Television/Radio Age

ROAD TO NATPE/56

'88 MEDIA OUTLOOK

TV STATIONS
Spot seen up 9.6%, local up 12.7%/47

WEB WATCH
Seller's market seen holding til fourth quarter/51

RADIO DAZE
Local from good to better; spot, web turnaround/53

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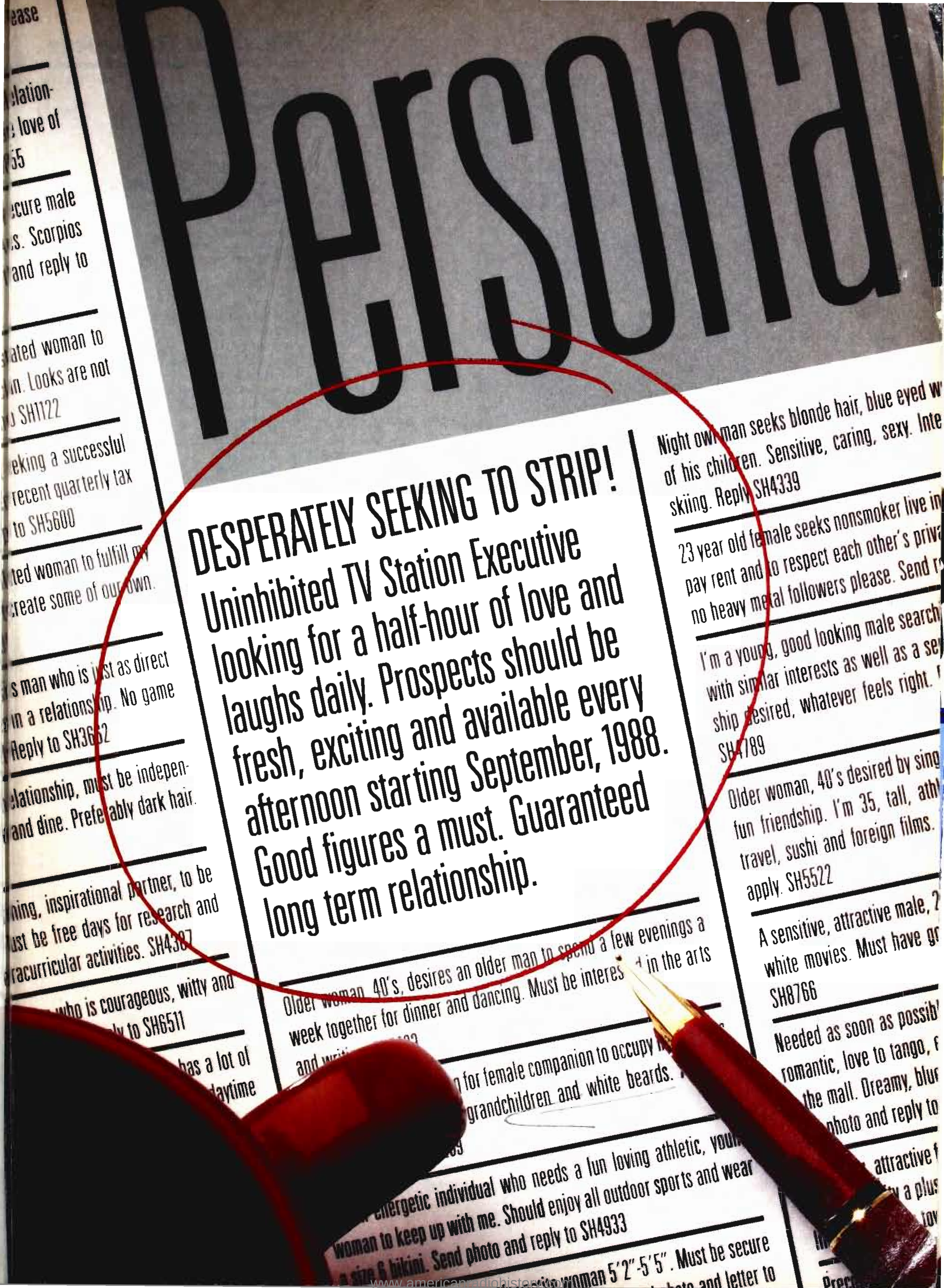
Television/Radio Age

January 11, 1988 — *Volume XXXV, No. 12*

'88 MEDIA OUTLOOK

DEPARTMENTS

Television/Radio Age (ISSN #US0040277X) (USPS #537160) is published every other Monday for $60 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.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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

