO involvement. Although no MSOs own any part of Movietime, a basic service set to start next month, nine of them—including ATC—are part owners of NuCable Resources Corp., which will be marketing Movietime to cable systems.

NuCable—a joint venture of the MSOs, Tribune Media Services and NuMedia Corp.—offers several other services to the cable industry as well. These include: Digital Delivery Service, a satellite-delivered high-speed localized graphic system, which is being supplied to Movietime; the Advertising Delivery Network, which uses the same technology as DDS to deliver commercials for insertion into unsold local ad avails; and the Cable Ad Channel System, which permits local operators to run a computer-generated ad channel with full-color photos and accompanying audio.

The prospect of owning NFL football rights was an idea few MSOs could resist.

At the Cable Ad Conference, Vierra said that MSO program investments serve two goals: improving the quality of cable product and insuring that such product "remains exclusively on cable television. . . . The best way for cable to keep growing is to develop quality product that our competitors can't offer."

'Niche' programming

Barry Lucas, analyst with Raymond, James & Associates, adds that MSOs will concentrate their investments in "niche types of programming that can't be economically produced by broadcasters."

But others feel MSOs will use their newly realized power precisely to produce broadcast-type programs.

MSOs, for instance, are being offered equity in individual programs to be (*continued on page 87*)

John Malone, *chairman of Tele-Communications, feels MSO investment can help Ted Turner stay independent. TCI's current program ventures include X*Press Information Services and American Movie Classics.*

Third of TV stations have small format recorders; CCD cameras come to fore

How news drives technology: $^1/_2$-inch VCRs loom in '87

By ALFRED J. JAFFE

The growing use of half-inch video tape systems by TV stations illustrates dramatically how electronic newsgathering drives technology in the broadcast equipment field. About a third of all TV stations, including PTV outlets, now have half-inch equipment and the number probably would have been greater had there been a standard for such recorders early in the decade shortly after their introduction. In any case, 1987 looks like it will be a big year for half-inch systems. While there are two competing formats, Sony's Betacam and Panasonic's M-II, the signs indicate that a de facto standard is emerging.

Half-inch broadcast-quality systems broke into view in 1981 as essentially ENG equipment with camera and recorder integrated and portable. But their *component* recording systems—separate black-and-white and color signals—offered improvements in picture quality over the NTSC *composite* method—combined black-and-white and color signals—particularly in comparison with the three-quarter inch U-matic recorders, which have been universally used for news until recently. In addition, the half-inch camera/recorder combinations were smaller and lighter than the two-piece U-matic equipment.

A recent development, made apparent at the equipment exhibition held by the National Association of Broadcasters in Dallas during late March, is the proliferation of cameras with solid state pickup sensors (charge-coupled devices or CCDs) instead of tubes. While not up to top-of-the-line studio cameras in picture quality, the CCD units are a natural for news. They're light, have no registration problems, no picture burn-in or "comet tail," resist shock and vibration and can operate under low-light conditions.

One effect *cited on news coverage through use of the half-inch camcorder is more flexible use of the camera. Below, director of photography Bill Dill of Island Pictures manipulates Betacam equipment in shooting "Redds and the Boys," a video produced in Washington.*

While the half-inch systems offer a number of advantages for ENG, a key question is whether they actually affect the type of news coverage. The answers vary, but generally the responses indicate that there aren't any major changes compared with news coverage with three-quarter-inch equipment.

Nevertheless, Leavitt Pope, president and CEO, WPIX(TV) New York, which is not only a major independent but the home base and producer for INN, says the half-inch systems permit more news coverage. "When we used film cameras," he recalls, "you might have a three-man crew: a cameraman, a sound man and a man for lighting. When tape came into use, there might be two people—one for the camera and one for the recorder. With Betacam, we have one-person crews. So you either have more coverage with the same number of persons or the same coverage with fewer persons."

The WPIX news operations has seven camera crews, six with Betacam equipment. Before Betacam, the station used five two-person crews with three-quarter-inch equipment. "A crew can cover three to five stories a day in New York," explains Pope. "With the extra crews, we can cover six to 10 more stories. We may not use more stories on the air, but we have more to choose from."

Satellites and microwave have had more effect on news coverage than the smaller, lighter camcorder, argues John Terenzio, director of news for WPLG(TV) Miami, an ABC affiliate and a member of the seven-station Florida News Network. Four of the FNN stations have KU-band SNG trucks, including WPLG. In addition, Terenzio reports that his station has joined Absat, ABC's SNG truck operation for affiliates, which further extends the station's satellite news capabilities.

"Satellites mean more video from outside the market," Terenzio notes. On April 22, WPLG aired two live stories from New York, one covering the granting of a National Basketball Association franchise to Miami and the other a child custody case involving a Florida family. The station's satellite capabilities include, beside the SNG truck, four dishes, with one coming; it has uplinks and downlinks, C-band and KU-band.

The Miami station is also well-equipped with terrestrial microwave hardware. This includes a helicopter with microwave, a Ft. Lauderdale bureau with fixed microwave, three microwave vans and two portable (hand-held) microwave transmitters.

Terenzio says that WPLG was an early user of Betacam equipment and believes that the station was the first to be equipped with CCD cameras. It started taking delivery of Beta equipment three years ago and CCD cameras last May. Compared with the tube cameras it had been using, Terenzio says, the CCD cameras "are a visible leap in quality." They're important for night work, also, notes the station chief.

But he adds that the camcorders, whether with solid-state or tube pickups, have made no basic difference in the news coverage of the station. The difference is mainly in cost, he says, with WPLG using one-man crews for the most part, having laid off some soundmen, though keeping a few others for special situations.

Until recently, WPLG had a longer early evening news show that its two affiliate competitors, with 90 minutes vs. an hour on WTVJ(TV) and WSVN(TV), but the latter added another hour last year. WPLG went all-Beta last May, when it had 18 cameras on the street, four of which were already Beta-linked.

Steve Smith, news director of WXIA-TV Atlanta, says half-inch equipment saves "wear and tear on people" as well as saving manpower. He notes that after U-matic equipment became smaller and lighter, the station used one-man crews but it was a cumbersome solution, with a camera on one shoulder and a U-matic recorder on the other. Hence, the cameramen welcomed the conversion to half-inch.

An NBC affiliate, WXIA-TV went to 90 minutes of early evening news last year, while its competitors remained with an hour. The station began converting to Beta two years ago and now has 18 Betacams, each assigned to a cameraman, and three more coming. Smith has three Sony CCD cameras and is getting three more. He also feels they provide a better picture than tube cameras for news.

On the M-II front, Tom Mann, director of facilities and engineering for NBC O&O WRC-TV Washington, is an enthusiastic proponent of half-inch camcorders as well as the Panasonic format itself. As half-inch shooting becomes more common, "it will evolve into an art form," says Mann. He explains that the freedom provided cameramen by the integrated camera and recorder will allow them to take shots they couldn't do before. "With a one-piece unit, for example, you could take a shot from the crow's nest of a ship." People haven't had enough experience with half-inch shooting yet to make a difference, but it will show up in time, Mann believes.

As for M-II itself, Mann is an out-and-out proponent, joining the company of most NBC technical people. He says the quality is comparable to one-inch tape and he feels it holds up very well in dubbing—holds up as well as one-inch, in his view. He is talking about a few dubs, not a dozen, but, even so, his view of M-II multi-generation capabilities is not always shared.

M-II equipment in Washington so far is confined to NBC News, which gets its technical support in the nation's capital from WRC-TV and thus falls in Mann's bailiwick. The equipment came in starting the first week of February and NBC has been on the air with it since the third week in March. Mann says that when M-II segments were incorporated in the NBC *Nightly News*, some NBC people felt "it looked too live to be real."

NBC News in Washington is now equipped with 14 M-II crews. Some are two-person crews because, says Mann, the special nature of news coverage in Washington sometimes requires an additional person besides the cameraman. Nevertheless, the Washington station itself has 10 one-man local crews for its existing three-quarter-inch equipment. The 14 local crews at WRC-TV will begin getting their M-II camcorders in June, with all M-II camcorders scheduled to be delivered by Labor Day.

One of the cooler voices on half-inch systems is Paul Davis, news director at WGN-TV, Chicago's leading independent, which is one of a handful of superstations in the U.S. The Tribune indie has been all-Beta for about a year and Davis says, "We use fewer people and get a slightly better picture." Generally, a one-person camera crew is the rule, but occasionally, says Davis, the camera operator needs help with sound. As for CCD cameras, Davis would "consider" one for a spare. "They do well in low light conditions, but they don't provide quite as crisp a picture in sunlight as a tube camera."

As for the bottom line: "KU-band affects the coverage of a news story, not Betacam." The station has a fixed KU-band dish, which it got free from RCA Americom, the capability of receiving material from two other KU-band sources, plus a "hard line" to a KU-band uplink.

Davis says WGN-TV is regularly involved in news exchanges with stations outside of Chicago, some of which, he says, "don't like to deal with the (Chicago) O&Os." The station fields six camera crews, who not only service a half-hour primetime news, but a full hour of noontime news, "the only noon hour of news in Chicago now." Noon hour material is all "straight news," states Davis.

Half-inch competition

The half-inch recording systems have been characterized from the beginning by fierce competition between Matsushita (Panasonic) and Sony. When RCA introduced the pioneering Hawkeye camcorder at the NAB convention in 1981, a system developed by Matsushita with RCA input, Sony hastily displayed its prototype half-inch model, later improved to become the Betacam system now in use. Efforts to develop a half-inch standard under the aegis of the Society of Motion Picture and Television Engineers failed, with both sides blaming the other for the failure. Similar abortive attempts dogged the heels of those trying to find a standard for the Bosch and Hitachi quarter-inch ENG tape systems, despite a strong push by ABC and SMPTE committee members.

However, the unyielding competition may have generated improved versions of the half-inch systems sooner than they otherwise would have come to the fore. Matsushita, losing the race

(*continued on page 83*)

"With Betacam, we have one-person crews. So you either have more coverage with the same number of persons or the same coverage with fewer persons. . . . We have more stories to choose from."

Leavitt Pope
President/CEO
WPIX(TV) New York

Low commission rates seen forcing reps to reduce services

Barter 'is not a threat to our business': Blair's Rosenfield

"Now, why would you want to buy a rep firm?" That, says James H. Rosenfield, is the question he keeps getting asked in the aftermath of the recent purchase of Blair Television and Blair Entertainment by an investment group headed by him and media consultant Burton Marcus. The answer, according to Rosenfield, has three parts:

1. "The marketing revolution that's taking place is causing advertisers to rethink how they're reaching their customers. They have to target more. They have to become more efficient. They have to reduce waste circulation. In the electronic advertising area, spot television [because of this] is an area of greatest growth."

2. "The area of interest for me personally is sales and marketing. And this is a sales and marketing business. To have a company with more than 200 salespersons and managers around the country available to use new selling tools and to experiment and to compete head-to-head is a lifetime dream."

3. "The broadcast business generally is in a state of great change. It's going to continue to change through the next decade. And a rep firm is really a window on the marketplace. It keeps us in touch on an hour-by-hour, day-by-day basis with what's happening in our business."

Rosenfield, former senior executive vice president of the CBS/Broadcast Group, and Marcus, onetime vice president and general counsel for Columbia Pictures Industries, headed an investment group that included Saratoga Partners, L.P., an investment partnership managed by Dillon, Read & Co., Inc., and an affiliate of Travelers Insurance Cos. Debt financing in the acquisition of the Blair entities from Reliance Capital Corp., L.P. was supplied by both Prudential and Travelers.

In a wide-ranging interview with TV/RADIO AGE, Rosenfield, whose title is chairman and chief executive officer, John Blair Communications, and new Blair Television president Timothy M. McAuliff commented on a variety of subjects relating to the future of television generally and the rep business in particular. Among the highlights: Rosenfield's view that barter syndication can actually have a beneficial impact on spot business, and the concern by both men that plummeting commission rates may someday force reps to charge for services stations are currently receiving free.

Following is the (edited) interview:

TV/RADIO AGE: *What will Burt Marcus' role be?*

Rosenfield: Burt's title is executive vice president and chief administrative officer, and that's precisely what he's going to be doing—handling financial, administrative, legal and all the details of running of the business on a day-to-day basis. We're anxious to have as many modern controls available to us in running this business as we can so that we can be efficient and, obviously, competitive. One of the things I discovered as I was looking around at businesses is that rep firms are not really very sophisticated in their management controls and techniques. I was very anxious to have a partner who would allow us to take advantage of what is available to grow and properly finance a business of this size.

TV/RA: *You have mentioned that increased emphasis on targeting will be one of the major challenges facing the TV reps in the foreseeable future ("Tele-Scope," April 27). Could you elaborate on that?*

Rosenfield: I think target marketing—demographic, geographic and psychographic—is the direction in which advertising's moving. And we [spot] will, more and more, be able to satisfy advertiser needs.

TV/RA: *Why, then, is network television still so much bigger than spot?*

Rosenfield: If you want to reach everybody, it's [network] the most efficient way to go. But if you can't afford to reach everybody and waste all that circulation, then you have to begin to target. Network advertising has flattened; it went down in growth last year—first time in history. And they're looking at a 2 per cent market this year, maybe 3. We're [spot] looking at a 6½ to 8 per cent market. And local business is growing even faster—it's in the 12 per cent area. And I think that trend's going to continue. Certainly the local station has been singled out as the most dramatic growth area in all of television. Stations which were selling at 10 times cash flow—which was an awful lot of money—went to 12 times cash flow, 13, 15. That represents confidence in long-term growth on the part of the investment community.

TV/RA: *You begin to hear of isolated instances in which stations pay reps a percentage of total business, which enables the rep to then become involved in the local sales effort. Does this have any validity?*

McAuliff: We experimented with this concept in the past and I am aware that Katz, and I believe Petry, have tried it, too. Unfortunately, the experiments have not been successful by and large. Additionally—and again without much success—it is an idea that has been tried in the newspaper and radio business. I say, unfortunately, because it does have at least a kernel of a good idea in terms of bringing station and rep into a closer working relationship. There are problems, however, which relate to differences in national and local selling. I doubt it is a concept we will see become predominant in the near-term.

TV/RA: *As multi-market retailers expand into additional markets, more often than not, they seem to make their television buys locally rather than through a rep. Why is that?*

Rosenfield: For a long time the national advertiser felt he could buy at much lower rates if he bought locally. He could because the television and radio business reflected the newspaper business. There were local rates for retailers and national rates for other advertisers. That's changed in both media, particularly in the television business. There's one rate whether it's placed locally or through the national rep. If the rep gives better service than the local station, then, obviously, he gets the business. In the last couple of years, the trend [toward placing locally] has been growing, but I think it will level out and reverse itself as we demonstrate our ability to properly service the national/local accounts.

James Rosenfield: "I think you'll see $100 million in billings added in the next year. We should be in the Number 1 position before the year's out."

TV/RA: *What has accounted for local's impressive growth?*

Rosenfield: The reason, in my mind, that local has grown, at this point, much faster than national is it came from so far behind. The local advertisers—particularly the retailers—didn't know how to use television properly. They didn't have the ability to make commercials; they couldn't get on the air fast enough; they didn't have the flexibility. But the stations learned how to make commercials available; local agencies learned how to have in-store studios; and as equipment became smaller and more efficient, they were able to set up more easily. One by one, the retail stores learned how to use television. At first, they didn't like it at all because they didn't have a tearsheet to carry in the store or to look at on their counters. But in major and medium and even small markets today the retailers have learned how to use the medium.

TV/RA: *You hear a lot about sales development, the so-called "consultant" sell on the local level. Are the reps getting more involved in sales development on the national and/or regional level?*

McAuliff: Blair has been involved in sales development through its Market Development Department since the early 1970s, and we have had some good success. Basically, our approach has been to work with advertisers who are either new to television or, as they grew, needed assistance in planning multi-market buys. Levolar Blinds is a good example. We helped them get into television and worked with them over a three- to four-year period in the early 1980s. We also work with represented stations in developing specific market stories. For instance, take a situation where a transshipment study demonstrates that, even though a given market may not be a distribution center, it is a major market for retail sales. Scripps Howard, for instance, faced this situation with their station in West Palm Beach. Our market development department worked to convince advertisers they couldn't just buy Miami in order to cover that area of Florida. Another aspect of our Market Development effort has been in sports sales. This has been especially important for some of our independent station clients who own the rights to major sport franchises. I certainly see us becoming more and more involved in these types of marketing services as competition for media dollars intensifies. You can't just sell against budgets any more. You have got to capture and develop them. This is a high priority item for us at Blair.

TV/RA: *Will independent stations continue to increase their share of spot business, or has their growth peaked out?*

Rosenfield: The growth has just begun; it's nowhere near peaked out.

TV/RA: *Are indies on a par with affiliates in all respects?*

Rosenfield: No, they're not on par with affiliates in all respects. They have to find new ways to solve their problems. Affiliates get most of their programming free, and independents have to pay for most of their programming. It's a disparity that requires some new tricks. But they're developing those new tricks and finding ways to compete very effectively and efficiently with the affiliates.

And the affiliates, therefore, are going to have to find some new tricks. I look to affiliates responding to this competitive marketplace in very creative ways. We're seeing some interesting things happening. In some time zones, they're changing the clock—particularly in the mountain time zone stations. They more normally mirror the Midwest. People can't watch the evening news at 5 o'clock in the afternoon. The larger audience isn't available at 5 o'clock; it *is* available at 6 and at 6:30. As satellites and more sophisticated time delay technologies develop, I think the country will tend to go clock time, and that's going to have a profound effect on sets in use and habits across this multiple time zone country. And as sets in use go up, rates go up; and as rates go up, so do billings.

TV/RA: *What efforts are being made by Blair to regain stations in markets where you lost the CapCities stations [to CapCities/ABC National Television Sales]?*

McAuliff: There is no way that you can be happy about the loss of a major client such as CapCities—especially given the close relationship we enjoyed with management of that group. However, as is the case with so many things, this loss opened up some opportunities with stations and groups where we had conflicts with CapCities stations. We have set a very defined target for ourselves in terms of recapturing some of this lost billing, and we expect to achieve our goals over the next 12 months.

Rosenfield: I think you'll see $100 million in billings added in the next year. We should be in the Number 1 position before the year's out.

TV/RA: *What has been the reaction by current client-stations to the acquisition?*

Rosenfield: Hopefully, the response we've been hearing is real. There was concern, when Blair was not in the hands of broadcasters, that it might lose some of

Timothy M. McAuliff is the new president, chief operating officer of Blair Television, succeeding Patrick J. Devlin, who has resigned. McAuliff, who has been vice president/ABC Division at Blair since January, 1984, joined the company in December, 1975, as part of the NBC sales team in Chicago. He began his broadcast career in 1973 as a salesman for radio station WRWC Rocton, Ill., moving into television that same year as an account executive for WTVO(TV) Rockford.

its selling ability. I've heard from almost every single one of our clients. The response has been very encouraging.

TV/RA: *Is there any desire or intent on your part, as has been rumored, to go after the CBS-owned stations as clients?*

Rosenfield: We've had no conversations or even thoughts about the CBS stations. It's unreasonable or even inaccurate to even speculate about that. The truth of the matter is, I leave to Pat and Jim Kelly [senior vice president/director of client services] the process of identifying the targets of opportunity and implementing those targets. The [CBS] owned and operated stations conflict, in most markets, with existing clients. So they look like they're a great plum, but, in fact, the net gain would be far less than apparent.

TV/RA: *What has been the impact of the 12-12-12 rule and repeal of the anti-trafficking regulation on the stability of the rep business?*

McAuliff: In 1986, 128 TV stations were traded, and if I remember correctly, 99 stations were traded in 1985 and 82 stations were traded in 1984. If you add those numbers together, you discover it comes to about one-third of all commercial television stations. By contrast, only 30 stations were traded in 1980.

This movement in station ownership has had a significant impact on the rep business for two reasons:

First, it has created a number of client conflicts

Movement in station ownership, says McAuliff, has had a significant impact on the rep business . . . "It has created a number of client conflicts which have caused flip flops in representation . . ."

which have caused flip flops in representation.