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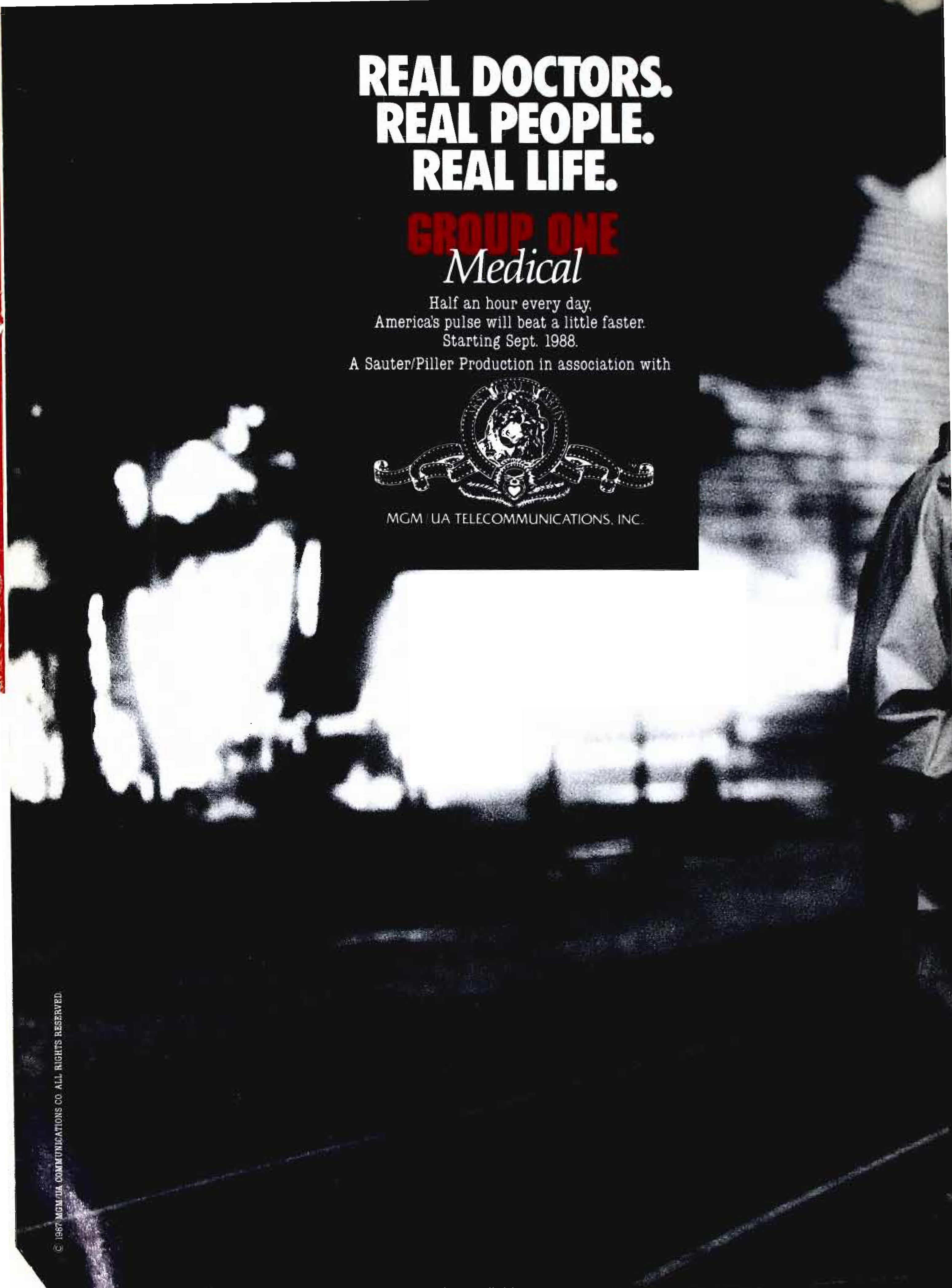
Member Business Publications Audit of Circulations, Inc.

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: $60; elsewhere: $70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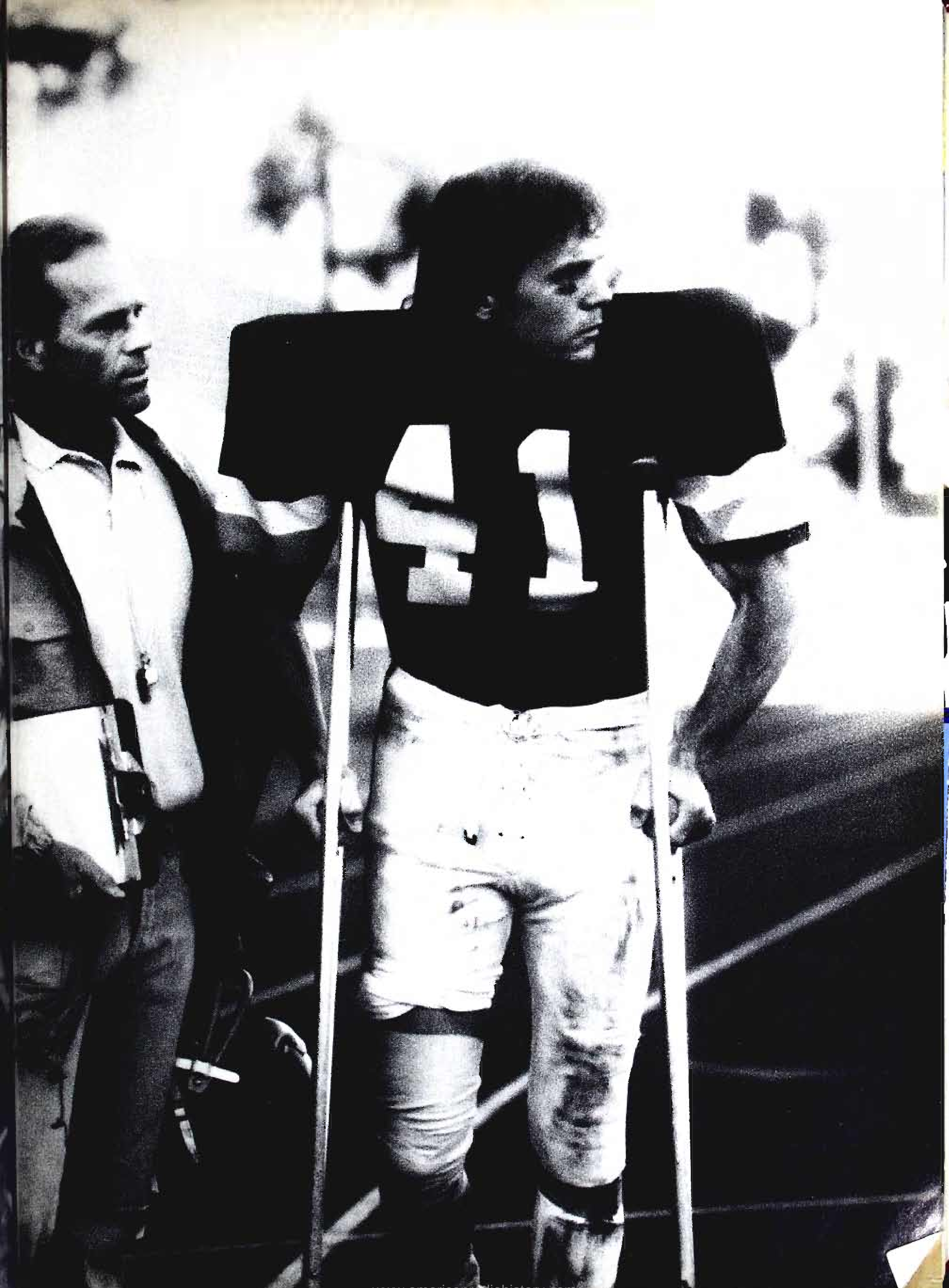
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Letters

Who trained whom?

It is true .. (Roland) "Eckstein once headed up TeleRep's T.M.A." However, the remarks following that statement on Page 64 ("Can reps help TV stations dig up local business?" Dec. 7, 1987), infer that Chuck Dempsey and myself were "nursed and trained" by Eckstein.

The fact is that I was the first TeleRep V.P. and G.M. of T.M.A. and hired Roland Eckstein and Chuck Dempsey into the company. Eckstein became head of T.M.A. only after Noll & Co., Inc. was established on December 27, 1978.

I'm sure Roland would be the first to agree that I did the nursing and training while we were together at T.M.A. and it was not the other way around.
RICHARD A. NOLL
Office of the president, Noll & Co.
Red Bank, N.J.

Editor's note: The TV/RADIO AGE story said: "Eckstein once headed up TeleRep's TMA, which nursed and trained a number of men who later went out on their own or worked for those who did." Thus, the story said that TMA "nursed and trained, etc.", not that Eckstein "nursed and trained" the men mentioned.

Transferable talent

John P. Bobel, Talentbank's president, referred to our News Talent Search Syndicated Research Service in his letter in the December 7, 1987 TELEVISION/RADIO AGE issue.

He stated that News Talent Search "does not take into account any factoring for how successful a personality will be in a new market." He is referring to the question of whether a news talent's appeal in his/her market is transferable to another market.

Mr. Bobel is obviously unaware of the fact that we have a special research methodology that is designed to measure the transferability of news talent appeal from one market to another.

News Talent Search is completely unique because our subscribers receive 50 separate surveys, one per market, including their own market, and the other 49 of the top 50 markets. It performs a valuable service for news executives since it pinpoints which talent is hot, and not so hot, in each of the top 50 markets. One way News Talent Search is used is to screen the list of potential candidates for job openings. Another way is to pinpoint news talent strength-weakness in each of the top 50 markets.

Since Mr. Bobel's letter pointed out the different news capabilities at his company, I think it only fair to respond in kind, and to mention our other research and consultation capabilities.

We also offer our clients news consultation that includes talent coaching. And we conduct in-depth, exclusive, news surveys that go beyond the areas covered in the Syndicated News Talent Search, to include news talent—program—station strengths and weaknesses.

But our research and consultation expertise is not limited to news. We conduct surveys for television stations and networks that include program and movie selection and scheduling, promotion, entertainment personalities, station image, new program development, new electronic media, and other areas of concern to broadcasters.
HERB ALTMAN
President,
Herb Altman Communications Research,
Port Washington, N.Y.

A better legacy

It was a jolt to read in TV/RADIO AGE that I had left KDFW-TV [now KDFI-TV], the Times Mirror station in Dallas, mired in third place in 1980.

Even more incredible is the fact that you attributed that hit to John McKay. The John McKay I hired in the summer of 1980 was given a May 1980 Nielsen that showed KDFW-TV:

- Tied for Number 1 in the late news
- Number 1 in primetime
- Tied for Number 1 in early fringe (3:30–6:30 p.m.)
- Tied for Number 1 in early news (6–6:30 p.m.)
- Tied for Number 1 in prime access
- Tied for Number 1 in the morning (9 a.m.–noon)
- Tied for Number 1 sign-on to sign-off (7 a.m.–1 a.m.)

The May Arbitron by and large agreed, and the November books showed more of the same.

The financial figures you printed were every bit as misleading as the audience figures.

Perhaps it's not intentional, but your inaccurate portrayal of the Dallas story not only demeans the outstanding work and accomplishments of a lot of broadcasters, but you also detract from the continuing commitment to broadcast excellence which has been the hallmark of Times Mirror Broadcasting for the 16 years that I've been associated with it.
JOHN J. McCRORY
President
Times Mirror Broadcasting,
Greenwich, Conn.

Last, but not dead

The article (*Being dead last in the Big D ain't half bad*, December 7) is great—although you could have said just "last" and left out the "dead." As you know, we ain't dead.

I really appreciate your efforts on the story. You were right on.
JOHN A. MCKAY
President & chief executive officer,
KDFI-TV Dallas-Fort Worth

Southwestern accent

I read, with interest, your lead article in the November 23 issue of TV/RADIO AGE concerning Hispanic marketing. Your article on Hispanic women was most intriguing.

Since I first became involved in Hispanic marketing in 1981, I have looked forward to your annual review of our business. The material you present is frequently used in various presentations.

There is, however, one bone I would like to pick which the Nov. 23 issue clearly illustrated. There is a distinct underrepresentation of quotes from agencies located in the Southwest. Admittedly, this is a self-serving comment.