Second, as groups have consolidated, they have often chosen to consolidate representation—again causing churn.

In the first quarter of this year alone, about 30 stations changed representation involving billing of over $250 million. By the way, merger and acquisition activity among advertisers and agencies over the past couple of years also have affected the rep business. Sixteen or 17 important spot agencies were merged or acquired, and they control better than one-third of the spot TV dollars. This caused delays and changes in both spot planning and buying. All of this change on both sides of the rep universe have had an impact on management time and sales personnel assignments.

TV/RA: *How can you get commission rates back up?*

Rosenfield: Our own marketing has been a little too price-conscious. The very last thing I want to see happen is for us to have to reduce our service to our stations because of the price squeeze. That's what happened in the advertising agency business. Full-service agencies almost don't exist any more.

The agencies exist, but the services are sold on an as-needed basis. I would hope we could avoid that phenomenon, although it's beginning to happen in our business, too.

TV/RA: *Will barter syndication continue to grow, and, if so, what effect will it have on national spot?*

Rosenfield: Syndication has as many advantages for the spot business as it has disadvantages. In canvassing all of the major barter syndication advertisers, I'm

(continued on page 87)

Television/RadioAge

May, 1987

CLASSICAL RADIO: PROGRAMMING

'New wave' in programming includes focus on personalities, crossover music

Classical stations beginning to float down mainstream

By ROBERT SOBEL

Classical music radio is going more mainstream, for better or for worse. Even more than in the recent past, classical radio stations have been adopting programming and format policies generally associated with non-classical radio outlets and have been moving in a contemporary direction.

Obviously, the moves are not without risk, with these stations facing the danger of becoming a pop station soundalike if they throw caution to the winds, warn some critics.

This "new-wave" in programming, including crossover music and a daypart-structured format, has become such an important issue that the Concert Music Broadcasters Association has seen fit to place the subject on its agenda during its conference, being held in San Diego May 13–15. In fact, a panel discussion will be headed by a rock consultant recently hired by a fine-arts station, possibly representing a "first" in classical radio.

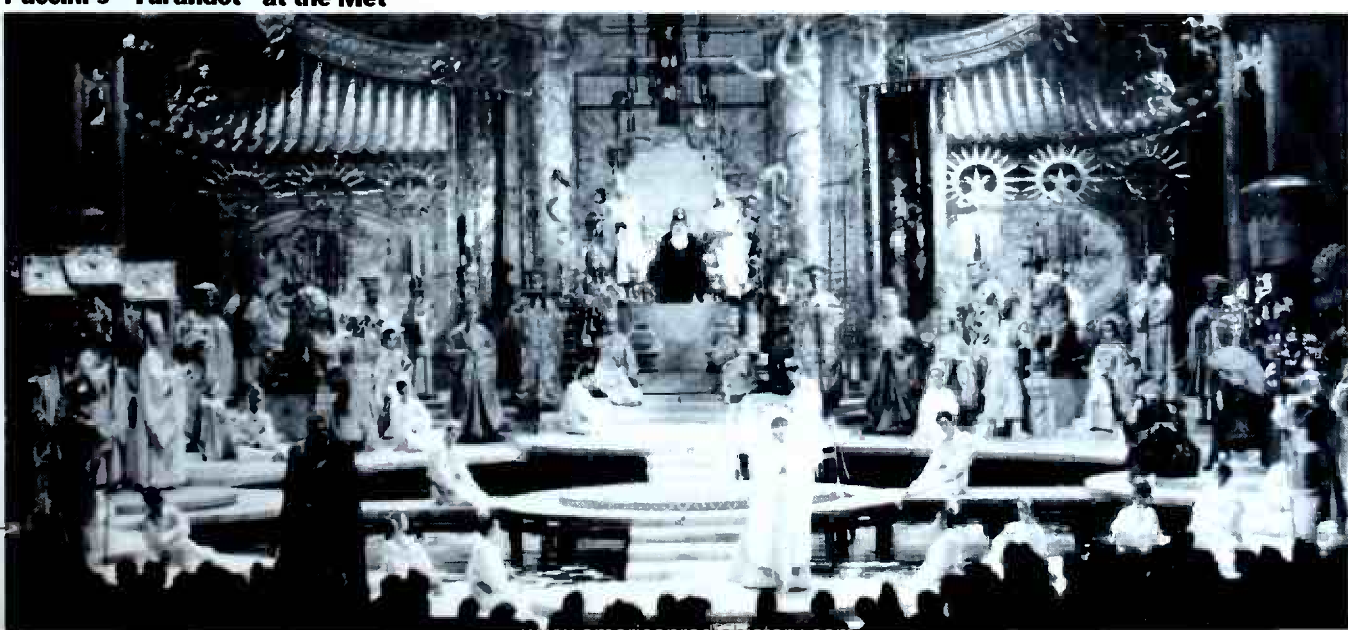
Today's pressures

On the other end of the programming fence, sit the traditionalists, unwilling to rock the boat that has kept them successfully afloat in often rough competitive waters.

Nevertheless, the currents of today's times have become stronger and more demanding of the classical station, awash with frequently increasing stories of fine-arts owners selling out for high dollars to new owners, who in turn

Even bankruptcy *under Chapter XI didn't stop Texaco from continuing to sponsor the Metropolitan Opera broadcasts. The oil giant has sponsored live airings for some 47 years and is reported spending about $3.5 million a year for 20 performances each season. Station lineup, including* WQXR AM-FM *New York, totals 320. The season ended April 18.*

Puccini's "Turandot" at the Met



Ray Nordstrand *of WFMT (FM) Chicago says, "If anything, I think we are trying to cut down a shade on the amount of talk we have, knowing that people who hear our music want to hear the music. We're trying to be a little tighter and crisper . . ."*

change or modify the station's format in the interest of profits.

In addition, a change is hinted in commercial classical music's direction because of public radio. Just what impact its projected goal of doubling its average quarter-hour audience by 1990 will have on the classical radio community is open to debate. Robert Conrad, WCLV(FM) Cleveland, vice president, program director, believes that public radio's announced format stance, which involves a "seamless" program concept, is one of the currents present in broadcasting that are forcing some of the classical community to "rethink its way of doing things—that we can't simply program the way we have been doing it over the past 20 years. We may decide that the changes aren't for us, but we have to examine them and take them into consideration."

Another force is the new crop of syndication services looking to serve classical or other types of broadcasters. These include Wyndham Hill, a California-based record company which is offering a format of new-age music, consisting in part of jazz and folk recordings; and Airwaves Radio Network's Switched on Classics, which appears to be designed more for beautiful-music than for fine-arts stations. Both are already in use, in one way or another, by a few classical outlets, but the WH pieces are getting more public radio attention than commercial classical at this time.

In any case, the mainstream approach, giving emphasis to presentations and rotations, and taking classical music out of its ivory tower, is becoming increasingly prevalent.

WXCR(FM) Safety Harbor, Fla., which serves the Tampa Bay area, was purchased in August, 1985, by the Entertainment Communications Co., and after an unsuccessful attempt to program along traditional classical lines, went broad-based after a survey showed that the audiences preferred "popular" classical music. Thomas H. Shealy, WXCR general manager, says the station's Tampa Bay Top 40 evolved from the survey and is modeled after the style of AOR and adult contemporary formats.

"We had an overwhelming response of more than 1,000 entries—on which works they liked the best—from which we selected the top 40," Shealy reports. To replenish the rotation and monitor the trends in the marketplace, the station constantly surveys its listeners on their choices and does a direct mailing consisting of 20 questions on income, jobs, and other specific demographic questions.

Shealy says he gets about a 53 per cent return from the mailings, which go to more than 4,000 persons. Regarding the rotation, Shealy notes that some selections are played each week but in different dayparts or, in some cases, some records are aired only monthly and in certain dayparts only.

Rotation policies

According to Shealy, the rotation format is one of the major reasons for the stations increase in ratings. The last tabulation from Arbitron showed that the classical outlet got a 1.0 with the 12-plus demos and a 1.4 in 35-plus (average-quarter-hour, 6 a.m.–midnight, Monday–Sunday), and registered as high as 1.9 in certain dayparts. Furthermore, Shealy projects that the winter ratings will show a doubled overall ratings over the year before's. Besides rotation, Shealy says that the station airs only compact discs and stressing personality also is contributing to the station's upswing in ratings.

WGMS AM-FM Washington, has a policy against rotation, not airing a major work twice within 30 days but for some years has used the personality approach, especially in the drivetime dayparts, as a means of reaching the hardcore classical listener. As Paul Teare, program director of WGMS, points out, the personality concept has been successful in that "it attracts people to the format, who then stick around for the more serious programming we do in the evening."

On the music side, he notes, WGMS has not made any dramatic changes over the recent years, and he expects this to remain status-quo, if and when the new owners of the station, Larry Robinson and McGavren-Guild, take over. He emphasizes that, while WGMS doesn't rotate its programming, it follows the MOR line with personalities in the drivetime slots, who quip and do such things as time and weather checks that are inserted along with the music, which is generally uptempo and consists of short selections, says Harris.

WRR(FM), commercial fine-arts station owned by the city of Dallas, which has been departing from the accepted classical station image, is stepping up its contemporary effort without utilizing drivetime positioning. Stephen Siles, operations manager, says it's hard to schedule drivetime because of the varying spot load from day to day and other obligations, such as traffic reports and updates on business from *Forbes* magazine and *The Wall Street Journal*.

In the morning, he continues, "we are trying to get a personality going, and sometimes he bends the format to get a charge out of the audience and to get them involved with the station. Sometimes a guest artist appears, not to make the format boring," he says.

Another example of the new road being taken by classical stations occurred at KFAC(AM)FM Los Angeles, when Classic Communications took over the outlet last December 8 and introduced a totally new format a month or so later with the aid of Jeff Pollack, a consul-

Warren Bodow *of WQXR AM-FM New York: The station's emphasis has changed to a "more approachable" presentation. Personalities have become less formal: "They are now the listener's friend rather than the listener's guide."*

tant to rock stations. According to Robert Goldfarb, who was hired by the new management as director of programming and operations, the format change was structured around airing traditional music but restructuring the programming by daypart and commercial inventory—similar to an AOR station, hiring new announcers, and dropping light-music and other non-classical elements and programs and some syndicated shows. Also, Pollack counsels on-air promotion.

The change also included a broadened playlist, says Goldfarb, composed of music from the renaissance to the present. Previously, the station aired only romantic orchestral music, he notes. In the commercial change, KFAC has a maximum inventory of 12 units per hour in all dayparts, but there are now only three breaks per hour in drivetime and two in most other dayparts, thereby clustering commercials, also similar to non-classical stations, points out Goldfarb.

While KFAC plays only classical music, it's overall approach is contemporary, says Goldfarb. "We are treating KFAC as a radio station which happens to play classical music."

Holding audience

The best way for KFAC to keep its audience tuned in was to play long pieces of music, the equivalent to an AOR outlet's 30-minute music sweep, he continues. "We try not to play the same record more than once per month," Goldfarb says. Full-length major works dominate during the day. Drivetime is considered 5–10 a.m., with music accounting for 40–42 minutes per hour, as opposed to the old schedule, which tallied about 27 minutes of music, with features and news taking up the rest of each hour. Regarding long-form music, the station continues to air the syndicated broadcasts of the Boston, Chicago and the Philadelphia orchestras but dropped *Adventures in Good Music by Carl Haas* because Goldfarb feels the program is too talky and is inconsistent with the new format. The *Haas* show, however, is going strong on other classical music outlets and currently has a lineup of 145 stations, notes Conrad of WCLV, *Haas* syndicator.

Also, as part of the station's new look, talk features have been moved to just previous to the hour and the half-hour, says Goldfarb. "All told, we are trying to have a contemporary sound, not in terms of music but in presentation, including our announcers, who are more conversational and warmer than they used to be on the old KFAC."

Goldfarb believes that KFAC is the only classical music station to use a rock consultant and is one of the first to try to approach programming as a radio station that has its own music niche.

Initially, audience response to the station's change in format was negative, says Goldfarb, but comments over the past month or so have been positive. "Any change in format is likely to prompt negative reaction, especially to one that was as dramatic as ours. Now we're getting letters from people who have not been listeners before and from those who have rediscovered us and are grateful for the new music and the new announcers."

Audience gains

Although considered by some classical programmers as carrying the mainstream baton to an extreme, WNCN(FM) New York, nonetheless, has made quantum audience gains and, according to the past fall's Arbitron is now par, average quarter-hour, persons 12-plus, for the first time with WQXR AM-FM, the older and more established classical station in the market (see table page A10). Arbitron lists WGXR AM and FM separately. If combined, the numbers could surpass WNCN's.

WNCN's latest innovations include a high-energy programming effort centered on its morning time slot. These include, according to Matthew Field, vice president and general manager, an assortment of contests, interviews and the hiring of a comedy writer who dishes out a menu of skits that in several cases has little to do with classical music. A recent segment ostensibly offered tips on filling out tax forms. On the music side, explains Field, the station has added "new-age" to the mix, which Field says is music that falls close enough between the classical music cracks for it to be played on the air.

Field has long been a proponent of making a classical station entertaining while keeping the station's quality image intact, and believes strongly that change in the industry is necessary for the format to survive. As a member of the board of directors of the Association of Classical Music, Field says he's had an opportunity to evaluate the state of the fine arts in broadcasting nationally and observes that while classical stations are holding their own, work has to be done to expose the music to the population, a void that's been created by the lack of instruction at schools and in some cases by the parents. "Music education at schools today nationally represents only a half-

Matthew Field *of WNCN (FM) New York is a proponent of making a classical station entertaining but keeping its quality image intact. He believes strongly that change in the industry is necessary for the format to survive.*

hour every other week, on average. Music rooms are being turned into computer rooms.

"Therefore, commercial radio must eke out its market share. To do that, we have to tell people that classical music is enjoyable, which is the criterion that is the most important one for us. But it has to be quality, because we think quality sells. It's not Mantovani and excludes such things as atonal music. Rock stations that are successful, for example, don't play every New York undiscovered band. They play a mix of what is listenable. That's what attracts the mass audiences, and radio is a mass medium. But it doesn't mean you have to play rotten music. Our goal is to make classical music hip and to avoid the trappings associated with the music. This means the way music is presented has to be changed."

WQXR's Warren Bodow, president of the New York fine arts AM-and-FMer, notes that the station's emphasis has changed to a "more approachable" presentation of the music. Both Gregg Whiteside and Steve Sullivan, daytime and afternoon personalities, respectively, have become less formal in their on-air stints. "They are now the listener's friend rather than the listener's guide. The days of the stuffy announcer are over."

WQXR made a programming move during the past year which was designed to "extend the definition of classical," says Bodow. On Sundays, starting at 6 p.m., the station airs *John S. Wilson's Classical Jazz*, followed by the second year of *Jack Benny* reruns at 7 and a half-hour program, *WQXR on Broadway*. The *Classic Jazz* program was introduced initially about a year-and-a-half ago on Fridays at 11 p.m. and proved so popular that the show was moved to a more attractive time slot, notes Bodow. The three programs are packaged under one concept, "Sunday Evening Sidelights," and are basically for those classical audiences who also like other forms of programming.

On the *Broadway* program, Bodow says that selections are chosen from the station's extensive library of cast albums and film scores. Whiteside is narrator and Bob Sherman is writer. Response from viewers have been very favorable, according to Bodow. "We get very intelligent letters from people, saying 'thank you.' They say they didn't expect *Benny* on a classical station. They tell us, 'My family loves it and my kids now understand what radio was.' "

While WQXR doesn't use rotation, it tends to play pieces more often which generate immediate audience response, says Bodow. "Rather than wait a few weeks to repeat the selection, we may play it later in the week in a different time period." The old concept, explains Bodow, was to utilize the record library. "But now our feeling is to choose those pieces which an audience tends to react favorably to, although we have a huge library. Of course, you can't let the audience program your whole format."

Bodow recalls that a few years ago the station sent out a 96 best list, which actually was composed of a list of 96 albums that WQXR selected as a basic library for its audience. "We borrow heavily from that list and play those records quite often, although other records with better performances may since have been passed. But if Mozart's *Jupiter* was good a few years ago, it's still today."

New station

WFCC(FM) Chatham, a fine-arts station which became operable when the Massachusetts governor's wife threw the switch in January, has also set its sights on the "radio" theme as its primary goal. The station, which is on the air from 5:30 a.m. to 1 a.m., airs classical music for the most part but also runs three hours of jazz in the afternoon, a Saturday jazz program, and a folk music program on Sundays, with news running throughout the week.

Justine Ryan, daughter and special assistant to the president and owner, Joseph Ryan, says that the station's programming was determined in part by an-in-depth study of residents taken by Cape Cod Market Research Inc., Osterville, of Cape Cod residents in WFCC's primary coverage area. The station's president says that one of the highlights in the survey indicated that Cape Codders chose classical music almost twice as often as any other format. Jazz came in second. Talk, folk and all news followed in order. The 50,000-watt station has an antenna height of 341 feet above average terrain.

Ryan believes that personalities play an important role in giving the station a commercial radio look and hired several veterans of radio or TV, or both, from the Boston area, including Janice Gray, who doubles as music director and morning host, Paul Jimerson as evening personality and Bill O'Connell as sports announcer.

When it comes to Boston and personalities, WCRB(FM) in nearby Waltham clearly shows that its management is not chauvinistic. The station has a new morning team that consists of two women, Mary Ann Nichols and Laura Carlo. Nichols had been at WGMS, and Carlo does news programs, special features, editorials and interviews. Lynn Nathanson, senior vice president of the station, notes that WCRB is stepping up its news and news-related programming because the station believes it can be a vital information tool in the morning drivetime period. "On classical music stations, news is not the priority, but we want to supply enough in the morning period to

Robert Goldfarb *of KFAC (AM) Los Angeles says the station's format change involved airing traditional music but restructuring the programming by daypart and commercial inventory —similar to an AOR station—and dropping non-classical elements.*

attract people so that they can get all the information they need."

Putting on an all-women morning team has gotten "rave reviews," continues Nathanson, via letters and a survey sent out to 5,000 listeners, which drew a strong response of 3,600. Based on the survey, the morning slot was moved from a 6 a.m. start to 7 and winding up at 11, according to Nathanson, to compete head-to-head with Robert J. Lurtzema, popular morning man on WGBH(FM), the market's strong public broadcasting radio station. The new changes were masterminded by Richard L. Kaye, president, who has been the architect of the station's programming almost since WCRB's inception some 35 years ago.

Overall, the present programming emphasis of WCRB is more music, and in this regard the station has cut the number of advertising units in the total day, notes Nathanson. Also, the station added *Adventures in Good Music* after the *Morning With Mary* program, and cut back on its Sunday religious programming with a Nichols pre-taped stint starting at 10 a.m. as replacement.

Less talk

At WFMT(FM) Chicago, its format continues to be virtually unchanged over the past year or so, but Ray Nordstrand, president of WFMT, says the amount of talk is being looked at closely. "If anything, I think we are trying to cut down a shade on the amount of talk we have, knowing that people who hear our music want to hear the music. We're trying to be a little tighter and crisper in our talk." Meanwhile, the WFMT Fine Arts Network has obtained the rights to syndicate 10 broadcasts of the San Francisco Opera, which has not been on radio for many years. All told, the arts network distributes 20 programs a week to more than 400 stations, says Nordstrand. Its Beethoven Satellite Network has nearly 40 stations in its lineup.

Harry Haas, one among many other classical programming traditionalists, says that his station, WFLN AM-FM Philadelphia, where he is vice president and manager, will continue along the lines that has made it successful. "It's based on success, so why try to fix it? We continue to do research and solicit mail to make certain we are still living up to what our requests are." Haas says that the station has been using on-air personalities for years, to produce "a warm and fuzzy feeling" on the station. But, he adds, "they are not folksy, keeping a fine line between that and a professional broadcast approach. Only on occasion, in drivetime, do the announcers get a little tongue-in-cheeky. That's about as far as we would go."