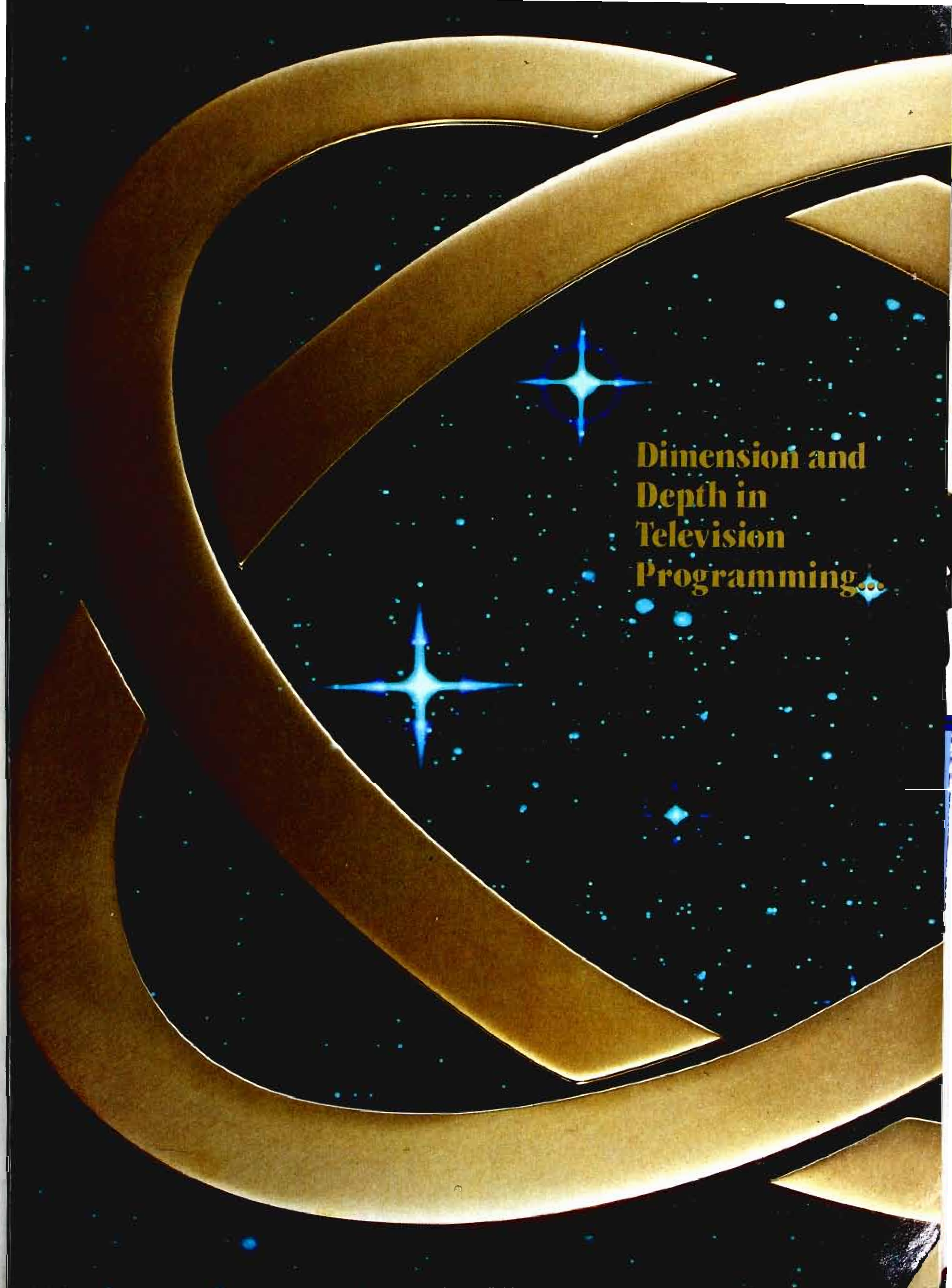
However, there are several agencies among the many located in the Southwest that have worked hard to land national, regional and local prestigious accounts.

Lionel Sosa is undoubtedly the best known and handles accounts such as Anheuser Busch, Domino's Pizza, Kroger and Westinghouse.

We are fortunate to handle Chrysler Motors Corp., Tequila Cuervo and regional clients such as Pepsi-Cola Bottling Group, Blue Bell ice cream and Melvin Simon Malls. In many cases, we have developed specialized areas of expertise, such as "grass roots marketing."

"Grass roots marketing" is one area where the broadcast media excels in working with advertising agencies and their clients alike. This is an area that would make an excellent story idea for 1988.

Please know that we are alive and well here in the Southwest. We would be more than willing to help in any way we can with future stories.
CARLOS R. MONTEMAYOR
President,
Montemayor & Asociados, Inc.,
San Antonio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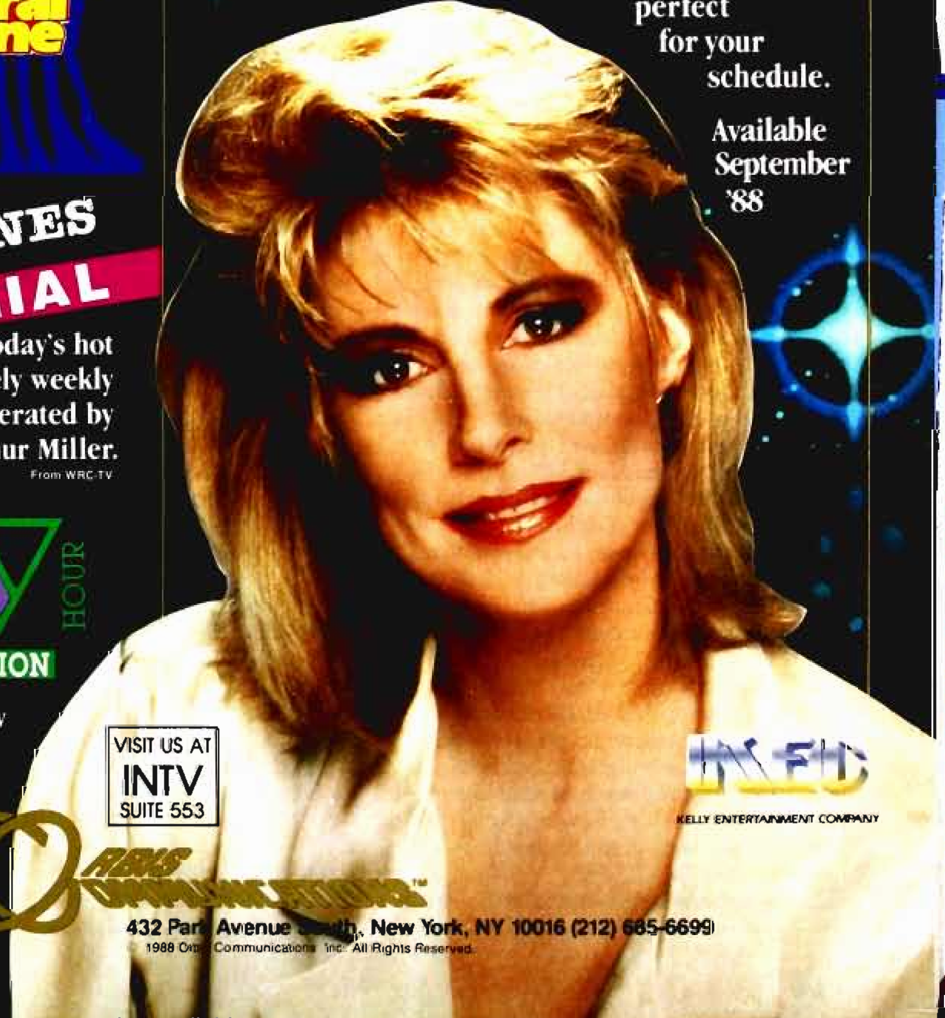

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Final Edition

Fox plans to keep right on chasing that fourth-network pot of gold

Fox Broadcasting Co. is investing $40 million in new programming to bolster its Saturday and Sunday night schedules, adding *It's Garry Shandling's Show* to the Sunday lineup and a new Aaron Spelling updated version of *Charlie's Angels* on Saturday.

The fledgling network told its 123 affiliates at an all-day series of meetings in Los Angeles that it will also launch *Boys Will be Boys*, spinning off two young stars from *Second Chance*, Matthew Perry and Billy Gallo, as part of its concept of counterprogramming the three networks with shows built around youth appeal.

"It makes no sense to us to develop shows around yesterday's stars, no matter how good these shows may be creatively," said Garth Ancier, president of programming for Fox Broadcasting.

At the same time, Fox announced it is pulling the plug on the late-night *Wilton North Report*, replacing it for a time with *The Late Show* hosted by comic Arsenio Hall. No word yet on the future of Barry Sand, who had been hired to produce *Wilton North*.

Acknowledging that its Saturday night lineup of the past six months has been "disappointing," Ancier also noted that among the shows being developed with $24 million is the action-drama *The Dirty Dozen*, which debuts April 23 as a two-hour movie and then reverts to a half-hour at 9 p.m. This series, based on the successful movie, is shooting in Yugoslavia.

As for reports that several Fox affiliates plan to drop the Saturday lineup, Jamie Kellner, president of Fox Broadcasting, said he knew of two stations which had made that statement and have since changed their minds.

"We always assumed we wouldn't keep 100% of the flock," Kellner said. "It's not a big deal for a few affiliates to drop our lineup. We've heard of stations being unhappy. If someone wants to make a profit immediately, then Fox might not be for them. If, however, they are interested in the long term, Fox is definitely for them."

New team. As part of its Saturday restructuring, Ancier noted new executive producers from NBC's *The Facts of Life* have been brought in to improve *Women in Prison*, now airing at 8:30 p.m. as the lead-in to the new *Boys will be Boys*.

Aaron Spelling's association with Fox reunites him with Fox chairman Barry Diller, with whom he worked during his 18 exclusive years with ABC. *Angel's 88*, the new action comedy Spelling is developing, "is not a sequel to *Charlie's Angels*," the producer said. "It's *Charlie's Angels*, the next step." The program is being geared for the fall "for an additional night of primetime programming," according to Ancier. However, if needed, this new program will be ready to plug into Saturday nights if *Boys will be Boys*, *Women in Prison* and *The Dirty Dozen* prove a ratings failure.

As for *Shandling's Show*, which has been airing Friday at 10 p.m. on the Showtime pay-cable network since September 1986, the program is being called Fox's audience alternative to the three networks' two-hour movie programming. Fox has found its Sunday night lineup from 9–10 at a "competitive disadvantage" to the two-hour movies.

Starting March 6, *Shandling* will air at 9 p.m. followed by *Duet* and *Tracey Ullman* at 10 p.m. Fox's deal, according to Diller, is an initial order for 44 shows. It will air those segments already shown on Showtime with a 30-day exclusive window protecting Showtime.

Shandling has done 28 half-hours for Showtime. Fred Schneier, the cable service's executive vice president for programming, said its commitment is for 72 shows. "This is a new approach to marketing and distributing a TV show," Schneier said, adding, "*Shandling* is probably seen by one-half of Showtime 5.6 million homes, while Fox will offer a much larger audience."

Other plans. Diller also revealed Fox is developing an unnamed half-hour for Sunday at 10:30 p.m. The network, he said, recognizes some of its affiliates may not want to tamper with their 10 p.m. newscasts, but he hopes they'll see the competitive value of the new Sunday lineup. Diller also noted Fox is talking to Showtime about offering the cable service one of its unnamed programs.

Finally, Stephen Cannell Productions and producer Patrick Hasburgh are developing a 13-episode series which is a spinoff from their Fox program, *21 Jump Street*. Tentatively titled *Return of the Prince*, the program spotlights the lives of young, multi-ethnic lawyers. *Jump Street* stars will make frequent appearances in the new show while the young lawyers will wind up on *Jump Street*, but the show as of yet hasn't been given a time slot.—**Eliot Tiegel**

'Winfrey' soars to No. 4 spot in Nov. sweeps

There are few surprises, but there are a few items of interest in the just-released Nielsen Cassandra report on syndicated programs for November.

In the no-surprise arena, *Wheel of Fortune*, *Jeopardy* and *PM Magazine* continued to dominate the ranking picture, as they did in November 1986. *Wheel* is still riding high in the Number 1 slot, as it did in the 1986 book, garnering a household rating of 19 and a 32 share, compared with 1986's 19.3/33.

PM Magazine and *Jeopardy* flip-flopped ranking positions. *PM Magazine* took over the second slot with a jump to 12.3/21 from a 9.7/18; while *Jeopardy*, which had been the Number 2 program, with a 12.3/26, was third with a 12.1/26. In the *PM Magazine* case, the jump was probably because the number of markets airing the show was only 26 vs. 1986's 45 (those stations carrying the show the past November obviously had the better rating numbers).

Among the interesting items in the report, *The Oprah Winfrey Show* appears to have benefited from being moved by most stations from a daytime slot to a late-afternoon time period. In November 1986, *Winfrey* was settled in the Number 8 slot, with a 7.7/31. In November 1987, *Winfrey* moved into Number 4, garnering a 10.5/31. Also of interest is that *The New Newlywed Game*, which had been Number 4 in household ranking with an 8.9/17 in November 1986, nosedived to the Number 22 spot with a 5.5/13 the past November.