Philadelphia, he points out, is notoriously conservative, so WFLN's programming reflects that as well. New York, he adds, has two good commercial radio stations competing with each other, which poses a challenge for them to do different programming things.

Robert Galucci, vice president and general manager at KING-FM Seattle, cautions that stations using new-wave formats are walking on a thin line and run the risk of being "too radio," with such things as contests and promotions that don't fit a station's format. "Most are listener-induced things that don't work. We have to be careful that we, as classical broadcasters, never cross that thin line, because our listeners won't stand for it."

KING-FM itself began "contemporizing" its format some three or four years ago, says Galucci, airing music which is accessable to a broad range of listeners, the theory being to appease the core audience while broadening the audience base.

As for WCLV, while its programming has not changed over the past year to any noticeable degree, it has moved into new quarters, a $2 million stand-alone building.

"We went from 4,300 square feet to 13,000, so we have some elbow room," notes Conrad. The fact that the station was able to make the move is testimony to the financial state of the industry, Conrad adds. "The financial support has been such that stations can take this kind of a risk in terms of building facilities."

Meanwhile, KPSL, in Palm Springs, which made its debut on the FM side in February by servicing classical music to five cable TV systems, has begun broadcating in AM stereo as well. The music is being simulcast on both stations, says Allison Boyles, director of community relations, except for two hours in the morning when religious programming is played on the AM station. Subscribing systems to KPSL-FM include CableVision of Desert Hot Springs and Warner Cable Television of Palm Springs. Broadcasts run through the entire day and feature a number of syndicated programs such as the Boston Symphony (Tuesdays), The Cleveland Orchestra (Wednesdays), and the Philadelphia (Saturdays). A jazz program is picked up from KKGO-FM Los Angeles on weekend evenings. □

Qualitative research efforts supported by wide range of promotional activities

Broad demos pitched to enhance revenue potential

While qualitative research continues to be the basic marketing tool of classical radio stations, the outlets have intensified these research efforts or are adding sales people to reflect a broadening audience base. Also, print advertising and promotions are continuing to play an important role in the marketing of the fine-arts stations, with promotions ranging from fireworks displays to celebrations of composers. And in selling, Concert Music Broadcasting Inc., whose divisions include Concert Music Broadcast Sales, which handles spot advertising for 22 classical outlets, is stepping up its sales efforts to attract new, more mass-product advertisers, while its Concert Music Network division, which has 27 subscribers, is being beefed up. CMB also has Concert Music Satellite Systems. Also, many stations are reporting that retail sales are spurting.

In promotion, WFMT(FM) Chicago, one of the largest practitioners of the art did the following during the past year, to broaden the station's audience demos and to create listener involvement, notes Ray Nordstrand, president: celebrated its 35th anniversary with a day of live music from its studios (including a fanfare commissioned to Morton Gould) and a fully sponsored series of historical moments from past programming; invited listeners whose names were drawn to a "WFMT Night at the Joffrey," a ballet performance at Orchestra Hall. Sponsors also attended the event, followed by a reception with the stars.

Also, the station took advertisers on a cruise down the Chicago river, "Water Music on the River," with a 16-piece brass group playing for the guests; sponsored a folk festival, which attracted more than 50,000; tied in with the station's Saturday night folk music program, *The Midnight Special;* wrote a corporate history of the 35 years of operation; and introduced several new programs, including two talk features. Other events included a sponsored concert with Christopher Hogwood and the Academy of Ancient Music and had a Top 40 Weekend (see preceding story).

Robert Conrad, WCLV(FM) Cleveland, vice president, program director, says the station has been running an extensive print campaign, using the ads to do triple duty. "We run ads in three local business newspapers, make a mailing of the ads and make copies for use by the salesmen." The ads are based mostly on Birch demographic material, he says. Conrad is in the process of utilizing Prizm, a means of separating zip codes into various categories, which include educated, affluent executives and professionals in the lead metro suburbs and pre-and-post child families and singles in upscale, white-collar suburbs.

Boating was honored by KING(FM) Seattle at the beginning of this month, as part of a Fireworks and Masterworks Opus II ceremony. Aired live by the station, the event featured 20 minutes of fireworks synchronized to classical music, coming from a yacht near the festivities, which acted as control headquarters for the broadcast. Synchronization was done by computer, with digital messages encoded onto a special track of the music tape.

The music is taken from compact disc sources, according to KING's program director, Peter Newman. The event had six regional sponsors: Beck's beer, Cellular One mobile homes, the art-supply stores of Daniel Smith Inc.,

Top 25 classical markets, fall '86—Birch

Market/stations	18+ AQH	18+ Cume	Index* occupation: professional	Index** education: college	Index*** income: high
New York					
WNCN-FM	1.5	5588	207	176	188
WNYC-FM+	.5	2816	165	178	182
WQXR	.1	1345	247	211	152
WQXR-FM	1.3	5389	183	174	157
Los Angeles					
KFAC-FM	.5	2070	176	170	161
KUSC-FM+	1.0	2517	179	166	126
Chicago					
WFMT-FM	2.1	2898	237	174	153
WNIB-FM	1.1	1689	149	171	182
San Francisco					
KDFC-FM	.4	982	131	135	146
KKHI	.4	734	133	154	71
KKHI-FM	1.1	1347	168	142	118
KQED-FM	.9	1678	220	159	132
Philadelphia					
WFLN-FM	1.6	1907	192	193	190
WHYY-FM+	1.4	1241	248	191	199
Detroit					
WQRS-FM	1.9	1276	159	197	150
Boston					
WBUR-FM+	1.6	1465	197	155	130
WCRB-FM	1.9	1109	179	162	142
WGBH-FM+	1.8	1742	190	157	133
Washington					
WGMS	.1	270	127	161	129

(continued on page A8)

Alaska Airlines, Fred Myer and Peoples Bank.

WRR(FM) Dallas is making its presence known in the state by committing itself to contributing 25 per cent of its net profit to the arts every succeeding year. Maurice Lowenthal, general manager, notes that the station's contribution this year totals $275,000, with 23 organizations receiving the funds.

Lowenthal says that this is the first time that a percentage of a radio station's profits will be donated to cultural organizations.

In addition, in promotion, Lowenthal notes the station won the BPME award for the best poster in the country.

Also in the way of promotion, WTMI(FM) Miami, which is marking its 15th anniversary, made a dramatic increase in its community involvement, notes David Harris, who took over as vice president, general manager in January. The past year, the station established a music scholarship at the University of Miami; set up a full-scale campaign of support for the Miami Chamber Symphony and introduced the first Classic Citizen award. In addition, the station began its first annual Operathon, ran a Mozart birthday promotion, and established a Cultural Arts line, enabling listeners to phone toll free for information on cultural events.

WCRB(FM) Waltham is promoting that the station is on a full 24 hours, says Lynn Nathanson, senior vice president, to compete with the public radio station in the market (see preceding story). "We have run two print adveritsing campaigns, she says. One, which features the slogan, "All Day, All Night, All-Classical," has been picked up by other classical stations nationally; the other is an ad campaign toward call-letter recognition: "We're Classical Radio Boston."

Joan Homa, sales manager at WGMS AM-FM Washington, reports that retail sales are doing well. "We made a concentrated effort for many years to pursue retail sales, which have produced strong ad revenues for the station." Historically, she notes, radio stations have always relied on ad agencies to dictate the amount of dollars that will be generated in the market. But while she notes that the national monies are flowing "nicely," the station created a sales staff that chases down leads from newspapers and business publications, which Homa says is the old RAB approach to broadcast sales.

WQXR AM-FM New York uses Scarborough 1986 as the primary research tool, notes Warren Bodow, president and general manager. In addition, the station has bought the Qualitap service, which gets "to the guts of the Scarborough research, and defines our audience that much more clearly. We use it in a lot of presentations and it has already paid for itself." The station's vice president, sales, Simona McCray, says that Qualitap is a division of Tap Scan, which digests Arbitron. "Advertisers have been swung by the Qualitap, which quantifies some of the concepts on which some of our sell is based on."

McCray continues that the station has extended its retail thrust a bit, with the hiring of someone who had been in the circulation department at the *New York Times*. One method applied is to get retail to sell advertisers on reinforcing their print pitch, she notes.

Retail advertising has doubled on WNCN(FM) New York, over the past year, says Matthew Field, vice president and general manager, and now represents about 35 per cent of the station's billings. "Back in 1981, retail represented zero per cent. But then we narrowed the universe in retail as against a mass approach of selling it." Retail has become so important that the station has added two salespersons handling retail exclusively, points out Field.

The retail surge, he continues, is coming from targeting of audiences. Furniture, stores, financial accounts and real estate are the top categories, Field says. As an example of how broad-based the advertiser lineup is, Field says that both Crazy Eddie and Lord & Taylor sponsor the Chicago Symphony broadcasts. The station continues to increase its sales and revenues. WNCN made a profit of $1.3 million in its last fiscal year and expects to hit $1.5 million for this coming fiscal year, he reports.

In addition, the restaurant business has spurted, according to Elise Topaz, general sales manager at WNCN, via Trans Media, ad agency which handles restaurants predominantly. Restaurants, she says, are very trendy, and "everyone wants to go to the hot restaurant, so there is a lot of money to be spent." Real estate, she says, is a new category for the station, and audio equipment is "a very good area for us." Because the Broadway shows aren't doing well, the station is pitching off-Broadway, which is getting good results.

Also in retail, D'Agostino supermarkets is a new client. One of the reasons that the retail department is flourishing, she continues, is because the station's numbers have increased substantially.

Field says he's well above projected sales and profits. For the first two months of the year, WNCN's profits were up by $100,000 over projections

Top 25 *(from page A6)*

Market/stations	18+ AQH	18+ Cume	Index* occupation: professional	Index** education: college	Index*** income: high
WGMS-FM	1.9	2001	182	143	149
Houston					
KLEF-FM	.7	676	107	183	172
KUHF-FM+	1.5	1216	189	182	193
Dallas					
KERA-FM+	.8	923	169	187	148
WRR-FM	1.7	1090	147	180	140
South Florida					
WTMI-FM+	2.5	1287	219	196	180
Atlanta					
WABE-FM+	2.2	1046	145	170	125
Pittsburgh					
WQED-FM+	1.7	656	231	219	256
Baltimore					
WBJC-FM+	3.0	1056	206	199	163
WGMS-FM	.7	326	194	206	172
WJHU-FM+	.2	189	—	—	—
Seattle					
KING-FM	3.0	1232	164	143	134
KUOW-FM+	1.4	587	185	155	134
Minneapolis					
KSJN-FM+	2.5	1005	168	159	132
San Diego					
KFSD-FM	1.6	822	200	142	154
Tampa					
WUSF-FM+	.8	418	121	159	204
WXCR-FM	1.3	429	196	161	180
Denver					
KCFR-FM+	2.5	1058	161	151	134
KPOF+	.3	138	73	25	19
KVOD-FM	3.5	1069	158	144	111
Phoenix					
KONC-FM	1.2	411	141	109	147
Cleveland					
WCLV-FM	2.8	710	215	175	157
WKSU-FM+	.7	358	232	217	110
Milwaukee					
WFMR-FM	3.0	735	116	167	103
WUWM-FM+	1.5	506	206	179	174
Kansas City					
KXTR-FM	.9	398	177	178	105
Providence					
WCRB-FM	.3	189	—	—	—
WGBH-FM+	2.7	479	199	229	201
St. Louis					
KFUO-FM	1.7	870	114	149	114
KWMU-FM+	1.3	590	243	195	241

*+Stations that have a partial classical format. *From the fall, 1986 Qualitative Report, June–November. Category is defined as "professional such as doctor, lawyer, business owner, executive." **From the fall, 1986 Qualitative Report, June–November. Category is defined as "some college/junior college/college grad/graduate school." ***From the fall, 1986 Qualitative Report, June–November. Category is defined as "annual combined household income $35,000 or over."*

and, after the first week in April, the station was only $15,000 short of making its entire monthly sales quota, according to Field.

CMBS meanwhile, reports continued growth. Peter Besheer, a principal of the company, notes that the company has been working hard on expanding to non-traditional accounts on the spot side of the business. He says in the first several years of the company's existence, CMBS concentrated primarily on the upscale accounts, such as financial services and airlines. But over the past year or so, CMBS has begun pitching accounts which are looking to grab the 25–54 affluent adult audience—a demo that they may have not addressed previously.

Two accounts that CMBS has succeeded in getting to advertise on classical radio are a butter client and household finance, both of which are not necessarily upscale advertisers. Besheer notes that his marketing strategy centers on the concept that, while these accounts are not necessarily looking for affluent, educated individuals, the fact is that, according to Mediamark Research Inc., classical stations have 58 per cent of their audience in the 25–54 age category. He continues that he doesn't suggest that these advertisers abandon advertising on mass-reach radio stations. "We are saying we are prospects too."

Besheer notes that, in conjunction with the broadening of its spot sales client base, the company changed its structure on marketing. The company added salespeople and opened new offices, including a Dallas office. "Basically, we were going after every account, to create a greater presence in various key areas. But at the same time we were taking our salespeople away to concentrate heavily on only a few accounts.

"So we gave our spot sales force a very singular objective to get a greater share of all dollars spent against the adult demographics—not just quality autos or airlines. We escalated their work level and took their time away from development.

"Development is very instrumental in selling classical, however, and we have restructured our major emphasis toward the Concert Music Network. This has several advantages. The network has research tools that are not available in spot, and computerized services and chart-making capacities and market-by-market research via Arbitron databank and other data services. Thus, we have more information making it easier for development of accounts. Potential clients are willing to listen to us because we can offer a national marketing solution."

Besheer notes that the radio busi-

ness has been flat or slightly up as far as spot sales in classical is concerned. Radio in general had a sales drought all through 1986 and into January, according to (TV/RADIO AGE, April 27) and perked up in February. Beesher says that airlines has taken a tailspin in advertising, but Besheer feels the downward cycle is only temporary and will end once the fare war is ended.

It's Besheer's feeling that the lack of airlines dollars up to the past month or so has impacted heavily on the classical scene. He says that, with the number of new accounts that the fine-arts stations are reporting and with returning accounts, he has little doubt that the industry as a whole would have recorded a very strong year nationally if airlines weren't grounded.

CMBS' new business in spot sales in the past year included Lu cookies, Hyatt resorts, Carr's Cracker, Prudential insurance, Honey Baked hams, Ford sunglasses and Tom's tooth paste.

A sidelight of the new structure, he continues, is that the network has generated spot schedules as well. The company uses MRI data for all markets, while individual markets subscribe to Birch and Scarborough, among other marketing tools. New advertisers on the network include Prudential-Bache securities, Diner's Club credit card, IBM computers, Moss Music and Sears Discover Card. □

Classical station audience demographics

Tv stations ranked by total listening during an average-quarter-hour, Monday to Sunday 6a.m.–midnight

Market	Station	Persons 12+	18+	Men 18+	Women 18+
New York	WNCN(FM)	39,200*	39,000	19,000	20,000
New York	WQXR-FM	33,200*	33,200	16,400	16,800
Chicago	WFMT(F)	21,500*	21,500	12,100	9,400
Los Angeles	KFAC-FM	19,900*	19,600	8,600	11,000
Chicago	WNIB(F)	16,300*	16,200	7,400	8,800
Philadelphia	WFLN-FM	14,200*	14,200	6,600	7,600
Washington	WGMS-FM	13,400*	13,400	6,300	7,100
San Francisco	KKHI-FM	12,100*	12,000	5,400	6,600
Boston	WCRB(F)	10,600	10,600	5,700	4,900
Denver	KVOD(F)	10,500*	10,500	4,600	5,900
Detroit	WQRS(F)	9,500*	9,500	5,900	3,600
San Diego	KFSD(F)	8,500*	8,100	4,100	4,000
New York	WQXR	7,900*	7,900	3,100	4,800
Dallas-Fort Worth	WRR(F)	7,900*	7,900	4,800	3,100
Seattle-Tacoma	KING-FM	7,500*	7,500	3,300	4,200
Miami-Ft. Laudrdl.	WTMI(FM)	7,400*	7,400	3,800	3,600
Cleveland	WCLV(F)	5,800*	5,800	3,700	2,100
St. Louis	KFUO-FM	5,300*	5,300	3,300	2,000
Portland	KYTE(F)	5,000*	4,800	2,100	2,700
Houston	KLEF(F)	4,800	4,800	2,500	2,300
Milwaukee	WFMR(F)	4,200*	4,200	1,500	2,700
Phoenix	KONC(F)	3,700	3,700	1,800	1,900
San Francisco	KKHI	2,800*	2,800	1,400	1,400
Kansas City	KXTR(F)	2,800*	2,800	1,700	1,100
Atlanta	WGKA	2,800*	2,800	1,000	1,800
Tampa-St. Pete	WXCR(F)	2,600*	2,500	1,100	1,400
Albuquerque	KHFM(F)	2,500*	2,400	1,200	1,200
San Francisco	KDFC(C)	2,200*	2,200	1,000	1,200
Los Angeles	KFAC	2,100*	2,100	600	1,500
Santa Barb-S Maria	KDB-FM	2,100*	2,100	1,100	1,000
Salinas-Mntry	KBOQ(F)	2,000*	2,000	1,000	1,000
Portland, Ore.	KKSN	1,900*	1,900	1,000	900
Washington	WGMS	1,300*	1,300	400	900
Bakersfield	KIWI-FM	600*	600	200	400
Harrisburg	WMSP(F)	500	500	300	200
Tulsa	KCMA(F)	400*	400	200	200
Modesto	KHYV	300*	300	300	
Santa Barb-S Maria	KDB	100*	100	100	
San Jose	KDFC	100*	100		100
Portland, Me.	MDCS(F)	100*	100	100	

Source: Arbitron fall, '86 data computed by Radio Information Center

Thanks to the outstanding KFAC staff for your Classic loyalty and support during our first five months together.

Bernie Alan
Peter Berk
Malcolm Burman
Rich Capparela
Jay Carter
Bob Conger
Kathy Daugherty
Michele Davis
Mike Davison
Lew Dawson
Marilyn de Mena
Steven de Mena
Mary Fain
Martin Fleischmann
Tom Franklin
Dave Gilbert
Cary Ginell
Bob Goldfarb
Bobbi Grimm
Ken Horton
Randy Johnson
Bob Krieger
Greg Lange
Cindy Miller
Raul Moreno
Rob Novak
Nancy Papineau
Martin Perlich
Denise Roberts
Marie Rodgers
Marv Rubinek
John Santana
Roberta Shiroma
Suzi Sibold
Jan Simon
Michael Sonberg
Darcy Spencer
David Srebnik
David Starling
Sue Tudisco
Susan Wallace
Bob Wennersten

KFAC
92.3 FM 1330 AM

Los Angeles' first choice for classical music

CLASSIC COMMUNICATIONS OF LOS ANGELES LIMITED PARTNERSHIP
6735 YUCCA STREET, LOS ANGELES, CALIFORNIA 90028, 213-466-9566


AFFLUENT
WITH ANNUAL HOUSEHOLD INCOME
$100,000 +
the HIGHEST index for a New York City Station
YOUNG
CLASSICAL LISTENERS
43.6 MEDIAN AGE
PROFESSIONALS
DOCTORS, LAWYERS & OTHER PROFESSIONALS
THE SKY'S THE LIMIT!
To Reach this exciting marketplace call
ELISE TOPAZ
OUR GENERAL SALES MGR.
at 730-WNCN
WNCN
classical
104.3 FM
New York's younger classical music station
according to the latest 1986 Scarborough
Represented nationally by Concert Music Broadcast Sales

PROMOTION VS. MEDIA
Y&R's Ostrow says there must be proper balance/65

RETAIL REPORT
Stores hungry for media that target customer groups/67

SELLER'S OPINION
Grass roots selling key tool in tough spot market/68

TELEVISION/RADIO AGE

Spot Report

May 11, 1987

Spot Report

FCB exec warns against overemphasis on promotion

"It is a danger to allow high levels of promotion to become a continuing tactic unless your profit margins are so high that diminished profits are not of great concern," warned Joseph W. Ostrow, executive vice president, corporate director of media for Foote Cone & Belding Communications, in a speech before the recent Association of National Advertisers' Advertising Financial Management Conference in Tucson.

Ostrow, noting that "there is room in most marketing plans for a balance between advertising and promotion," listed five topics advertisers should address in determining the proper mix:

(1) *Cost-value analysis*. "What are the expectations of return related to advertising expenditures versus promotional expenditures?"

(2) Synergism between advertising and promotion. This is most easly achieved, Ostrow explained, in companies where advertising and promotional responsibilities are under the same management team.

(3) *Appropriateness of short-term vs. long-term strategy*. "Old and dying brands might benefit from a totally different advertising and promotion mix than those brands that are recently introduced and on a strong growth curve."

(4) *Effects of advertising vs. promotion on brand equity*. "A quality product that has been positioned on a relatively high marketing plane can be done immeasurable harm in the consumer's mind by a promotion that cheapens its image and perceived quality."

(5) *Consumer discipline*. "One very important consequence may be that the consumer is rarely, if ever, motivated to purchase at full price or without some discount or other incentive."

Spot radio off in March

Spot radio is having its ups and downs, particularly its downs. After a bum month in January and a great month in February, the March figures from Radio Expenditure Reports show a dropoff from the year before. March time sales of $77,147,800 were down 4.4 per cent. This compares with a 13.2 per cent increase in February and a 1.1 per cent rise in January.

Billings for the first quarter were up 2.1 per cent to $172,322,500. The March billings of $77.1 million compare with $56.6 million in Feburary and $38.6 million in January. March's bigger billings are due to (1) seasonal factors and (2) the fact that March was a five-week Standard Broadcast Month vs. four weeks for the previous January and February. The first three months of '86 were of similar lengths.

Price buys 4 TV stations

Price Communications Corp. has agreed to a $60 million purchase of four network-affiliated TV stations from Clay Communications. The stations are: WAPT-TV (ABC) Jackson, Miss.; KJAC-TV (NBC) Beaumont-Port Arthur, Texas; WWAY-TV (ABC) Wilmington, N.C.; and KFDX-TV (NBC) Wichita Falls-Lawton, Texas. Pending FCC approval, Price will own eight TV stations, all network affiliates.

Robert Price, president of Price Communications, says economic and population growth in Wilmington and Jackson are expected to exceed the national average for the next five years, while the two Texas markets "are beginning to rebound from the energy market softness of 1985 and 1986."

Radio forum scheduled

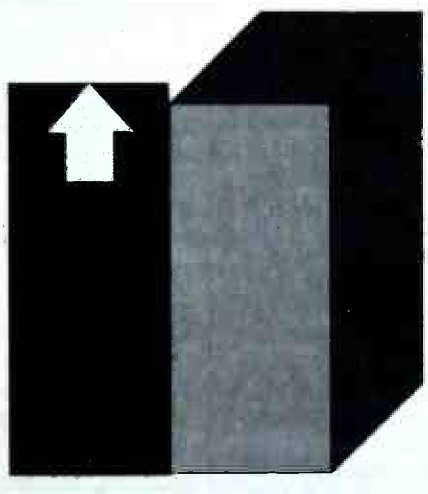
Atlanta Radio Forum '87, presented by Burkhart/Abrams/Douglas/Elliot & Associates, has been set for June 25–26 at the Waverly Hotel in Atlanta. Focus will be on the CHR, A/C and country formats as well as on research, marketing and advertising for radio stations.

Charge will be $250 for clients and $350 for non-clients. Further information is available from Leslie Callaway at (404) 955-1550.

March

National spot business

+2.5%



1987: $452.0 **1986: $441.0**

Complete TV Business Barometer details p. 26

Spot Report

Campaigns

Bil-Mar Foods, Inc., RADIO
Campbell-Ewald Co./Warren, Mich.
TURKEY TREATS are being offered for four weeks that started in mid-May in a good many southeastern and midwestern radio markets. Media placed schedules to attract women 18 and up.

General Mills, TV
DDB Needham Worldwide/Chicago
SELECTED FOODS are set for five weeks of spot appearances that started in late April in a long and widespread list of television markets. Negotiators worked with primetime and daytime inventory to reach women 18 and up.

Holsum Foods, TV
Grant/Jacoby, Inc./Chicago
GOLD BOND ICE CREAM is being seen for 10 to 14 weeks that began on various late April or early May air dates in a long and coast-to-coast lineup of television markets. Buyers lined up daytime, primetime, fringe and kid avails to appeal to women and children.

Kellogg Co., TV
Leo Burnett Co./Chicago
APPLE CINNAMON SQUARES and OTHER FOOD ITEMS are being advertised for eight to 13 weeks that started on various late March and April air dates in a long and coast-to-coast list of television markets. Media team used a full range of dayparts to reach men, women and children, depending on product.

JWT backfield shift

Following resignation of Bert Metter as chairman and CEO, J. Walter Thompson U.S.A. will now be headed by Stephen G. Bowen, Jr. as president and James B. Patterson as chairman and creative director. Bowen will also head a U.S. Operating Committee comprised of Patterson, William C. Thompson, Jr., and Terence D. Martin.

Patterson has been creative director of Thompson's New York office and Bowen has been its general manager. Both will continue to hold responsibility for New York. Thompson returns to JWT from a post as executive vice president at McCann-Erickson, and Martin is chief financial officer of JWT Group and J. Walter Thompson Co.

Appointments

Agencies

Ira S. Carlin, executive vice president and media director of McCann-Erickson/New York has added the title of national media director of McCann-Erickson. This includes supervision of the nine buying offices of McCann Local Broadcast and the agency's National Broadcast Department, as well as continuing overall responsibility for all media planning and buying for McCann-Erickson/New York, a $480 million agency.

Kenneth Bielicki has been elected a vice president of W. B. Doner and Co. in Baltimore. He joined the agency as a media supervisor in 1981 and is currently an associate media director responsible for planning.

Debbie-Lisa Brown has been elected a vice president of N W Ayer. She came to the agency as an assistant planner from Young & Rubicam in 1979, and is now an associate media director.

Lee Ellen Mongrain has joined Weightman Research, Philadelphia, as manager of the Marketing Information Center. As such, she's responsible for secondary research and information retrieval as well as in-house studies and new business research.

Thomas E. Garrity has moved up to associate media director at Elkman Advertising, Bala Cynwyd, Pa. He joined Elkman five years ago from Grey Advertising and now steps up from media supervisor.

Becky Thomas has been promoted to associate media director at William Cook Advertising in Jacksonville, Fla. She is succeeded as media supervisor by **Gene Johnson** who moves up from buyer.

Denise Bucher has stepped up to media supervisor at DDB Needham Worldwide in Chicago. She came to the agency last year as a planner, following posts with Young & Rubicam in Detroit and with Leslie Advertising in Greenville, S.C.

Linda Fischer has been promoted to media supervisor at BBDO/Chicago. She has been with the agency for four years and now advances from senior media planner and will report to **Nancy Swiet,** vice president, associate media director.

Teddy Pickhardt Hayes has been promoted to media supervisor at Basso & Associates Advertising in Newport Beach, Calif. She joined the agency four years ago and now moves up from buyer/planner.

Carol A. Hanlon is now a broadcast media supervisor for Ross Roy, Inc./Detroit. She came to the agency as a secretary in 1978 and now advances from senior buyer.

Katz Hispanic TV

Cuddihy

Katz Hispanic Television Sales has been formed to sell Spanish language advertising. Katz man in charge is John Cuddihy, who becomes director of Katz Hispanic Television Sales. The move comes with Katz Television's addition of new station client WLII, Tele-Once, licensed to Caguas-San Juan, P.R., and owned by Television Broadcasting Corp., with Lorimar Telepictures as the principle shareholder.

Other Katz client stations currently offering Spanish language programming include KGBT-TV Harlingen, KGNS-TV Laredo, KCBD(TV) Lubbock, and KMID-TV Midland-Odessa, all Texas, and KGUN-TV Tucson and KNTV(TV) San Jose, Calif.

Representatives

Rocky Crawford has been promoted to vice president/Southwest regional manager of Hillier, Newmark, Wechsler & Howard, with responsibility for overseeing both the Dallas and Houston sales offices. Crawford joined the Bernard Howard Co. in 1980 as Dallas manager and became part of HNW&H when Bernard Howard merged into the rep company in 1983.

Sandra Salas has been appointed sales manager of the Chicago office of Caballero Spanish Media. She joined Caballero a year and a half ago and now steps up from account executive.

Barbara Bruns and **Robert Webb** have been promoted to sales managers at Seltel. Webb now heads the Raiders in New York and Bruns is manager of the Red team in Chicago.

Sharon Mancini has stepped up to assistant vice president in the New York office of Major Market Radio. She was formerly office manager of MMR's New York office.

Stacy Bergmann has been promoted to associate research director at Republic Radio. She came to Republic in 1984 and now advances from market research specialist.

Donna Moreau-Cupp has been promoted to an associate in the National Sales Development Department of Katz American Television. She came to Katz in 1981 as an executive secretary in Probe/Marketing and now moves up from marketing media analyst in the Management Services Department.

Peggy Baldwin and **Richard Vedder** have been appointed account executives at TeleRep. Vedder moves in from Leo Burnett to join the Lions team in Chicago. Baldwin will work out of Detroit and is assigned to the T sales team. She had been a senior buyer with W. B. Doner and Co.

Retail Report

Targeting specific customers

Ready for some depressing statistics? Federated Department Stores, one of the major department store groups in the country with sales (in 1985) of $9.9 billion, spent 12 per cent of its advertising budget in broadcast in 1977. Eight years later, in 1985, Federated was still spending 12 per cent in broadcast. Rich's, the Atlanta-based department store group, spent 24 per cent of its ad budget in broadcast in 1977 (the year it was bought by Federated). By 1985 that had dropped to 13 per cent. During the same period, while newspapers *did* decline as a percentage of the total mix for both entities, direct mail increased dramatically—from 13 per cent to 32 per cent at Federated; from 10 per cent to 30 per cent at Rich's. The reason? Targeting. Was there ever a better argument for broadcasters to spend more time developing qualitative research and less time selling the numbers?

These figures, by the way, were cited during one of the sessions at the Radio Advertising Bureau's Managing Sales Conference earlier this year in Atlanta. The speaker was David Joss, marketing business director at Rich's, and he was full of good advice for broadcasters in general and radio broadcasters in particular.

The dramatic swing to direct mail developed, he said, because, "the direct mail people have done a very good job of convincing us their medium works, that it's able to target specific customer groups. And more and more, that's what we've wanted to do, as we upgrade our stores and try to get better customers. We want to use the advertising dollars we have available more productively."

Turning specifically to radio, Joss said Rich's felt there was "a lot of information we were looking for that we weren't getting. We needed to know who our customers were and what stations they like to listen to. And do they listen to radio?" And the store did not want just general information. "We decided we needed to know by family of business—we have separate businesses like young men's, juniors, electronics, furniture. We were worried that we were looking at the total market rather than getting into which is the most productive way to reach those targeted people for each family of business."

Rich's found the research tool that would do this for them—the MA*RT study put out by Columbus, Ohio-based Impact Resources, a consumer-based service that analyzes consumer shopping patterns and relates them to media usage (*see Retail requirement: data on consumer shopping patterns*, TV/RADIO AGE, April 27). The study enabled Rich's, in Joss' words "to see what radio stations we should be using for which types of business. And they were not necessarily the biggest stations in the city. We came up with something called a Relative Draw Analysis that told us which stations appealed to our target customers.

"Of those people who said Rich's was their favorite department store," he continued, "we were getting information on what radio stations they listened to—by age group and income level."

One example he cited showed that one station had 17.1 per cent of Rich's customers but 12.1 per cent of the total market. The RDI was 141 (100 is average). Said Joss: "They were Number 1 as far as Rich's was concerned."

That this type of data are valuable to a retailer such as Rich's is obvious. But Joss does not believe the store should have to seek out such facts itself. "We feel," he said, "this sort of information should really come from the radio stations. We need for you to take the lead and come to us and sell, Number 1, radio as a medium; and, Number 2, your particular station because it has an appeal to certain parts of our target customer mix."—**Sanford Josephson**

One Seller's Opinion

Grass roots selling a key tool in tough national spot market

Egan

Today's tough spot economy has caused a dramatic change in the role of national sales managers at television stations. They not only have to fight for their fair share of existing spot business, but must also force the flow of new national dollars into their market and onto their stations. It's inaccurate to say spot sales have declined, but many of us wonder if we'll ever see the day when we again enjoy double-digit growth. Therefore, to boost spot sales, station NSMs must rely increasingly on cultivating nontraditional revenue sources that entail developing relationships with local representatives of national advertisers.

Statisticians call the slowdown in spot's growth a 'decreasing increase,' meaning that advertisers, agencies and media all have to reassess their strategies. It is up to us, therefore, to create our own growth. We must control our own future. But we can't do business today the way we did yesterday. We must go beyond numbers and efficiencies and beyond CPMs to strategically position our stations.

We must capitalize on our vast quantity of media and product use information in order to develop non-traditional marketing opportunities, such as sports sponsorships or event promotions. If done effectively, these can make an advertiser's budget seem 10 times bigger than it is.

Today's marketplace demands that we think and act more like broadcast marketers and know the advertiser's business as if it were our own. We must understand their problems as well as their goals and objectives. We must develop a rapport with them to gain their respect and confidence. By speaking the advertisers' language and understanding their needs, we can better position ourselves and more effectively sell our product. The best rating book is the cash register.

The best way to get a national advertiser to buy spot TV is by getting the regional district manager or his equivalent excited about what it will do to build *his* traffic and sales. Once he's convinced, he will drive it back to national headquarters for approval. Whether it's sports sponsorship for Allstate insurance in Fresno or using a state lottery as a promotional tie-in for Dodge, the advertiser's local/regional representative is the key to closing the sale.

Perhaps some of your most important buyer calls in 1987 will be in your own backyard—not at the spot buyer's desk in a major city. Neither the sports sponsorship nor the promotional tie-in cited above would have happened without the endorsements of the local/regional representatives to those national advertisers. And it wasn't numbers alone that sold them. Developing new national spot dollars requires creative thinking, persistence and teamwork between the station and its rep. This way, the right people are covered at both the agency and advertiser levels. And one of the most important things to remember when dealing with advertisers and their agencies is to never accept a "No" from someone who does not have the authority to say yes. Never give up until you have found the person or persons who have that authority.—**Cathy Egan,** vice president, director of marketing, Katz Independent Television.

Stations

Nancy C. Widmann has been named vice president, CBS Owned Radio Stations, responsible for the Radio Division's seven AM and 11 FM properties. She joined the company in 1972 and has been vice president, CBS Owned AM Stations, since May, 1986.

Dale G. Rands has been named chief executive officer of Federal Enterprises, Inc., parent company of Federal Broadcasting Co., which recently acquired WWJ/WJOI(FM) Detroit and WMCA New York. Rands is a principal in the Detroit-based law firm of Schlussel, Lifton, Simon, Rands, Galvin and Jackier, P.C.

Ronald Townsend has been promoted to president of Gannett's WUSA(TV) Washington. He joined the station in 1974 when it was WTOP-TV and is now the station's general manager.

Walter B. (Joe) Archer is now general manager of WWJ/WJOI(FM) Detroit. Archer had been vice president and Detroit manager for Greenwood Performance Systems, a radio sales consulting firm specializing in sales training programs.

Steven Soldinger has been appointed general manager of Bahakel Communications' WCCB-TV Charlotte. He transfers from Bahakel's WRSP-TV Springfield-Decatur-Champaign where he served in the same capacity.

Kip Gilbert has been promoted to vice president, general manager of KBPI(FM) Denver, and **Nick Marnell** moves up to vice president, general

Media Professionals

Good media plans result from detailed homework

Leonard Kay

Senior vice president/director of media operations
Kelly, Scott and Madison, Inc.
Chicago

Len Kay of Kelly, Scott and Madison, recalls that when the buying service moved into new office space last year, "Once we found the right location, the process of planning for the move became a perfect analogy of the media planning process that forms the foundation of our business."

Kay says the first move was to contract with an architectural firm that specialized in office design. They were selected, he explains, "on the basis of what they did for other companies. We didn't expect or want a copy of some other office they had designed; we wanted something that specifically fit our needs. So we didn't ask for sample plans: In fact, they wouldn't have done that even if we had asked."

Instead, he says, "They conducted a detailed study of our business; what each of us did, who does what, with whom, the kind of equipment we use, the traffic flow, our conference needs, our growth projections, and so on. In other words, they needed our "marketing plan" before they could begin to suggest floor plans. To start at the other end—a floor plan designed in a vacuum—would have been an unproductive exercise. But since they started at the right end first, their final plans proved to be well thought out and addressed our specific needs."

Kay points out that a client's media plan "is much the same. It is meaningful only if it addresses the marketing, sales goals and objectives of the company."

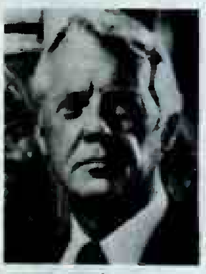
He points out that, "Many factors influence a media plan. For instance, is the objective to increase brand awareness, or to stimulate sampling or brand switching? Are you looking for new users, or for increased volume from existing users? And what interaction will there be among the retail trade?

"Also, how developed is the brand, market-by-market? Where does the brand need most help? Are your objectives short-term or long-term? And finally, how will success be measured?"

Kay says that the answers to such questions as these "will make a difference in what media are to be used and how they will be used. An effective media plan should be crafted like good architecture, and not just be another pile of bricks."

---

manager of sister station KNUS. Marnell was formerly manager of both stations and Gilbert had been general sales manager for both Sandusky stations.



Robert Hyland, general manager of CBS owned KMOX/KHTR(FM) St. Louis, has been named senior vice president of the CBS Radio Division. He first joined CBS as an account executive with WBBM Chicago after World War II and came to KMOX as sales manager in 1952.

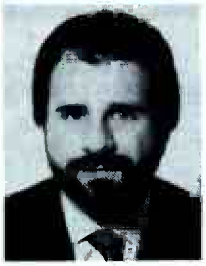
Jeanne Oates has been named vice president, general manager of Metropolitan Broadcasting's WWBA Tampa-St. Petersburg. She had been corporate vice president and general manager at WPGC/WCLY(FM) Morningside, Md.

James W. Sack has been appointed director of sales planning, administration and service for the ABC Radio Networks. He joined ABC 14 years ago and now moves up from director of planning, finance and administration.

Robert R. Regalbuto has been promoted to president of KSTP-TV Minneapolis-St. Paul. He has been vice president and general manager of the station since January, 1986, and before that was general manager of WCPO-TV Cincinnati.

Joseph Jerkins has been promoted to president of Gannett Television's KVUE-TV Austin, Texas. He has been vice president and general manager of the station since 1979 and before that had been general manager at KTVY(TV), Oklahoma City.

Barbara Shrut has been named controller for DKM Broadcasting Corp. She moves in from Cox Enterprises where she had been assistant controller.



Robert Alan Epstein has been named vice president and director of corporate business development for Telemundo Group, Inc., the recently formed Spanish language television group. He was formerly vice president and director of marketing at Blair Television.

Curtis G. Peterson has been appointed vice president, general manager of Narragansett Broadcasting's KAYI(FM) Tulsa. He had been vice president and general manager of KFRX(FM) Lincoln, Neb. and before that was with KESY(FM) Omaha.

Buyer's Checklist

New Representatives

Blair Television has been named national sales representative of Family Group Broadcasting's three Wisconsin independents. They are WGBA-TV Green Bay, WLAX-TV La Crosse, and WEUX-TV Eau Claire.

Caballero Spanish Media has been appointed national sales representative for KSUN, the new Spanish language radio station in Phoenix. Caballero continues as representative for KPHX in Phoenix.