So, so. In the new off-network arena, the sitcoms *Family Ties* and *Cheers* performed just adequately, considering the large bucks paid by stations to run the shows. *Family Ties* wound up in the Number 6 slot with an 8/15 in 172 markets. *Cheers*, which was on 144 stations in November, took up the Number 12 rank with a 6.8/15. A first-run strip, *Win, Lose, or Draw*, a parlor game show, was Number 10, getting a 7/18, an initial number for a game show.

Included among the top 20 was *Star Trek: The Next Generation*, weekly series, which earned a 6/14 and tied for the Number 17 spot with the *A-Team* and the old standard *Hee-Haw*.

Limited erosion in top 10 markets suggests people meter drop exaggerated

Whatever the reasons for the sharp drop in network TV primetime shares shown by Nielsen people meters, a preliminary analysis by TV/RADIO AGE of the November sweep results in the major markets shows no unusual degree of erosion sign-on to sign-off.

The preliminary analysis, based on Arbitron local reports for the top 10 ADIs, shows erosion, but nothing unexpected. Affiliates as a group were down an average of 2.0 household share points per market (unweighted) from November '86. This compares with declines of 2.3 points per average top 10 market in November '86, no change in November '85, a drop of 4.0 points in '84, a dip of 1.4 points in '83 and a drop of 4.8 points in '82.

The '87 results suggest that the bulk of the network erosion may be methodological (household and people meters. vs. household meters and diaries).

None of the top 10 markets showed an increase in overall affiliate household shares, with eight ADIs down and two registering no change. The average market share of affiliates was 57.0, compared with 71.8 in 1980, according to Arbitron local November reports.

The drop in affiliate shares this November was mostly offset by increases in indie shares, however. Thus, in the top 10 markets, at least, there was little loss of broadcast audience to cable during the past year. In the average top 10 market, indies as a group were up an average of 1.4 household share points. Six of the 10 markets scored increased indie shares, three suffered declining indie shares, while one showed no change.

The net result, therefore, for all broadcast audiences was an average market decline of 0.6 of a share point. Six markets were down, three were up and one showed no change. The overall broadcast share of affiliates and indies has gone from 93.7 in 1980 to 84.9 last November, as measured by Arbitron. The remaining 15.1 share points were divided between cable and public TV, with cable presumably taking the lion's share, though the analysis did not delve into these viewing sectors.

Frisco drop. Biggest decline in affiliate market share was in San Francisco, where the network outlets were off 5 points. Two affiliates were down 3 points each from November '86: Group W's KPIX(TV), aligned with CBS, and Cap Cities/ABC-owned KGO-TV. The NBC outlet, Chronicle's KRON-TV, was up a point. Philadelphia, Boston and Houston were down 3 points each.

As for the indies, Houston's affiliate drop was more than offset by their 5 point increase. This was primarily due to KXLN-TV (Rosenberg), a Spanish-language outlet which went on the air in September '86 and scored its first household shares in the November '87 Arbitron book.

Also up a point in Houston among the indies was Fox's KRIV(TV) and TVX's KTXH(TV), both up from a 9 to a 10 share and tied for the leading indies in the market.

In the other Texas top 10 market—Dallas-Ft. Worth—indies were up 4 points, primarily due to Gaylord's KTVT(TV), which increased its leading indie status in the market by rising 3 points. Below are the household share changes in the top 10 ADIs, sign-on to sign-off, from November '86 to November '87:

Market	Affils.	Indies
New York	−2	−2
Los Angeles	−1	N.C.
Chicago	N.C.	+2
Philadelphia	−3	+3
San Francisco	−5	+3
Boston	−3	+1
Detroit	−1	−1
Dallas-Ft. Worth	N.C.	+4
Washington	−2	−1
Houston	−3	+5

N.C. = No change

Co-op predicted to grow

"Because of the economy, 1988 will be a highly promotional retail year. Our experience in such uncertain economic periods has shown retailers use co-op funds even more vigorously than usual," says Arnold Feber, president of Pinpoint Marketing Inc., whose business is administering co-op programs.

Ferber predicts that co-op ad investments by retailers will grow 11% this year, outpacing the anticipated 8.9% total growth from all media used in local advertising. What this can mean for local radio is indicated by the estimated $640 million that co-op campaigns contributed to last year's local radio total of $5.5 billion. That's approximately 11.5% of all local radio dollars, and local was the lion's share of the all-radio total estimated at $7.3 billion.

But back to the totals, Ferber estimates total co-op expenditures in all media last year came to $8 billion, and could reach $8.9 billion this year. He says that "In almost every merchandise category retailers now have more sources from which to draw co-op ad funds. Those retailers who make heaviest use of co-op dollars in well-devised promotion plans will be the most successful in 1988."

As for his own firm, he says co-op expenditures administered by Pinpoint increased 32% last year over 1986.

PBS touting election coverage

PBS is tossing a number of journalistic hats in the ring in what it calls an ambitious package of presidential campaign coverage, dubbed *Election '88.*

PBS president Bruce L. Christensen says the objective of the effort will be to "emphasize the issues rather than the 'horse race' aspect of the campaign."

Lined up to take part in *Election '88* are Robert MacNeil, Jim Lehrer, Bill Moyers, Roger Mudd, Judy Woodruff, Paul Duke, Adam Smith (George J. W. Goodman) and comedian Mark Russell.