CBS Radio Representatives is now the exclusive national representative for WOKY/WMIL(FM) Milwaukee. WMIL features country music, and WOKY airs an MOR sound in AM stereo.

Christal Radio is the new national sales representative for WKOL/WMVQ(FM) Albany, N.Y. and for KTMS/KHTY(FM) Santa Barbara, Calif. KHTY is a contemporary hit station and KTMS programs news, information and sports. WKOL offers an MOR format and WMVQ airs adult contemporary music.

Eastman Radio has added WTIP/WVSR(FM) Charleston, W. Va., to its list of client stations. WTIP plays oldies, and WVSR is a contemporary hit radio station.

Independent Television Sales has been appointed national sales representative of WQTV(TV) Boston. The station is owned by Monitor TV, Inc.

Petry Television has been named national sales representative for KTUL-TV Tulsa. The ABC affiliate is owned by Allbritton Communications Co.

New Facilities

WPCQ-TV Charlotte plans to commence construction of its new 2,000-foot tower in early 1988 and have it operational by summer 1988. The NBC affiliate expects the new structure to boost its present coverage area by 40 per cent.

New Affiliates

Mutual Broadcasting System has signed jazz-formatted KKGO(FM) Los Angeles to carry Mutual News.

Transactions

TVX Broadcast Group Inc. has closed its acquisition of the five independent television stations formerly owned by **Taft Broadcasting Co.** for $240 million. The stations involved are WTAF-TV Philadelphia, WDCA-TV Washington, WCIX-TV Miami, KTXA-TV Dallas-Fort Worth, and KTXH-TV Houston. TVX chairman Gene Loving says the buy, plus its seven other TV properties, makes TVX the operator of more independent television stations than any other broadcaster "and gives us the largest group of Fox affiliates."

Jacor Communications, Inc. has agreed to acquire KOA/KOAQ(FM) Denver from the **A.H. Belo Corp.** for $24 million, subject to FCC approval. Terry S. Jacobs is chairman of Jacor, which owns 12 radio stations and the Georgia Radio News Service.

Viewpoints

Louis T. Hagopian

Chairman, N W Ayer, in a recent speech before an International Radio & Television Society Newsmaker Luncheon in New York

Agency, media challenge: Refocus on consumer, building of businesses

American business is too preoccupied with easy money, funny money, floats and deals, America's business is in danger of losing the ethos to build. In a small way, perhaps, the advertising industry can help ourselves and the rest of business to get back on the track where we belong.

In the long run, the agency mergers that have occurred so far won't make an awful lot of difference in how the agencies do business with people in broadcasting and the other media. Super clout in negotiation is largely a myth. The giant agencies won't be any smarter, though probably more mechanical in their media planning, than the medium or lower middle tiers.

What we can do, what we need to do is return to our rightful role as builders of businesses. We're much better at that than at mergers and stock offerings. And maybe in the process we can do something for American business that it needs very badly in 1987.

The builders of healthy businesses understood advertising, and advertising people understood them. Henry Ford and Alfred Sloan employed advertising in the same way they used the production line and new product engineering to build good products, to anticipate and respond to consumer needs, to create jobs, to bring benefits and value to the public. The people who built newer industries like Xerox and IBM understood the building function of advertising as well as those who built and manage P&G, Coca-Cola and AT&T.

We—and I'm broadening the pronoun to include all business, not just advertising—have been through a period of reverence for short-term self interest at its worst. We have forgotten, as Mr. Ford and Mr. Sloan never did, our primary constituency, the most important one that we serve.

Our real constituency isn't the clients and it isn't the media. It is the public. Like broadcasting, and more than most any other industry, we are in business to serve the public.

Elected officials are public servants, but the public passes judgment on them just one day every four years. The public says yes or no to our ideas, our performance, our credibility a hundred times a day. It turns us on. It turns us off. It turns the page.

We don't stand a chance of survival, let alone progress, if we forget to serve the public. And how do we in the agency business serve the public? By doing great ads for good products. By respecting the public and competing as hard as we can for their favor which, when we get it, runs real money into a healthy economy.

We may have flirted with elitism in the past year or so, but we can't afford to be elitist any more. The destinies of advertising agencies aren't tied to Drexel Burnham and Morgan Stanley. They are closely allied with what happens to Susie Smith and Johnny Jones, in other words, the vast American public. You can run an arbitrage house, in fact you have to, with the philosophy that the public be damned. But you can't run an advertising agency that way.

We have been elitist, hobnobbing with stock exchanges and international bankers. We're even under pressure from some in the media to be elitist. They tell me I should run the ads in a TV show with demographics so high that everyone who tunes in is a Yale graduate who works at Park Bernet. The business papers crow about how they've pruned their subscriber lists so that every eligible reader has an income of $100,000 to start.

We'd better get back to caring about Susie and Johnny. Budweiser and Chevrolet and J. C. Penney and McDonald's do, and they are much more committed—financially and spiritually—to advertising than Courvoisier and Jaguar and Gucci.

Back to real people

And maybe in the process we'll get back to what advertising is all about. The fond give-and-take with people, people like ourselves. Ordinary people to be cajoled and kidded with and healed a little bit and touched. Real people to be made friends, to care about, to gain loyalty from and give loyalty to.

Do we want a society dominated by the small and select, with those Yuppie values in ascendancy? Could we ever afford it? Out of the greed we've shown and been accused of, are we prepared to encourage the division of society into a few haves and lots of haven't got much?

There is nothing but disaster for all of us if we continue on the path toward concentration of the national wealth. Our self interest demands that we work for increased economic power for the many rather than grab all we can to be part of the fortunate few.

We can make a difference to companies and people. We can create and build businesses. We're very good at that. We also have a responsibility to inform and enlighten the public in any modest way we can. We have the opportunity to create consumer interest and the responsibility to create consumers. And by that I mean jobs and higher standards of living.

Programming/Production

Reps high on C/E's 'Boss' in syndication

Station reps are saying they have high hopes for *Who's the Boss?* now that the sitcom has been launched into syndication by Columbia/Embassy, via a partly similar but more flexible, selling procedure to that used by Viacom for *The Cosby Show* in off-network. One rep is so bullish on *Boss* as a syndication vehicle that he has endorsed *Boss*, which is being made available for fall, 1989 debut, almost on a blanket basis to all client stations.

Dean McCarthy, vice president, director of program services at Harrington Righter & Parsons, says that he's strongly recommending that *Boss* be bought by the rep company's clients, all affiliates. He continues that while *Cosby* is the stronger of the two sitcoms, there are obvious advantages that *Boss* has over *Cosby*, including the more flexible manner in which *Boss* is being sold by C/E and because *Boss* is being offered for cash.

HRP is now compiling projections on how *Boss* will do off-network in terms of daypart and men and women demographics in each market HRP represents, a procedure followed with *Cosby*. Specifically, McCarthy says, HRP will study early-fringe and late-night, and access for those stations below the top 50.

Sense. Jack Fentress, vice president, director of programming at Petry Television, while not giving *Boss* a blanket recommendation, says that the sitcom's purchase "makes a lot of sense," especially on stations that can run it with another type of show. In addition, Fentress believes that *Boss* will be more flexible in terms of daypart play than *Cosby*. "It's as perfect in syndication as any show, based on demographics alone. If I had *Cosby* I would be hesitant to air it in late-fringe. But whether a station can afford to play it there is another matter." The single objection Fentress has is that C/E is apparently looking for top dollar on *Boss*, comparable to *Cosby's* prices. "It's not worth anywhere near what *Cosby* is getting. But on the other hand, *Cosby* is overpriced as well."

C/E's selling of *Boss* is similar to *Cosby*'s selling in that *Boss* is being offered on a weekly-license fee basis, with a bottom-price floor in each market. But the differences are vast otherwise, notes Barry Thurston president of syndication at C/E. *Boss* is being sold purely for cash, while *Cosby* has two 30-second national spots withheld in each episode; on *Boss*, 120 half-hours are being guaranteed, with stations given the option of airing all the shows for four-and-half years (the *Cosby* reruns must be completed in three and-a-half years). Flexibility is seen by the reps as the biggest advantage that *Boss* has over *Cosby*. Unlike *Cosby*, which must be shown day and date, *Boss* can be aired any which way stations desire, says Thurston. "That's terrific," says Fentress. "The ability for stations to play it anywhere. If I wanted to rest it for three months during the summer, I could do that too."

A frame *from Columbia/Embassy's "Who's the Boss?". C/E is looking to cash in heavily on the popular sitcom as a syndication series for fall 1989.*

In addition, C/E is adding a half-minute for time for stations, giving *Boss* a total of six-and-a-half minutes in each episode. Previous C/E off-network product had six minutes for stations. *Cosby* has five and-a-half each half-hour.

Pitch. New York was C/E's initial whistle-stopping point, and C/E was expected to pitch Los Angeles and San Francisco the past week. According to sources, C/E is setting an asking price to stations after it completes its presentation in each market. It's understood that stations have between 72 hours and a week to enter the bidding once the minimum floor price has been established in their market.

ABC-TV, meanwhile, is so high on *Who's the Boss*? that it will join the ABC encore presentations schedule and lead off the daytime lineup, beginning June 1, from Monday through Friday, from 11–11:30. There appears to be a good reason for C/E to believe that it can succeed where the selling of *Cosby* is leaving off. According to Gary Lieberthal chairman of C/E, the sitcom wound up 1986–87 in 10th place, among the three networks primetime regular series, grabbing a 22 rating and a 33 share. In addition, *Boss* racked up the following statistics, among others: In its third season *Boss* showed growth over the second season in every demographic category, up 3 per cent in both rating and share over its 1985–86 showing; up 12 per cent to a 20.4 rating in women 18–34; up 8 per cent, women 18–49; and an increase of 8 per cent, women 25–54, from 18.5 to 20. In men, 18–34, *Boss* rose substantially to a 13.7, for a 26 per cent hike; 18–49, up 19 per cent, and with 25–54 years olds, up 11 per cent to 14.

Teens went from 18.3 to 21.4 for a 17 per cent rise; while in kids, the hike was 14 per cent, to 17.7 from 15.5.

Thurston notes that *Boss* has the same demographic audience composition as *Cosby* and that they are the only two comedies to win their time periods every week in the 1985–86 season. In addition, he says, both are the only two comedies to have every individual cast member in the top 10 in viewer popularity.

But Thurston also stresses that *Boss* has beaten much tougher competition than *Cosby*. For example, he says *Boss* sent *A Team* down 23 notches, from seventh to 30th in the rankings and from a 22 to a 17.1 rating, down 29 per cent, over a three-season average, before and after *Boss* made its debut, while *Cosby*, on a four-season average, dented *Magnum P.I.*, which was ranked below the top 10, down only four places and knocked it down only 12 per cent in ratings.

Boss ran in four different time periods and increased its share with each move. *Cosby*, on the other hand, says Thurston, has always run in the Thursday, 8 p.m. time period, except once. When it was on the air on Sunday at 8 p.m., *Cosby*'s rating was down 19 per cent, and its share dipped by 22 per cent, he observes.

MGM/UA, Camelot deal

In an increasing industry trend, two syndicators are combining efforts in selling first-run product. In this case, Camelot Entertainment Sales will exclusively handle the barter sales for MGM/UA Television's *Sea Hunt* and *We Got it Made*, two weekly half-hour series to run beginning in the fall. Based on the original United Artists 1957-61 series, the new *Sea Hunt* stars Ron Ely. *We Got it Made* is an updated version of the television series which orginally ran on NBC during the 1983-84 season.

Camelot, a subsidiary of King World, sells the barter time for King World-distributed programs *Wheel of Fortune*, *Jeopardy!* and *The Oprah Winfrey Show*.

David Gerber waits out shakeout

Veteran television executive David Gerber has been through several changes of management in the relatively short period of time since he was installed as MGM/UA's president of television production in July, 1986. But Gerber, who was recently honored as Showman of the Year (along with Paramount Pictures chief Frank Mancuso) by the Publicists Guild of America, is philosophical about the series of financial maneuvers that started with Ted Turner's move on MGM/UA and culminated in its repurchase by Kirk Kerkorian.

And, while acknowledging the current fiscal realities of the television business, Gerber is optimistic about its future, citing MGM/UA's commitment to longforms, dramatic and action development and the new cable and video marketplaces. Like a good poker player, he says MGM/UA is going to continue to ante in until the current industry shakeout has been resolved. Toward that end, the studio has signed independent production deals with Lewis Chesler, Richard Fielder, Robert Greenwald, Marshall Herskovitz and Ed Zwick, David Manson, John J. McMahon, Paul Monash, Mace Neufeld, Michael Ogiens and Josh Kane, Pat Proft, Andy Tennant, Larence Turman and David Foster, and Mark Victor and Michael Grais, among others.

"We're going through a turbulent era, that I equate to the time when movies went from silents to talkies," says the ebullient Gerber, whose credits include the *George Washington* miniseries; *George Washington II: The Forging of a Nation; The Lindbergh Kidnapping Case* and *That's My Mama*, but who is perhaps most identified with the gritty realism of *Police Story* and *Police Woman*.

"A lot of us feel that there's been an overlay at the networks, with too many bodies to deal with and not enough confidence in the producers that they're hiring and paying a lot of money to," he adds. "So now the executives back East are saying, 'Why are we paying all this money to these people as well as our own staff. Maybe we don't need all these bodies running all over each other. Maybe we should find the right people and let them do their jobs. . . .'

"They don't want the kind of deficits they get with *Miami Vice* or some of the other shows," Gerber says. "Now the networks are faced with first-run syndication, local stations that are doing well, cable coming in, and a fierce competition for the advertising dollar. The network is still the best distribution system in our country in terms of getting a message across, but it's not an empty barrel any more. We know there's only so many dollars you can give out, and then you have to make do."

Message. Gerber says Hollywood is finally getting this message, resulting in a tough look at star salaries, agent involvement and studio overhead because the economics have become "so outrageous." But, like the gambler he is, Gerber insists that "the major studios will be staying in, looking for that extra card to fill an inside straight."

"The game is going to be very big in the '90s, so people don't want to get out," he says. "They're putting down roots and spending money so they can survive and that smaller companies which don't survive will come under their umbrella."

David Gerber

He concedes that many studios have abandoned longforms, adding that "the networks, if anything, are showing a propensity for independents; they're not favoring the majors," but says he has Lee Rich's backing to stick with longer projects as well as series. Through the complicated series of agreements which led to Turner's sale of MGM/UA to Kerkorian, anything that was produced at MGM/UA prior to May, 1986 is owned by Turner, except if a series was currently on the air or in development, in which case MGM/UA continues to have the rights.

The United Artists television library now belongs to MGM, but all MGM theatrical features made prior to May, 1986 are owned by Turner, including pre-1944 Warner Brothers features. MGM/UA owns the rights to all UA theatrical features. If MGM/UA wants to make a TV series based on a Turner property, it has the right to bid for it, along with other applicants, but if Turner desires to market series or rights to another studio, then MGM/UA has right of first refusal.

In addition, MGM/UA owns the rights to the series, *Fame*, while Turner owns *Gilligan's Island*.

Gerber does not look back at the turbulent era leading to the ultimate resale with great nostalgia. "I liked Turner when he was here. He had a lot of great ideas and energy, and he was a genius at communication, but the headlines were going back and forth, and it made it very tough for all of us to attract talent because no one knew what was going on," he says. "The agents stayed away and the networks were concerned."

MGM/UA's current television strategy is to plunge into the first-run syndication market with the remake of *Sea Hunt* as well as such network projects as *Mercy or Murder*, with Robert Young; *Dirty Dozen III;* and *Police Story II;* the ABC series *Jack and Mike;* and *Karen's Song*, starring Patty Duke, for the new Fox Broadcasting Company.

Gerber believes a burgeoning television and video market in Europe will help MGM/UA's prospects, adding that half-hour action adventure shows like *Sea Hunt* may do better in international syndication than some of the domestic sitcoms. He is also enthusiastic about such pilots in development as Herskowitz and Zwick's *30 Something* (NBC), about a married couple living in a blue-collar neighborhood.

"We've been getting some pretty good theatrical feature writers and directors because on television they can do subject matter that they can't for features," Gerber notes. "A lot of the features these days are glorified fairy tales, adventures and fantasies. You can count on your fingers the number of relevant works compared to the marvelous and controversial subjects done on televison."

Nets set kid schedule

All three major networks are set for their fall Saturday morning kids' schedule, with NBC scheduling four new shows and CBS planning four. In one case, a kids' program, *Kidd Video*, currently one of NBC's Saturday fare, will shift to CBS this fall.

At CBS, whose airing kicks off on September 19, a week after NBC's kids' schedule, the new shows are *Hello Kitty's Furry Tale Theatre*, which is set for an 8 a.m. launch; followed by *Neu*

Programming/Production

(continued)

Adventures of Mighty Mouse, until 9; *Garbage Pail Kids* is on at 10:30, and *Popeye and Son*, another new half-hour entry, is set for 11.

At NBC, the new programs are *Fraggle Rock* at 10 a.m., *Alf*, based on the primetime series, set for 11 and *The Archies*, 11:30, while *I'm Telling* is the 12:30–1 p.m. program.

ABC, which announced its schedule last, will introduce three new animated series, and a live-action program featuring "amusing and extraordinary views of the animal world." The new morning entries, all half-hours, are *Little Clowns of Happytown*, 8:30–9, story of a fantasy town whose inhabitants are all born clowns; *My Pet Monster*, 9–9:30, series about a boy and his stuffed animal that is transformed into a "lovable" six-foot monster; *Young Wizards*, 10–10:30 magic and fanatsy adventure series; and *Animal Crack-Ups*, noon–12:30 p.m., program hosted by Alan Thicke and which features guest celebrities.

MCA overnighter

MCA TV has announced officially that it will launch an overnight home shopping network, confirming reports of the past several weeks. The Home Shopping Overnight Service, as it is being called, will begin in September. According to Lowell W. Paxon, president of Home Shopping Inc., the plan is to pay each broadcaster and cable operator a 5 per cent commission of the revenue derived from merchandise sales. Shelly Schwab, president of MCA TV Enterprises, says that seven minutes per hour will be made available for local advertiser sales and no time is being held back for national advertising.

HSN says it will work with each broadcaster to establish the list of all cable companies that carry the broadcasters' signal in order to avoid duplication within a market. Hours of the service will be between midnight and 7 a.m., Monday through Sunday. As of the end of March, HSN had paid more than $23 million in commissions to cable operators.

According to Paxson, HSN is positioned to provide the service to broadcasters because beginning in September a new $60 million telecommunications center will be operational. The 185,000 square-foot center will seat a maximum of 3,000 order-processing operators at one time. In addition, HSN has opened distribution centers around the country to serve almost every home with two-day delivery, says Paxson.

Paramount clears

According to the latest figures from Paramount Domestic Television on market clearances for first-run programs, *Star Trek: The Next Generation* has been sold to over 130 stations representing more than 85 per cent of the country, including 28 of the top 30 markets; *Friday the 13th: The Television Series* has cleared 150 markets with 93 per cent coverage, and *Marblehead Manor*, part of the NBC-owned stations' checkerboard lineup for fall, '87 is now in over 110 markets, with more than 85 per cent coverage.

This report, by R. Gregory Meidel, senior vice president and general sales manager for the division, follows on the heels of the formation of International Advertising Sales, a joint venture founded by the Gulf & Western Entertainment & Group (which includes Paramount), Coca-Cola Telecommunications and Orbis Communications to sell national barter advertising.

"In our experience, no other distributor has achieved these high clearance levels for its entire slate of freshman series so quickly," according to Lucy Salhany, president of Paramount Domestic Television, who calls the results a "vote of confidence on the part of stations" for the Paramount programming.

Clearances for *Star Trek* have included top network affiliates as well as key independent stations. WCVB-TV, the ABC affiliate in Boston, will air the hour-long series in primetime on Saturday nights. Other stations programming *Star Trek* include KCOP Los Angeles and CBS affiliates KMOV St. Louis, WCPX Orlando and KENS San Antonio. Group-owned stations carrying the program include those of Chris-Craft, Tribune, Cox, Gaylord, Scripps-Howard and TVX.

Friday the 13th: The Television Series has cleared the Fox-owned stations and ABC outlets WCVB Boston, WTAE Pittsburgh, WPLG Miami and WJZ-TV Baltimore and is primarily being used for late-fringe and late-night timeslots.

In addition to its prime access checkerboard position on the NBC-owned station group, *Marblehead Manor* is being bought by ABC and CBS affiliates and is attracting weekend primetime and access time periods on both affiliates and independent stations.

Barris joins ASTA

Barris Advertising Sales has joined the Advertiser Syndicated Television Association, the second company to do so in the past month. MCA TV joined ASTA in April. The total number of companies now members of the organization is 23. Barris represents two current strips, *The New Newlywed Game* and The *All-New Dating Game*. In addition Barris sells the ad time for the *Howdy Doody 40th Anniversary Special* and five one-hour specials dealing with children of celebrities, *Born Famous*.

AIDS clearances

USTV has cleared close to 100 markets on its live five-hour television news special, *The AIDS Connection, An All-Night Dialogue*. Airing of the special is July 24, and total clearances are expected to reach more than 80 per cent of TV homes. *AIDS Connection* will be distributed by USTV's $15 million Ku-Band satellite communications system. Syndicast Services is overseeing the national advertising on the show, which is being sold on a barter basis.

Produced by Conus Communications, Minneapolis, the special will bring young adults face to face with prostitutes, patients, physicians, insurers and condom manufacturers, in an uncensored question-and-notes Lionel L. Schaen, USTV president and chief operating officer. The remote segments will include airings from a dozen locations nationwide, plus live audiences interacting from four different cities. USTV is a limited partnership of Hubbard Broadcasting, Petry Inc., Burt Harris and others in the TV industry.

Zooming in on people

Dick Askin has been named president of television distribution at **The Samuel Goldwyn Co.** He joins the company after serving as senior vice president, distribution, Fries Distribution Co. Before that, Askin was director of sales at KNBC-TV for five years.

Jay Silhs has become vice president, midwest sales at **Coca-Cola Communications.** He had been a sales executive at Columbia Pictures Television since 1983.

Scott Kolber, market strategy specialist at **Viacom Enterprises,** has been promoted to director, marketing strategy. Kolber joined Viacom in 1984.

Scott Kobler

David Campbell has been promoted to vice president, southwest region. He had been southwest sales manager. Campbell joined Viacom in 1982, covering the central division.

Michael T. Baldwin has joined **Orbis Communications** as manager, marketing and research. He comes to Orbis from Katz Communications, where he was television research manager, and, previously, television sales research analyst.

Jack Brandon has been named national sales manager for syndication sales at **Fox/Lorber Associates.** Brandon had been sales manager for the midwest/mid-Atlantic region. Before joining Fox/Lorber, Brandon was at Young & Rubicam.

Lynden Parry has been appointed vice president, Europe and Africa, for the recently formed **MGM/UA Telecommunications** division. Parry is a longtime executive of MGM/UA Entertainment Co. and has worked for several years in Spain as an agent for Viacom.

Alene Kiku Terasaki has joined **Paramount Pictures Corp.** as director, programming and development for the domestic television division of Paramount Television Group. She had been at Home Box Office, where she was manager of development, West Coast, for original programming.

Larry Friedericks has been promoted to the new post of executive vice president, international distribution at **Fries Distribution Co.** Previous stints include executive jobs with United Artists Theatre Corp., where he was president of a subsidiary, and Hemdale Releasing Corp., where he was vice president of sales.

Syndication shorts

Production has begun on the second year of *Gorgeous Ladies of Wrestling*, one-hour series sold in 52 markets, including seven of the top 10. **MG/Perin Inc,** is national sales rep for the Independent Network, producer. The show is produced in Las Vegas with a live audience and is showing high increases over last year in ratings in its time period in markets such as Los Angeles (up 67 per cent), Dallas (300 per cent), Dayton (100 per cent), Indianapolis (100 per cent) and Miami, (67 per cent), according to Marvin Grieve, MG/Perin president.

King World has set 105 stations for its next Women of the World series, a one-hour special, *Women in Sports and Adventure*, produced by Sandra Carter Productions. The series consists of seven one-hour specials, which premiered last year and was produced in 20 countries. Lineup for the special includes WABC-TV New York, KHJ-TV Los Angeles, KGO-TV San Francisco and WCVB-TV Boston.

Marvel Productions has received a $10 million production order from Hasbro to produce 39 new episodes of the syndicated animation series, *JEM*. The program will expand from a weekly series to a daily strip this fall, with the new order bringing the total number of *JEM* episodes to 65 half-hours. *JEM* is distributed by **Claster TV Productions.** It's produced in association with Sunbow Productions.

Muller Media Inc. has gotten the domestic distribution rights to film packages from UPA Productions of America. The rights included 17 sci-fi features headlined by Godzilla, Rodan and Dracula titles, plus six award-winning Mr. Magoo feature films, and five titles including three award winners, *Sounder*, *Misty* and *Dog of Flanders*.

D. L. Taffner/Ltd. has added 15 stations to the *The Ropers* lineup, bringing the total station lineup to 104. New stations include KVOS-TV Bellingham, WDRB-TV Louisville, WSOU-TV Charlotte, KMPH-TV Fresno and WOWT-TV Omaha.

It's Showtime at the Apollo, now covers 50 per cent of the country. Newest stations include WTVJ-TV Miami, WFAA-TV Dallas and KUSI-TV San Diego. The one-hour show is being cleared mainly between 6 and 8 p.m., on Saturdays.

Western World has co-produced and is distributing *Fifteen* in the U.S. and worldwide. The series, a soap opera, follows the lives and loves of high school students and is co-produced with **Children's Television Productions,** Boston. Thirteen half-hours have been completed. Also at WW, *Born In America*, hour special, has been cleared in 88 markets covering more than 50 per cent of the country. Stations include WNBC-TV New York, KING-TV Seattle KNBC-TV Los Angeles, WNEV-TV Boston and WXYZ-TV Detroit.

Peabody winners

The Cosby Show, NBC comedy; *This Week With David Brinkley*, ABC's Sunday news interview program; and Jim Henson and the Muppets were among the 26 winners of the George Foster Peabody Awards, administered by the University of Georgia School of Journalism and Mass Communications. CBS won three Peabodys and CBS Entertainment shared in two others, to lead the major networks in awards. NBC Radio News received one award, and ABC Entertainment shared an award.

The Peabody Award winners are: NBC Radio News, for radio coverage of the attack on Tripoli; the Canadian Broadcasting Corp., radio network, for *Paris: From Oscar Wilde to Jim Morrison*; Connecticut Public Radio, for *One on One*; CBS News, for *Newsmark: Where In the World Are We?*; WHAS radio, Louisville, for *A Disaster Called Schizophrenia*; and Fine Arts Society, Indianapolis, for pioneering classical music and for promoting the understanding and appreciation of the fine arts since 1969.

Also, WTMJ-TV Milwaukee, for *Who's Behind the Wheel?*; WFAA-TV Dallas, for *S.M.U. Investigation*; KPIX-TV San Francisco, for *AIDS Lifeline*; CBS News, for *Sunday Morning: Vladimar Horowitz*; MacNeil/Lehrer Productions and the British Broadcasting Corp., for *The Story of English*; and WQED-TV Pittsburgh, for *Anne of Green Gables*.

Also, Churchill Films and ABC Entertainment, for *The Mouse and the Motorcycle*; Thames Television International and D. L. Taffner/Ltd., for *Unknown Chaplin*; WQED-TV Pittsburgh and the National Geographic Society, for *The National Geographic Specials*; CBS News, for *CBS Reports: The Vanishing Family—Crisis in Black America*; John F. Kennedy Center for the Performing Arts and CBS Entertainment, for *1986 Kennedy Center Honors: A Celebration of the Performing Arts*.

Thames Television and WGBH-TV Boston, for *Paradise Postponed*; NBC Entertainment, for *The Cosby Show*; CBS Entertainment and Gardner-Dunchow Productions, for *Promise*; Jim Henson and The Muppets, for 30 years of "good, clean fun and outstanding TV entertainment"; WSB-TV Atlanta, for *The Boy King*; WCCO-TV Minneapolis, for *Project Lifesaver*; WCVB-TV Boston, for *A World of Difference*; ABC News, for *This Week With David Brinkley*; and Mrs. Dorothy Stimson Bullitt of KING Broadcasting, Seattle, received a personal award.

Fremantle in finals

Two Fremantle International distributed specials are among the finalists for the Golden Rose of Montreux, which

Programming/Production

(*continued*)

runs May 9–16. The two programs are *Candid Camera's 40th Anniversary* and The *Magic of David Copperfield . . . in China*. Fremantle has distributed *Candid Camera* for the past 15 years, placing *Camera* specials, the 40th anniversary show as well as the 130 half-hours, in 42 countries.

'Classical' abroad

Classical Vienna, a new series of six classical music programs filmed in the U.K. and in Vienna, will begin airing on Channel 4 in the U.K. in June. The programs, which include excerpts from operas such as *Orfeo ed Euridice*, *Cosi Fan Tutte* and *The Marriage of Figaro*, are part of an ongoing series, Man and Music, made by Granada Television, in association with Channel 4.

CABLE

HBO will be in Washington's RFK Stadium July 4th for *Welcome Home*, a three-hour tribute by musicians and actors to Vietnam veterans. The show will be taped for telecast that evening. Actor Jon Voight, who played a vet in *Coming Home*, and Oliver Stone, writer-director of the Oscar-winning *Platoon*, are among those involved in the project.

ESPN plans to present a record 43 hours of the U.S. Olympic Festival from Raleigh and other North Carolina locations, July 16–26. The coverage—31.5 hours in primetime and the rest on weekend afternoons—will include live action in 17 sports, with feature reports spanning 17 other sports as well. Meanwhile, on May 25, ESPN begins 11 days of five-hour live telecasts from the French Open tennis tournament outside of Paris. On May 28, the network airs the NCCA Division 1 Women's Softball Championship from Omaha, Neb. The following day, also from Omaha, it starts airing all 15 games of the NCAA College World Series.

On May 30, HBO telecasts Mike Tyson's first defense of his unified WBA/WBC heavyweight title live from the Las Vegas Hilton. Tyson meets number-one-ranked contender Pinklon Thomas; Barry Tompkins, Larry Merchant and Sugar Ray Leonard announce for HBO. **Showtime** has its own unification match set for May 15—WBA junior heavyweight champ Evander Holyfield vs. IBF cruiserweight champ Rickey Parkey, live from Caesar's Palace in Las Vegas.

Elsewhere on the boxing scene, Pabst Brewing Co. has become a major sponsor of *Tuesday Night Fights*, which recently began a 22-week schedule on **USA Network.** The brewery has four 30-second spots during each two-hour show, along with opening and closing billboards and product identification via ring posts and mats.

SuperStation WTBS, in a renewed agreement with the Southeastern Conference, will televise 10–12 football games per season for the next two years. The games, to air in the early afternoon college football window, will also be syndicated to broadcasters by **Turner Program Services.**

CBN next month begins airing new episodes of *The Campbells*, touted as cable's highest-rated exclusive weekly drama series. The half-hour series, produced by **Settler Productions** in Toronto, is distributed by **Fremantle International**.

Looking East, the half-hour show about Asia hosted by Yue-Sai Kan, is now running on **The Travel Channel** three times weekly. The series also appears on **Tempo Television**, in syndication, and will begin airing on China's CCTV network this coming fall.

The complete nine-hour version of 1982's *Wagner*, starring Richard Burton, is making its American debut on Southern California's **Z Channel** pay service. A four-hour version of the British/Hungarian co-production has previously aired on U.S. public television. *Wagner*, being shown in six weekly installments, also features Vanessa Redgrave, Laurence Olivier and John Gielgud. Z Channel acquired the film from **London Trust Productions.**

The Bolshoi Ballet will perform *The Golden Age* at New York's Metropolitan Opera House on July 1. The following night, a previously filmed version of the ballet distributed by Britain's **Arts International** premieres on the **Arts & Entertainment Network.** The Bolshoi's two-month American tour starts June 30.

HOME VIDEO

Vanna White of *Wheel of Fortune* fame, will host a self-improvement program on video. The cassette, *Get Slim/Stay Slim With Vanna White*, debuts on June 3 via **Karl-Lorimar Home Video.** The 60-minute program is retailed at $19.95. White reveals she lost 25 pounds by following the plan.

Vanna White

Another well-known TV personality, Gary Coleman, leads off the **New World Video** releases for June. Coleman, star of *Diff'rent Strokes*, turns learning about safety into fun, via *Gary Coleman For Safety's Sake in the Neighborhood*. Other titles for June are *Drug Free Kids*, hosted by Ken Howard, *Spinning Tops and Tickle Bops*, *What's Happening to Me?* and *Beezbo*, called a new approach to teaching basic courtesy to children.

Irwin Sirotta has been named regional sales manager, home video, at **Republic Pictures Corp.** Before joining Republic, Sirotta was eastern regional sales manager at Continental Video.

Embassy Home Entertainment has introduced Reel Deals III: Cents of Humor and Hot Summer Nights, consisting of a total of 31 titles. Cents of Humor, which has four theatrical comedies, is being offered in a permanent price reduction. Films are *The Best of Times*, *Carnal Knowledge*, *The Producers* and *This is Spinal Tap*. Hot Summer Nights, which is a limited-time catalog promotion, features *Look Back in Anger*, *Losin' It*, *Antony and Cleopatra*, *Lonely Hearts*, *Together* and *The Night Porter*, among other titles. Both collections are going for $24.95 each.

RCA/Columbia Pictures Home Video has signed a domestic distribution deal with **Tinselvania,** company owned by Deidre Hall. The first title covered by the past is *Deidre Hall—A Video Biography*, set for a June 25 release date. The 75-minute title will carry a $19.95 suggested retail price. Besides *Biography*, Tinselvania has also produced *Deidre Hall's Lunchbreak* and *Celebreak*, two separate videos. RCA/Columbia pictures Home Video's **Larry Estes,** vice president of acquisitions and programming, engineered the deal with the soap-opera star.

H&S Video International, Los Angeles sales rep, has acquired exclusive foreign rights to 25 programs from four U.S. and Canadian production companies. In production by the **Canadian Video Factory** for summer and fall release are *Sun and Fun Swimwear*, *Maintaining Your VCR* and two volumes of *Creative Crafts for Kids*. The U.S. deals are *The Little Prince* and *Search for Adventure* from **Thomas Horton Associates;** *Life Is a Beach*, from **Twin Tower Enterprises;** and *Maltese Flamingo: The Ski Movie That Flew the Coop*, from **Greg Stump Productions.**

Commercials

Global advertising in perspective

There's a middle ground between those who feel most advertising today can be global in nature and those who resist using creative concepts multinationally by employing the "not invented here" syndrome or by asking, "Will it work in Kuala Lumpur?" This appeared to be the consensus of three top agency creative executives who spoke at a recent Association of National Advertisers-World Federation of Advertisers advertising/regulatory forum in New York.

The speakers were Norman Berry, president, Ogilvy & Mather, New York and creative head of Ogilvy & Mather Worldwide; Richard M. Karp, executive vice president, director of creative services, Grey Advertising; and Burton J. Manning, chairman of the executive committee, Jordan, Manning, Case, Taylor & McGrath.

Karp contended that too many good ideas have been kept from traveling by someone asking, "Will it work in Kuala Lumpur?" He showed a commercial for Nike, using the words from Rudyard Kipling's poem, *If*, with visuals of a tennis player. The spot, designed for the Wimbledon tennis tournament in England, works anywhere a Wimbledon would work, he pointed out, "and it wouldn't have gotten that far if someone asked whether it would work in Kuala Lumpur, where everyone wears 34-cent tennis shoes."

Manning, until recently the CEO of J. Walter Thompson New York, cautioned that creatives cannot assume anything about another culture, demonstrating this with two JWT campaigns that seemed like naturals but bombed overseas. One was for the U.S. Marine Corps, using the fashioning of a sword from raw steel, leading up to, "We're looking for a few good men with the mettle to make good Marines." Although it had been felt this would work in another country with a voluntary armed service and a concept of patriotism, he reported, the spot was a disaster in England—being considered heavy-handed and corny.

And the adorable child singing "My baloney has a first name" for Oscar Mayer, which raised the company's sales 9 per cent in a flat marketplace when it was first run in 1976, was greeted with jeers and catcalls by the French, British, Dutch and Germans, he reported, being considered exploitive of children and "sickeningly sentimental." He also showed a Ford Escort spot where a large group of the cars appeared to be dancing—which ran across Western Europe in 1984 but was seen in the U.S. as more of the same.

Noting that his current agency is non-global, Manning pointed out that, except for "a couple Lever Bros. products," every global campaign has been created in the U.S. "This puts to rest the idea that you have to have a global agency to have global advertising," he contended.

Berry said it is not remotely likely that most brands will become global brands in the future. He pointed out that world branding must be driven by consumer considerations—not be manufacturer driven—but that the number of common points between cultures will increase.

He demonstrated how Pepsi International localized the Tina Turner "We've Got the Taste" campaign by consulting with bottlers in various countries on who their top stars are and how the American Express "Do You Know Me?" campaign became international, although it didn't start out that way. He noted that, although there has been a contention that campaigns can become bland and colorless by trying to accommodate too many cultures, he also cautioned against vetoing extranational ideas through the "not invented here" syndrome.

Berry concluded that a campaign can have a common worldwide strategy without a common worldwide execution and that global advertising is neither better nor worse than more localized efforts: "Only lousy agencies and lousy clients will in the end produce lousy work."

The viewer as writer

One way to involve the viewer in a public service campaign is to ask for his participation. This is what Golden Yonkler is doing as part of a "clean up Maryland" campaign. High school students are being asked to compete in developing TV and radio public service announcements focusing on litter control.

In this part of the campaign, 10 prizes of $750 each are being awarded to schools and put toward recycling or litter control programs within that school's community. Winning schools and the students involved in the PSA receive special recognition by having their projects aired on Maryland TV or radio stations.

This is part of Environmental Edu-

Commercials *(continued)*

cation Month, a project of Gov. William Donald Schaefer's office and the Maryland Beverage Industry Recycling Program. Gov. Schaefer is acting as a spokesperson in TV and radio PSAs.

Doner's pizza war

An obvious assault on Domino's "we deliver" positioning is part of a campaign by W. B. Doner and Co., Detroit, for Little Caesars pizza. One of the spots shows the Swif-Tee Pizza Co. putting drivers through a rigorous course while Caesars' employees are concentrating on making pizza. The voiceover says, "While they're perfecting this, we've perfected this."

The campaign, including four 30s and eight 10s, is expected to roll out in 29 additional markets through the third quarter after having premiered in Detroit. The spots are targeted primarily toward men and women 18–49, with a secondary audience of teens 12–17.

Two of the spots center on an offering of getting a second pizza free. In "The Wisdom," an Indian chief shares his wisdom with a younger Indian preparing for a journey. He says, "Seek truth, for it is the center of peace. See not just with the eyes, but with heart. When you are hungry for pizza, go to Little Caesars. When you buy one pizza, they give you a second one free." As the young Indian leaves, an Indian with even greater insight than the chief says, "I guarantee you, the only thing he'll remember is the part about the pizza."

The 10s in the campaign promote specific menu items, using a theme, "More than just pizza."

Perdue pillow talk

Radio is being used in a premium offer campaign for Perdue Farms out of Scali, McCabe, Sloves, New York. Used in conjunction with print advertising that shows Frank Perdue napping on an oversized yellow pillow shaped as a drumstick, the radio campaign spells out the offer of the pillow with five proofs of purchase of Perdue Oven Stuffer Roaster Parts.