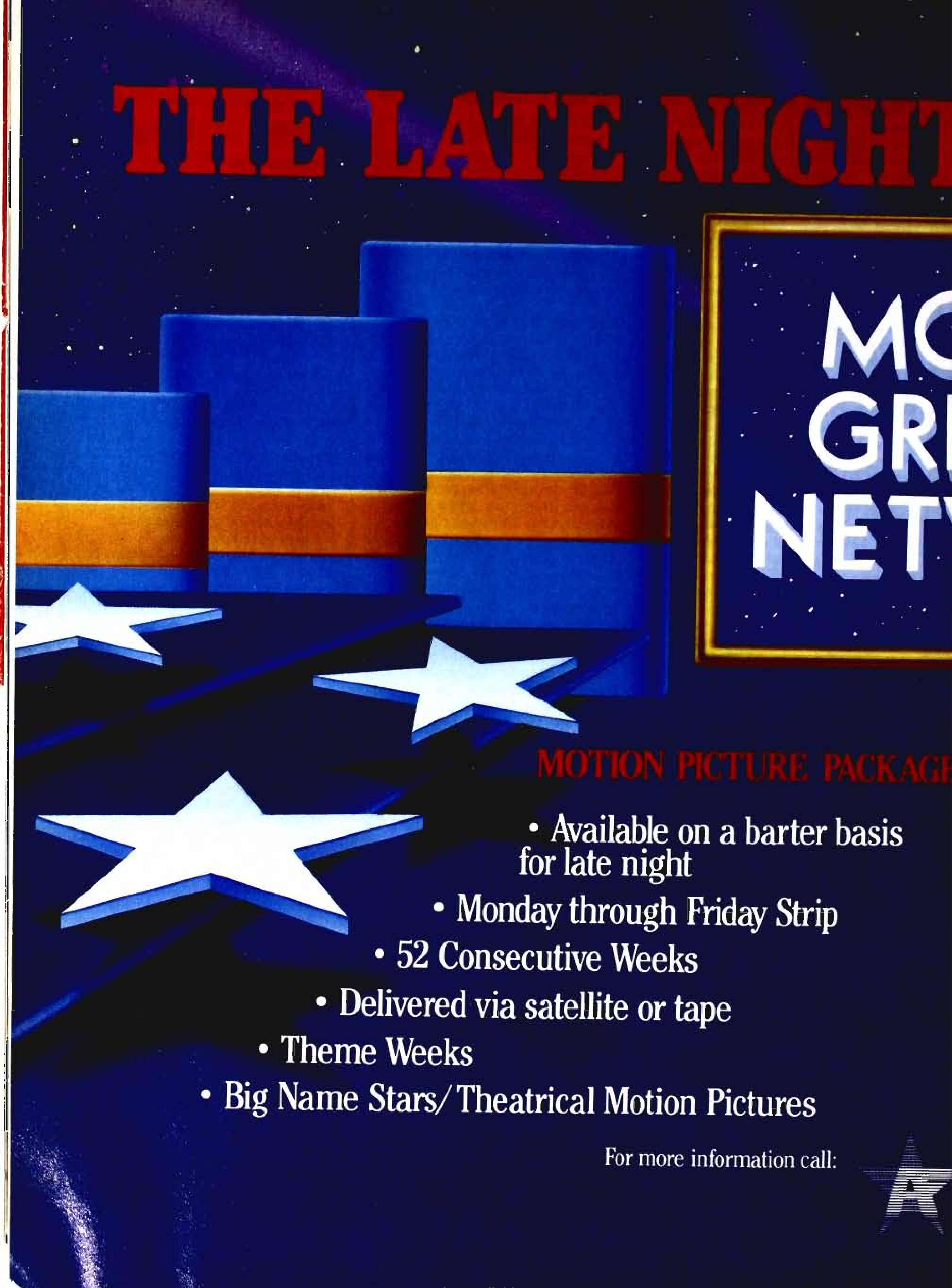
Despite the tag of "ambitious" attached to the package, its total cost is estimated at $3 million, not much more than a typical TV movie. PBS and its stations have put together $950,000 and the Corp. for Public Broadcasting has contributed $750,000. Additional funding is being sought from corporations and foundations.

Election '88 is being jointly administered by WETA-TV Washington and WGBH-TV Boston at PBS' request. The two stations have already polled station executives, recruited an advisory board, developed a programming plan and started to seek more money.

Programs planned to date include a three-hour election eve special, on-site coverage of both major political conventions, MacNeil/Lehrer analyses of post-convention presidential debates and news updates on election night, a Bill Moyers special on the presidency, a *Frontline* documentary and a series of 15 to 20 election spots, "brief bits of presidential trivia, humor and history."

Being considered and seeking funding are a WGBH-TV special on what it takes to be president and a WETA-TV special containing "essays many of the nation's most provocative political observers."

(Final Edition continued on page 22)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After massive shakeout at WPHL, Taft stands pat on program plans

The new owners of WPHL-TV Philadelphia, the indie bought from the Providence Journal interests by a group of investors headed Dudley Taft, intend to essentially go with what they've got in the program hopper, according to Randall E. Smith, new executive vice president and general manager of the station.

The transfer of ownership was accompanied by the wholesale firing of key executives at WPHL-TV and replacement by personnel from competitor WTAF-TV, leading indie in the market.

Smith, who was manager of WTAF-TV until it was taken over last year by TVX from the erstwhile Taft Broadcasting Co., brought over many of his upper echelon people to WPHL-TV.

The Dudley Taft interests, which include WGHP-TV Greensboro-Winston Salem-High Point, have taken over the Taft Broadcasting Co. name, while the former Taft Broadcasting stations are now named Great American Broadcasting.

WPHL-TV is a strong second in the Philly indie competitive situation, according to the November Arbitron book, with a 9 share in weekday early fringe (4-7:30) vs. 12 for WTAF-TV and a 6 share in weekday primetime (with movies and *Hill Street Blues*) vs. 7 for WTAF-TV.

Smith replaced Albert "Gene" McCurdy as general manager. Steve Mosko, new vice president and station manager, who had left WTAF-TV before the new TVX management came in, replaced Zvi Shoubin. The new general sales manager, Jan Dickler, who was local sales manager at WTAF-TV and left soon after TVX took over, replaces Timothy Cabrey in that title, but Cabrey remains as sales manager, while Gordon French, who was director of sales, was dropped.

Karen Corbin, who recently gave notice at WTAF-TV, becomes program/marketing manager, taking over some of the chores of promotion manager Robin Blake, one of those replaced. Replacing chief engineer Walt Bundy is David Smith, who also recently gave notice at WTAF-TV.

Bruce Wietlisbach, who was business manager at WTAF-TV and who also left that station before James Boaz took over as general manager, becomes vice president, finance, of Taft Broadcasting.