The 60-second spot, created by copywriter John Young, starts out with a man snoring until the announcer says, "Ladies and gentlemen, Mr. Frank Perdue." Perdue yawns and begins, "I've just been resting my head on a Perdue 'Oven Stuffer' drumstick. Not the kind you eat—the kind you sleep on. I call it the Perdue 'Oven Stuffer' pillow because, like the drumstick that inspired it, the 'Oven Stuffer' pillow is oversized." After detailing the offer, he goes back to snoring under the announcer's closing.

'Adam Smith' spot

George J. W. "Jerry" Goodman, better known as the "Adam Smith" of *Adam Smith's Money World* on public TV, is appearing as the spokesman for *The Financial Times*, British international business and financial daily, in TV commercials this spring and next fall.

One of the 30s, created by Janic Advertising, begins, "Even in this age of the tube, successful people are readers. They have to be." The other begins, "If you manage money—or people—or products, what happens abroad affects you." Both commercials make the point that, in a world economy, it is necessary to read more than "the *Times* and *Journal*" to obtain a complete picture of the business and financial news affecting Americans every day. "The *FT* looks beyond the horizons, and that's your competitive edge," is Smith's sign-off.

FT has used TV advertising in the U.S. since February, 1986, following the launch of an American edition. The spots were scheduled to be wrapped around public affairs and business programs on the three major network affiliates in New York and on CNN. The New York market accounts for 46 per cent of FT's current circulation. The spots were produced by Alvin H. Perlmutter, Inc. and directed by Kit Lucas.

A graceful exit

Bozell, Jacobs, Kenyon & Eckhardt/Atlanta decided it was no longer worth its while to handle the regional McDonald's account, but it exited with a campaign designed to help the fast food chain remember its salad days. Running in the Greenville-Spartanburg, S.C. test market, the campaign for McDonalds' new salads could move to other markets if the initial results are successful.

The 30-second spot models a game show, *The Great Salad Toss-Up*, after *Let's Make A Deal*, with a similar set and the contestant choosing between three new salads. As part of the campaign, McDonald's is giving away game cards, which can be redeemed for free food or soda at a subsequent visit.

BJK&E reports it saved approximately $30,000 in production costs by having filming done in Toronto by a Canadian production company—given the U.S.-Canada dollar situation. The company is Boardwalk Pictures Ltd. Agency credits go to Bob Osborn, creative group head; Wayne Johnson, copywriter; Joe Chandler, art director and David Strupp, agency producer.

Wall Street Report

Multimedia gains in all divisions, trims losses caused by interest expense

Trimming losses that have been resulting from interest expense on debt incurred from a recapitalization merger in late 1985, Multimedia, Inc. moved ahead somewhat consistently across all divisions in both revenues and operating profit for the first quarter ended March 31, 1987. Revenues were up 10 per cent over the '86 first quarter to $89,797,000 from $81,844,000. Operating profit increased 12 per cent to $24,070,000 from $21,404,000.

The company had a net loss of $1,688,000 for the quarter, compared with $5,062,000 for the like '86 period—the per share equivalents being minus 15 cents and minus 46 per cent. Interest expense for the first quarter of '87 totaled $27,247,000, compared with $28,430,000 for the first quarter of '86.

Results by division

Top revenue gains in the quarter came from cable television, in which the company operates more than 100 franchises. Revenues were up 13 per cent to $22,072,000 from $19,606,000. With the company operating five TV and eight radio stations, the broadcast gain was close behind at 12 per cent, to $25,853,000, compared with $23,087,000. Revenues from the company's 14 daily and 33 non-daily newspapers were up 8 per cent to $28,793,000 from $26,780,000. Entertainment, led by *Donahue* and *Sally Jessy Raphael*, gained 6 per cent to $13,079,000 from $12,371,000.

Operating cash flow for the quarter totaled $31,380,000, a 12 per cent increase over $28,022,000 in the '86 first quarter. The company defines operating cash flow as operating profit plus depreciation and amortization and amortization of restricted stock awards and restricted stock options.

Cable TV cash flow increased 24 per cent to $9,782,000, broadcast 11 per cent to $8,220,000, entertainment 6 per cent to $6,171,000 and newspaper 5 per cent to $8,909,000.

For calendar 1986, Multimedia increased revenues 11 per cent to $371.8 million from 1985's $336.3 million. It had a net loss of $4.7 million, compared with net earnings of $21.6 million. Interest expense for '86 totaled $111.9 million, compared with $36.4 million, and interest expense for the year included $38.1 million of amortization of the original issue discount for debentures. Operating cash flow for the year was $140.6 million, up 22 per cent, and operating profit rose 26 per cent to $114.2 million.

Results for the year

Multimedia Broadcasting Co., headed by James T. Lynagh, president, improved operating profit 27 per cent over 1985, going to $36.9 million from $29 million. Much of this gain came from three of the TV stations—WLWT(TV) Cincinnati, KSDK(TV) St. Louis and WMAZ-TV Macon, Ga. The latter is a CBS affiliate, and the first two are affiliated with NBC. The other two Multimedia stations are CBS-affiliate WBIR-TV Knoxville and independent WZTV(TV) Nashville. The affiliates all ranked Number 1 in their respective markets for the year, and the sole independent was Number 1 in its genre.

In radio, three markets produced above average growth—Greenville, S.C.; Asheville, N.C., and Macon, Ga. Combined audience of WMAZ/WAYS(FM) Macon reportedly consisted of more than half of the market.

Multimedia Entertainment Co.'s operating profits for the year increased 20 per cent to $25.1 million from $20.9 million. The division several weeks ago got a new president—Peter A. Lund, who had been president of CBS Television Stations. He succeeds Mike Weinblatt, who headed the division since 1984.

Multimedia Cablevision Co., headed by Donald D. Sbarra, president, produced an operating profit increase of 25 per cent to $18.6 million from $14.9 million. This was achieved partly through an overall 9 per cent increase in revenues and a higher-than-average ratio of pay to basic subscribers.

Multimedia, Inc. and subsidiaries

Three months ended March 31, 1987 and 1986 (unaudited, 000 $ except per share data)

	1987	1986
Operating revenues		
Newspapers	$28,793	$26,780
Broadcasting	25,583	23,087
Cablevision	22,072	19,606
Entertainment	13,079	12,371
Total operating revenues	89,797	81,844
Operating costs and expenses:		
Production	29,281	27,225
Selling, general & administrative	29,363	26,824
Depreciation	6,157	5,479
Amortization	926	912
Total operating costs & expenses	65,727	60,440
Operating profit	24,070	21,404
Interest expense	27,247	28,430
Other income, net	106	366
Earnings (loss) before income taxes	(3,071)	(6,660)
Income tax expense (benefit)	(1,383)	(1,598)
Net earnings (loss)	(1,688)	(5,062)
Per share of common stock net earnings (loss)	(0.15)	(0.46)

News (*from page 43*)

against Betacam, gave up on its "M" format and showed prototypes of its M-II system using metal tape at the 1985 NAB convention, dubbing it a "universal" format, useful in all situations and able to interface with practically all existing formats. But M-II was incompatible with the M-format in terms of tape interchange. Sony then came up with Betacam SP, also using metal tape, but permitting the playback of Betacam oxide tapes on both Betacam and Betacam SP machines.

Betacam had a clear edge initially in marketing the second generation of half-inch recorders because of its sizable installed base of Betacam equipment. But NBC stunned the industry at the 1986 NAB convention by announcing the adoption of the M-II format for all its taping chores—ENG, EFP and studio work, and for both the network and its owned stations. Michael Sherlock, president of operations and technical services for NBC, urged the network's affiliates to buy M-II and there was talk of a "discount" for NBC affiliates who purchased the equipment, though this was later discounted as a realistic marketing factor.

NBC continued its preference for standard systems by signing last month a multi-year deal with NEC America providing for the purchase of "large quantities" of NEC's CCD camera. It was specified that the cameras would be used primarily with the M-II recorders by both NBC News and the NBC owned stations.

Meanwhile, Sony is preparing to start delivering Betacam SP equipment this July. The company received a fillip from reports that ABC was going to adopt the Betacam SP format (see *Tele-scope*, April 13), though at presstime nothing had been officially announced. ABC thus joins CBS in the Sony camp, though neither broadcaster has officially announced its adoption of a particular format, and it does not appear that either intends to go through the stem-to-stern replacement that NBC has laid out for itself with M-II.

The report of ABC's decision has already led to comments that the Betacam system has become a de facto standard, despite the fact that M-II is already in use and Betacam SP is not yet being delivered. In addition, a survey called the Broadcast Equipment Marketplace, released at the NAB by Sheer/DC&A Research found "surprising strength" for M-II among TV stations. The survey asked, among other questions, "Which format will be the leading video format by 1990?" M-II was chosen by 23 per cent of the respondents, Betacam by 34 per cent, one-inch by 18 per cent and digital composite (the new Ampex format for its multi-cassette machine) by 10 per cent.

The M-II vote was a surprise in light of the slow sales of the format, other than the corporate sale to NBC. Panasonic reports confirmed sales of M-II to 10 stations, including the NBC O&Os. This includes a sixty-piece order from WRAL-TV Raleigh-Durham "valued at approximately $2.2 million," according to Stan Basara, president of Panasonic Broadcast Systems Co. There were few of the original M format models sold to stations, probably the biggest order being the major pioneering purchase by WNEV-TV Boston almost five years ago. Sony reports that more than 370 stations have or have ordered Betacam equipment, including public TV stations. The company also reports that about 200 Betacam SP units were ordered at the recent NAB convention, but would not reveal the number of stations, which could be three or 30.

Sony is still selling, and stations are still buying the existing Beta format machines, according to the company. Many stations are satisfied with the present Beta format for ENG, the hardware being about 10 to 20 per cent cheaper than the SP system, with oxide tape costs running about half that of metal particle SP tape. (Beta SP uses about 70 per cent more tape per unit of recording time than M-II.) After all, points out one station executive, "Most stations in the U.S. will be using three-quarter-inch equipment through the end of this decade."

The Broadcast Equipment Marketplace study indicated a strong increase in sales for half-inch systems this year. The research company found 23 per cent of respondents planning to buy such equipment in 1987. Based on questionnaire mailings to 1,110 stations and a 30 per cent return, the research company projected the responses to 255 stations buying half-inch equipment. Some of these no doubt will be adding to half-inch machines they already have and others will be replacing half-inch equipment, since it's been around at least half a decade.

One of the replacement purchases is by WNEV-TV, which dealt a blow to Panasonic by choosing Beta this time around. Karl Renwanz, vice president of engineering and operations at the Boston station, pointed out that his M format equipment, which will be replaced by Betacam SP models next year, will be five and a half years old by then. The station has been using its Panasonic half-inch equipment for local public service programming as well as for news. In fact, most of its newsgathering has been with three-quarter-inch equipment, which will be replaced with SP recorders and other equipment starting in July. According to Renwanz, the difference in picture quality between M and three-quarter-inch equipment is not as great as the difference between SP and M.

Renwanz picked Beta SP over M-II for a variety of reasons and obviously station management did not consider the higher tape cost a critical matter. He likes the features in the editing decks, which he says can save a generation and time, plus the four audio channels. However, he found this requires a bigger audio mixer. "SP is no bargain basement product," he comments.

He also likes the wide dynamic range in the audio tracks, which, he says, will eliminate the problem of setting different audio levels. "You can set it at one reasonable level and leave it there." Another feature, one that "we specified," permits the user to edit in slow motion.

Renwanz will get early deliveries on his Beta SP hardware because of the timing and size of the order and, possibly his reputation as a pioneer in the use of half-inch systems. Others farther down the queue who order SP and are in need of equipment will have to be satisfied with an arrangement in which the regular Betacam is delivered first and then replaced by SP models, presumably at little or no extra cost.

One of those likely to go through this exchange procedure is the Chicago Capcities/ABC O&O, WLS-TV. Until recently it was the only one of the three O&Os in the Windy City to air two hours of early evening news (WBBM-TV went from 90 minutes to two hours last year).

Joseph Kresnicka, director of engineering at WLS-TV, reports that the station has one Beta camcorder with two on order. When it puts its three camcorders on the street it will use CCD cameras. Kesnicka expects to have seven camcorders available by the end of the year, some of which may be SP models.

He doesn't see camcorders affecting the way the station covers the news. He allows that they're easier to handle than two-piece equipment and he likes the CCDs for night shooting and because of light weight and the lack of alignment and registration problems. But he doesn't believe the CCD camera necessarily will provide a better picture than equivalent tube models.

Despite the big gap between Beta and M-II sales, Panasonic's Basara says he's optimistic. One reason, he says, is continuing evidence that color fidelity holds up under multi-generation M-II dubs. □

CBS *(from page 50)*

serts, "First of all, I see their strength at 10–11 p.m. Their weaknesses are obviously 8–9 p.m. on most evenings. They don't get out of the chute quite as well as they should. Their good nights are Monday, Thursday, Friday and Sunday—and on Sunday I hesitate a little bit because they jacked around with that a bit more than any of us like. They tried *Hard Copy* and a couple other shows, and they bombed. It goes back to when they started taking out *Crazy Like a Fox*, but once they put the movies back in—with *60 Minutes* and *Murder, She Wrote*—it turned out to be pretty strong."

Tampering with success

This leads to another major concern Jones expects to be voiced at the affiliate meeting: "Why are you moving programs that are succeeding, and causing confusion. Why did you mess with the Thursday night schedule? Why did you do the things you did on Sunday night? Why did you mess on Wednesday night with *The Equalizers* and all the other action shows when it looked like you had a pretty good parlay going there with male-oriented shows?"

Jones concludes, "We want some insurance there will be some stability because the irony of the situation is that there's a general consensus that CBS is pretty strong—and the concern is that overt moves or unusual movement could lose some of that loyalty as they test other product and lose some of that inherent strength that they have."

CBS' older demographics are still a concern to some affiliates, Jones reports, "but not an overwhelming concern. There has been progress, but that depends on individual markets. I don't have that concern in my market because they seem to do pretty well in 18–49 and 25–54 here." Where other stations feel they are hurting from these demographics, he says, the network can best serve them by improving its 8–9 p.m. lineup to capture more family viewing.

Jones believes it's time to fit network strategy to the change in the marketplace now that nearly half the homes in the country have cable TV. He holds that viewing is not as likely now to follow a normal flow: "There's more a tendency to make choices than to stay with one entity for a whole evening. It used to be that flow was critical. But, in my opinion, consistency is critical now because it's so confusing to know where things are."

Meanwhile, he doesn't see the network system as being endangered: "I feel very confident about a television system that can support at least three networks. It all gets down to what degree of dominance they'll have. I think anywhere down to 60 per cent dominance for the three networks is pretty incredible, and we've got a long way before we'll ever get there."

The people meter is unlikely to have a dire effect on the networks in general and CBS in particular, he feels. "I think it will be a temporary shock where temporary adjustment will be needed, but basically it's a way to measure the same old thing. It doesn't change the value of television. Once you shake out and get a new barometer, everything will be fine." Where CBS is concerned, he says, "I think the more mature audience will be less likely to want to participate in something like that; I think there are some failings in the system that will have to be worked out, but I think they will be worked out."

'The Morning Program'

Jones has had some second thoughts on the affiliates' role in the CBS morning situation, and he figures the current state of *The Morning Program* will be brought up at the affiliates' meeting "for sure." He asserts, "I'll tell you my attitude about it. Basically last year at the May meeting, we affiliates were all over the network about the CBS morning situation and were unrelenting in saying they needed to make a change. I was right there with them.

"In retrospect, we may have forced a move prematurely at a time when the network was trying to be sensitive to the affiliates. I fundamentally think that what needs to be done in the morning is to stay with something. I don't care if it's with this format or the previous format. The worst thing we can do is keep changing."

He notes that NBC's *The Today Show* has had its "ebbs and flows" but it's had a better base than CBS ever had. Even with its changes in personalities, which Jones believes hurt *CBS Morning News*, the NBC show took time for the audience to appreciate its personalities, he notes. "The bottom line for me," he continues, "is that I think we owe it to the network and to that program to give it two years because I don't think any of us know the answer."

Discussing the inroads made into Saturday morning kidvid by syndicators, he says, "I think there will still be three networks in Saturday morning, but I guess they will try to be more innovative to see if there's a different format that the kids might be interested in. *Pee Wee Herman* was a pretty good move [for CBS] and an unusual move, and I think they're finding success with that."

Regional news

Jones is happier with the network's support in regional news operations than he is with the way it came about: "Regionalization of the news was a logical step in tightening our relationship with the network. Stations do not want the responsiblity for the network news, and the networks don't want the stations out there gathering it for them. Yet there are ways that we can coexist and help each other."

His only complaint is that CBS pioneered the regional news concept, starting it as an experiment in Texas four or five years ago "and got no credit for it—because they have absolutely no ability in PR at all; it's just unbelievable. They do things that are so incredible and so good and that are very similar to the things NBC and ABC are doing. The others make a statement that so captures the imagination of the press that it makes them look like heroes, while CBS takes an approach that makes them look awful—or argumentative.

"What they didn't do is handle the truck thing as well as the others did. NBC went to NAB and said, 'We'll pay for half of the truck for anybody who wants to buy one.' It seemed so generous and so good—and they meant it. And then CBS thought about it and worried about it—How many are going to do this, and how many are going to do that?—and they ended up doing virtually the same thing, but by the time they did, nobody cared. They muddled. They were too concerned. It's just like if your wife asks you to do something and you give her a hard time and then go ahead and do it; she still thinks you haven't. So you end up doing it, and you get no credit."

As for the actual regional news operation, he says, "Because of the technology in place, there will be the ability to communicate quicker, and in order to do that, they will have to rely on occasion on regional bureaus or local stations. But I don't think that will change the thrust of network news. If it's something of particular note, they'll have their people there in no time. I think the affiliates will tell you they're satisfied and that the available stories from the network have improved considerably."

Speaking of CBS' own news operations and the recent staff cutbacks, he thinks, "it's smart management. I think there have been excesses, and I feel bad for the people who were caught in it. They created their own hell in that they were so fat and so able to

In the Picture

Donald J. Cole

Media director and new senior vice president at W. B. Doner describes his role in the agency's new business effort. He explains why he's looking forward to the new competitive expenditure reporting services on the drawing boards at Nielsen and Arbitron and warns media people industrywide that, "This is no time to rest on our oars."

W. B. Doner media chief is satisfied that networks will survive people meters

Don Cole, recently promoted to senior vice president of W. B. Doner and Co., believes that though people meters are likely to produce lower ratings than what the industry has become accustomed to seeing, "I doubt that those lower ratings will put the networks in as desparate a situation as some people predict. People forget that network pricing is determined more by supply and demand than by ratings. Besides, once ratings have dropped, everyone will get used to seeing them and get used to the fact that different methodologies yield different audience levels."

Further, adds Doner's media director in Baltimore, "Although the numbers are likely to drop, they should be uniformly lower for all programs on all stations, so the relative program rankings in any given time period should remain the same for comparative and tracking purposes. In that environment, I don't think the networks should find themselves in a totally untenable position.'

Cole "finds it interesting" that "so many people give the cable networks as much credit as they do for causing the networks' audience erosion. Although independents' signals are "stretched" in many cases because they're picked up and carried by cable systems, it's actually the proliferation of independents and much of the syndicated programming they carry that's done more to fragment network audiences than cable."

Syndication's values

On the client and agency end, adds Cole, "There are real values in syndicated programming that I think many people tend to overlook. For instance, syndication CPMs will often come in at 40, even 50 per cent under a lot of network CPMs, and for this, a syndication buyer can usually show ratings that are not too far below ratings for a lot of network shows."

Cole is looking forward to the advent of Nielsen's Monitor Plus and Arbitron's Media Watch. He believes that these services "should be a big help in estimating competitive expenditure activity." He says that being able to inspect the competition's actual schedules and run post analyses on them, "will give us a chance to go beyond just dollars spent and examine the quality of their spots." He concedes, however, that this can be "a double-edged sword, because competitors can see what our clients are doing, too."

Growth of existing accounts plus some new clients have resulted in a fairly rapid expansion of Doner's media department. Cole says his operation has expanded from a 25-person media staff to 35 in a relatively short period of time, and led, among other things, to the naming of three vice presidents and his own promotion.

Cole is the man who delivers media's part of Doner's new business presentations. In these, he says, "We stress that we're much more than a numbers crunching and negotiating operation. We take the marketing approach. That means that media is involved from the start in the client's campaign. We don't just sit over in one corner, waiting for creative to produce a story board before we start to go to work."

Calling the media mix

Most of the time, says Cole, "We've determined the media mix while creative is still working on a campaign. This way, if a client's budget is tight, we're in a position to stretch scarce dollars by emphasizing radio, before creative has gone ahead and come up with a beautiful television idea that could mean a hefty cost overrun to execute. You can't get a truly zero-based media plan too easily in an agency where creative is always in a position to call the media shots, simply because some creative executions can only be done in the most expensive media.

"It's only where media is involved at the earliest possible stage in a campaign," stresses Cole, "that we can make our most significant contribution to keeping a lid on the end cost of that campaign."

Cole says that one of his general observations about the media business is that, "Agency media departments across the country have improved their image and their importance in the eyes of both their agencies' managements and their agencies' clients." However, he adds, "We've done this by working hard to stay on top of all the changes that have overtaken not only media, but the entire practice of marketing, and of everything that's been happening to consumers in recent decades."

These changes are ongoing and will continue, says Cole. "So this is no time to relax and lean on our oars. If we allow ourselves to let up, we could lose much of the respect it's taken us so long to earn the hard way."

Although Cole trained to become an economist in school (He holds an MBA in finance from Boston College, and today he's only a few credits short of his doctorate in finance) he "does not find this incompatible with working in media. What we do in media isn't too far removed from what they do on Wall Street. In both cases we're dealing with auction markets."

throw dollars at problems when they had a new project. Rather than stretching the people they had a little further, they threw more people at it. With the economics in our business today, there comes a time when you have to bring it back to reality, and I think that's all they're doing.

"Basically I believe CBS understands their responsibility to news coverage and that they have to strive to be fundamentally the most credible organization in the news business if they want to survive as a network; and I can't believe they would compromise that—and I can't believe that a man like Larry Tisch would do that at all. I believe he will extract every ounce of blood that he can out of the people who work for him that's reasonable. I believe it's very important for management to sell him on what has to be done, and I think he'll buy it."

Jones says CBS' network promotion efforts are at least on par with those of the competition but adds that NBC does a better job of cross-promotion between such areas as primetime, sports and *The Tonight Show*: "It humanizes the whole network."

Discussing the future of the network-affiliate relationship, the affiliate board chairman holds, "In order for the networks and affiliates to remain strong, the partnership has to be stronger or at least remain as strong because there is no other system that can deliver this kind of one-two punch where you've got your national distribution of entertainment and national information with your local information and entertainment.

"As long as we keep that partnership in force we will remain the dominant influence in the broadcasting field. We talk more today than we've ever talked about our relationship—How do we improve it? How do we make it work better for the audience? How do we make it better for the numbers?"

But, even as affiliate board chairman, Jones concludes that the partnership can go too far, as he believes it did with the compensation and CBS morning situations. "As networks consult the affiliates more, there's a danger of management by committee.

"CBS has to have the courage of its convictions. One thing I've learned in this job as chairman is the diverse amount of opinions out there, and it's really hard to focus on what should be done." □

MSOs *(from page 41)*

produced by a new joint venture between CBN Cable and Coca-Cola Telecommunications. The venture plans to come up with four half-hour series—two sitcoms and two action/adventure shows—for fall, 1988, premieres on CBN.

Lifetime acknowledges that it, too, has been talking with MSOs about participation in particular program ventures, while USA Network and The Disney Channel are reported to be involved in similar discussions.

And, with cable networks increasingly turning to broadcast syndication as an aftermarket for their original shows, MSOs investing in cable programming are also investing in product bound to show up on the very competitive outlets Vierra speaks against. In return for co-funding CBN's shows, for instance, MSOs are promised shares of later syndication profits. TBS has already become a major syndicator. And Home Shopping Network, which gives equity to MSOs in return for carriage, is buying up broadcast stations and affiliating with others in droves.

Part 2, in the next issue, will explore the investment vs. editorial aspects of program network ownership and detail growing MSO involvement with home shopping and PPV services.

Blair's *(from page 46)*

absolutely convinced that more money is coming out of network than all other media combined. And while it [barter] does in some ways reduce spot availabilities, it produces more spot dollar availabilities when the preempted show is a network show instead of a local show. And, more and more, I believe that's where the barter syndication is going to move. It's going to move against network programs rather than cash sale program time. Bascially, barter syndication is not a threat to our business.

TV/RA: *What about local cable?*

Rosenfield: I think local—and, eventu-

the marketplace

ally, national—cable will grow in the next few years. But it will be just one more chip out of the pie. As history has shown, the expanding new media expand the total pie rather than take a piece out of the static pie. The best example of that is the growth of radio today in this extraordinarily more competitive marketplace. Radio's growth has been dramatic.

TV/RA: *Do you envision greater use of qualitative research by the reps?*

Rosenfeld: Absolutely. We've been talking about it for years, but it's happening now. As we get more computerized, it becomes easier for us to handle more and more specific types of information and to put it into a format that can be used by the advertiser. It's happening in all media—in direct mail, in publishing, magazines, newspapers. That's going to be part of the marketing scene.

TV/RA: *As you look to the future, do you see any product or service areas that offer unusually great growth potential?*

Burton Marcus, *says Rosenfield, will be handling "financial, administrative, legal and all the details of running the business on a day-to-day basis."*

Rosenfield: I believe prescription drugs will be advertised; I think we'll have more advertising from medical and legal services and other professional activities.

TV/RA: *Is there any effort to sell groups of stations, á la a rep networks?*

Rosenfield: It [rep network concept] really started with radio. I guess you can look to radio for a lot of trends. Radio has had to adjust to the competition, and it's been very effective in adjusting.

Gradually, you're going to see more network opportunities.

TV/RA: *How much of a debt will the company carry, and can it be carried easily?*

Rosenfield: We were very careful to structure our debt package in such a way that over 70 per cent of our debt is fixed-rate debt. We're able to service it in such a way that there's no need for us to either sell off assets or make any other kind of financial move that isn't good for the business. When we were talking to investors, one of the first questions they asked was: "How quickly are you going to want to turn over the business?" We said, "We're putting this together for the long-term. The debt and the entire financial package has to be structured in such a way that we remain in this business and control this business for the foreseeable future." And that affected whom we did business with and how we structured it and what kinds of people were willing to back us. □

Inside the FCC

Tillotson **Jones**

Two attorneys give opposing views on the granting of preferences to women and minorities in broadcast licensing. David Tillotson of Arent, Fox, Kintner, Plotkin & Kahn is a former National Radio Broadcasters Association attorney. Anne Jones, former FCC commissioner, now practices law with Sutherland, Asbill & Brennan.

Licensing preferences to women, minorities: What do they achieve?

A pair of attorneys closely involved with the issues took the stage recently to debate the constitutionality and efficacy of the federal government's policy of giving preferences to women and minorities in the granting of broadcast licenses. As with many debates concerning government policy, this one seemed to come down to a conclusion of "right sentiment, wrong solution."

The subject is timely, for the Federal Communications Commission, whose eight-year-old policy of granting preferences was the center of the debate, began a formal inquiry at the end of December. The first comments are due to the end of this month, with reply comments due the end of June. Courts have suspended action in two major cases while the FCC ponders, having granted FCC requests to take a new look at its own policies.

Current policies require, in the words of an FCC staffer handling the inquiry, "enhanced integration credit to minority or female applicants in comparative broadcast licensing proceedings, distress sale relief to sellers of broadcast station properties who transfer their licenses to minorities or minority-controlled entities, and award of tax certificates to licensees who sell their broadcast properties to minorities or minority-controlled groups."

Matter of preference

The parties to the debate, whose views were expected to be reflected in many of the comments to be filed, tended to agree that so far as court decisions were concerned, the preferences granted to women appeared to be on more solid legal ground than those granted to blacks, Hispanics, and other minorities. There was no agreement, however, on the efficacy of preference policies, although a return to three-year antitrafficking rule (being promoted within the FCC for other reasons) was considered one way to help the policy achieve its objective.

At the outset of the colloquium sponsored by the Annenberg Schools of Communications, former FCC commissioner Anne Jones (appointed after the commission's decision to award preferences) and former National Radio Broadcasters Association attorney David Tillotson appeared to agree that the U.S. Supreme Court has upheld the idea of preferences, at least in regard to women, and quotas in regard to redressing past discrimination against minorities.

Tillotson described himself as a liberal activist who has fought many civil rights battles, and Jones called herself a conservative Republican who used to be opposed to preferences. Nevertheless, Tillotson, with the Washington, D.C., firm of Arent, Fox, Kintner, Plotkin & Kahn, which represented NRBA, opposed preferences, and Jones, with Sutherland, Asbill & Brennan, also of Washington, spoke in favor of them. Both are representing clients in comparative hearings where preferences are issues.

"I believe that any sort of preferences for minorities or women are unconstitutional and a bad policy," Tillotson said in opening the debate. Despite a recent Supreme Court decision upholding affirmative action programs as constitutional, he said, "I think I can still argue persuasively that the FCC preferences would not pass constitutional muster [because] they are not practical in achieving a goal. In all of the cases where the Supreme Court has upheld a system of preferences to deal with an imbalance . . . they have had a requirement that the policy be reasonably related to the objective to be attained."

Fulfilling objectives

Tillotson added, "As I understand the objective of the FCC, it is to increase minority and female ownership in the communications medium, and in my experience in dealing with the policy since they first started being developed in the late '70s, the policies bear no rational relationship to the ultimate objective for a number of reasons."

Robert Ratcliffe of the FCC's Mass Media Bureau, said, when presenting the notice of inquiry before the commissioners in mid-December, that the preference policies were "premised on the same assumption that ownership diversity leads to program diversity," part of the core of the FCC's reasons for existence.

Enumerating his reasons, Tillotson said, "First, the FCC does not require the person who benefits from the policy, with minor exceptions, . . . to continue to own for any length of time. A a minority can get a tax certificate today, or can sell to somebody who gets a tax certificate and thereby benefit from the sale, and he can turn around tomorrow and sell the station to a white Anglo-Saxon. The minority person makes money, but nothing has been done to achieve any further minority ownership in a communications medium.

"Similarly, if a minority is used, and I mean used, because that's generally what happens in order to win a license in a competitive proceeding, typically, or certainly very frequently, the comparative proceedings get settled, the non-minority people who were financing it and funding it generally end up putting the minority persons either in a back seat or simply giving them some dollars to go away, and they get the frequency.

"On the female side, the problem is even worse because in almost any situation in which you have a white male who comes to someone and says, 'Gee, I'm interested in buying into one of the new FM channels the FCC opened up.' I would tell the guy, 'You're not going to win, because there's got to be at least a woman, minority or somebody. What does your wife do?'"

'Take my wife'

The wife may be a housewife, but Tillotson's advice would be, "Fine, you stay out of it and make your wife the applicant. The policy almost dictates that a white male, the guy who has worked in radio all of his life, does not file the application in his name, because he won't win."

It would be even better, he said, if the wife found a minority friend and had him "run the show. It's being done all the time. It's a sham, and there's no real way what I can see to redress the sham. Clever lawyers will find ways to take advantage of it and minorities and women will be used but they are not going to enhance the ownership."

Tillotson added, "One of the major problems I see with the whole process, particularly on the minority side," was stated in a Supreme Court opinion when a justice said that if preferences are to be given, there must be objective criteria for who qualifies. Tillotson added, "You cannot, in our society, administer a system where you hand out benefits based on people's race without really getting into that kind of a problem. Whatever possible benefits there are, increasing females and minorities to own radio properties, what damage it does to our basic constitutional ideas certainly outweighs them."

Jones responded that, yes, there were abuses and extremes that could be cited. But, she said, "The preference to women, I really believe, is constitutional and wise on the part of the commission to have started, probably not wise for the commission to now question it."

Based on court decisions, she said, "I do think it is easier to sustain a preference for women than it is for minorities" because the decisions have made the burden of proof for a woman easier to sustain.

As for Tillotson's assertion that the best advice for an applicant is to find a woman to front for him, "Indeed, the preference of the commission to women is not an absolute. It is an enhancement. The commission decided on preferences for women and for minorities not to increase the number of women and minorities in ownership positions alone. That was part of it, but the real purpose was to increase the diversity of voices that we as an audience can hear or watch when we turn on our radio or TV.

"The commission felt that a practical, reasonable, justifiable way of getting that increased diversity was to look at different types of owners. In the case of black minorities, the commission felt that if we had minority applicants who indeed were there owning and running the station, making significant operating policy decisions, we would have programs that were more likely to address the needs and issues of importance to minorities than we would if we continued . . . the old-boy network of running broadcasting stations."

Marketplace diversity

As for women, she said, "If women do, indeed have a different view of issues, the commission felt it was important that women have an opportunity to own stations so that that view could be added to the diversity of the marketplace. We would not always be seeing the same issues presented from the same point of view. And, indeed, I think it is not only the position that a woman might take on a given issue, in the case of both minorities and females it would go to the decision on what issues you would pick to discuss. In any event, the commission did it to enhance diversity."

She noted that under the U.S. government, the commission could not engage in controlling the content of programming on the airwaves, "so the commission tries to get into it through the back door and says, 'If we get lots of different types of people owning them, we'll get lots of different points of view, and the people in the audience can then make up their mind which one they think is correct.'

"Again, in the case of a woman, specifically, it is not an automatic grant of a license. You don't walk in with a woman candidate and have someone else with a white male candidate and the woman gets it. It simply doesn't work that way. It is an enhancement for integration credit. In a comparative hearing, the commission has lots of criteria. It looks to say, 'Who is the best qualified person to run this scarce commodity.'

"One of the key things that discriminates against women and minority owners is, for instance, the broadcast experience," which is one of the credits to be used in determining the best qualified, she added. "'How much experience has this candidate had in running a station?' Obviously, it's a plus to the male applicant. The commission weighs all of these things. 'Do you live in the neighborhood? Have you always lived in the community? Do you have prior broadcast experience?'

"It's only after it has done all of those assessments that it then looks and says, 'Okay, this person who is in fact going to have a significant ownership role . . . all else being equal,' which it rarely is, 'the plus of this person being a minority or a female is a plus that will make it a little bit more different than the rest of the stations."—**Howard Fields**

Co-op Pro™ Uncovers More Co-op Money For Your Accounts

...And More Ad Revenue For You!

With Co-op Pro™ and your help, your retail accounts will be *using* their co-op funds, not *losing* them!

Derived from the same database that produces the Co-op Source Directory, Co-op Pro simplifies the entire co-op sales process. Diskettes compatible with most personal computers enable you to store and retrieve information on over 4,000 co-op programs—a total of 15,000 brand names! In minutes you can locate co-op programs available in any of 52 product classifications and easily extract the information you need.

With Co-op Pro you can let your retail accounts know exactly which co-op programs expire on December 31st, show them all the manufacturers who offer unlimited accruals, or tell them which manufacturers offer 100% participation. Co-op Pro gives you the information you need to close the sale on your very first call!

Best of all, Co-op Pro is affordable for every size business—and incredibly easy to use. Even if you've never used a computer before, you'll be generating valuable reports in minutes!

If you'd like more information about increasing your sales with Co-op Pro, return the attached coupon, or call Dave Johnston or Amy Zarnowski at 1-800-323-4601, in Illinois call (312)441-2134.

Co-op Pro™ is a trademark of Standard Rate & Data Service, Inc.

CO-OP PRO™

Yes! I want to increase my ad revenue with Co-op Pro! TR5

☐ **Please send me more information about Co-op Pro.**

Name ________________

Title ________________

Company ________________

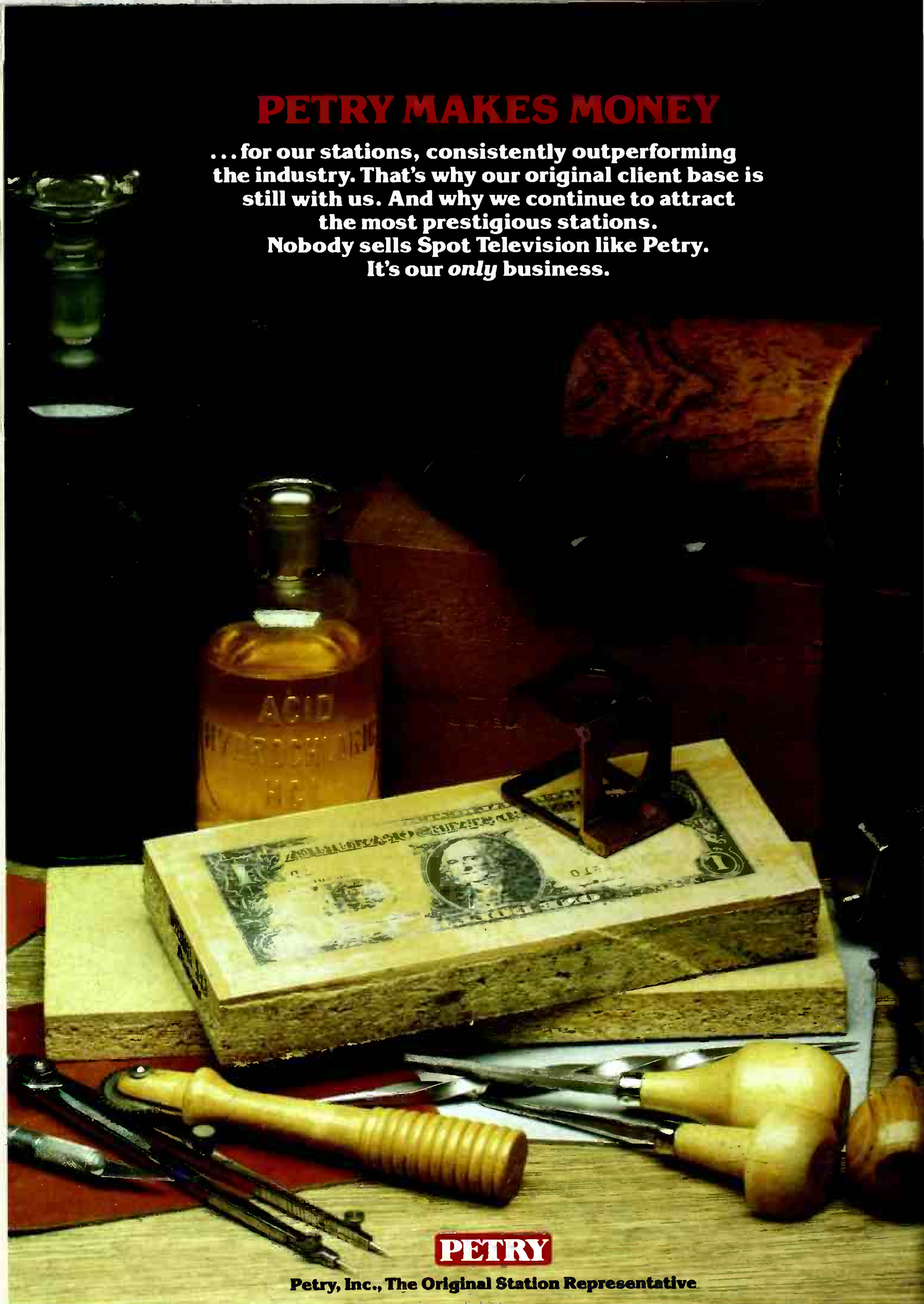
Address ________________

City/State/Zip ________________

Telephone ________________

srds

Return to:
Standard Rate & Data Service, Inc.
Co-op Services Division
3004 Glenview Rd., Wilmette, IL 60091


PETRY MAKES MONEY
...for our stations, consistently outperforming the industry. That's why our original client base is still with us. And why we continue to attract the most prestigious stations.
Nobody sells Spot Television like Petry.
It's our *only* business.
PETRY
Petry, Inc., The Original Station Representative