GM leads October web spenders

General Motors, which ranked third in October '86 spending, was first among last October's network TV clients, according to the latest BAR reports. It's spending for the '87 month was up from $36.3 to $49.1 million. All of the other top 10 spenders in October were up except for the two leading network TV spenders—Procter & Gamble and Philip Morris Cos. P&G was down from $40.8 to $30.2 million, while PM dropped from $39.0 to $27.6 million.

Not shown among those the top 10 for the year to date are Unilever, ranked fifth at $175.8 million; McDonalds, sixth at $170.2 million; American Home Products, ninth at $150.7 million and Johnson & Johnson, 10th at $149.4 million. P&G was down considerably for the 10 months, while General Mills was down slightly. All of the other top 10s for the January–October period were up, with Kellogg and RJR/Nabisco up considerably.

Top 10 web TV clients—October

Final (with net TV)

Parent company	October expenditures	Year-to-date expenditures
General Motors	$49,145,900	$205,806,300
Procter & Gamble	30,213,600	314,798,700
Philip Morris Cos.	27,596,000	293,046,100
Kellogg	26,134,700	198,403,900
Pillsbury	23,002,000	89,324,200
Anheuser-Busch Cos.	22,228,700	151,616,300
General Mills	20,859,600	109,513,500
RJR Nabisco	20,327,000	168,597,800
AT&T	19,596,300	118,069,900
Quaker Oats	17,751,400	77,975,300

Blair marketing carried the ball for unwired web

The marketing rather than the sales department carried the ball in selling the Blair Television unwired network to Bristol-Myers, according to Blair's top sales executive.

And the marketing department, headed by Don Williams, will carry the brunt of the follow-through, said Blair senior vice president and general sales manager William E. Breda Jr. This includes supervising delivery of commercials and post-buy analysis market-by-market of the audience cost-per-1,000 to see if the demo guarantees were reached. Breda commented that he was pleased that the sales department was relieved of the follow-through burden.

The B-M deal involves expenditures of something over $2 million for the first two quarters of '88, with spots to be placed mostly in access time. Also involved is B-M's encouragement of Blair stations in the top 25 markets to develop locally-oriented medical and health programs, time on which would be paid for under a separate budget. However, Peter Spengler, vice president, advertising services at B-M, notes that if another rep or non-Blair station comes to the client with a great idea for such a program, B-M will grab it. B-M will participate adwise in medical/health features on local news and magazine shows as well as in full-length specials.

In explaining the Blair buy, Spengler said B-M was first approached on an unwired network buy by Katz, but that his company gave all the major reps a chance to pitch. Blair, he said, offered "the best buy." The money, he explained, came from the barter syndication budget. "We were in the syndication market and we had unspent dollars."

Spengler maintained that the deal did not include an out-and-out guarantee. "We have an understanding on the audience benchmarks." He pooh-poohs press reports that B-M is coming back into spot just because the company is spending "a few million" more in '87 than '86. BAR figures show that B-M spent $128 million in network TV last year and just about $100 million during the first three quarters of '87.

Who combines communications industry know-how with investment banking expertise?

Morgan Stanley

CABLE TELEVISION

Continental Cablevision, Inc.
pending acquisition of
American Cablesystems Corp.
$750,300,000

Star Midwest, Inc.
pending acquisition of
North American Communications Corp.
and
Four Cable Television Systems
$239,000,000

$150,000,000
Cablevision Industries Corporation
11¼% Senior Subordinated Debentures

4,000,000 Shares
Centel Cable Television Company
Class A Common Stock
$20½ a Share

$50,000,000
Star Cablevision Group
13¼% Senior Subordinated Debentures

$47,025,000
Prime Cable Growth Partners, L.P.
Partnership Units

600,000 Units
Falcon Cable Systems Company,
a California Limited Partnership
Price $19 11/16 a Unit

Continental Cablevision, Inc.
pending exchange of certain of its cellular telephone assets for certain cable television assets of
Providence Journal Company
Price not disclosed

Wometco Cable TV, Inc.
pending acquisition of
Two Cable Television Systems
Price not disclosed

TELEVISION BROADCASTING

TFBA Limited Partnership
(a limited partnership formed, in part, by Robert M. Bass Group, Inc.)
acquired
Taft Broadcasting Company
$1,450,000,000

Six Television Stations of Storer Communications, Inc.
acquired by
SCI Television, Inc.
$1,300,000,000

$400,000,000
CBS Inc.
5% Convertible Subordinated Debentures

WTVJ-TV
(Miami, FL)
of Wometco Broadcasting Company, Inc.
acquired by
GE Property Management Co.
(subsidiary of General Electric Company)
$270,000,000

$110,000,000
Tak Communications, Inc.
$80,000,000
Senior Secured Financing
$20,000,000
Subordinated Notes
$10,000,000
Common Equity

WTVG-TV,
(Toledo, OH)
of Storer Communications, Inc.
acquired by
Toledo Television, Inc.
$65,000,000

Four Television Stations of Clay Communications Investors
acquired by
Price Communications Corporation
$60,000,000

$60,000,000
Outlet Broadcasting, Inc.
13¼% Senior Subordinated Notes

Tak Communications, Inc.
acquired
KITV-TV
(Honolulu, HI)
$50,000,000

WLOS-TV
(Asheville, NC)
of Wometco Broadcasting Company, Inc.
acquired by
AMC of Delaware, Inc
(an affiliate of Anchor Media, Ltd.)
$50,000,000

1,350,000 Shares
Outlet Communications, Inc.
Common Stock
Price $11¼ a Share

WPHL-TV
(Philadelphia, PA)
of Providence Journal Company
pending acquisition by
Taft Broadcasting Company
Price not disclosed

RADIO BROADCASTING

Seven Radio Stations of Price Communications Corporation
acquired by
Fairmont Broadcasting, Inc.
$120,000,000
(in cash and notes)

Tak Communications, Inc.
acquired
WUSL-FM
(Philadelphia, PA)
$32,000,000

WASH-FM
(Washington, DC)
of Metropolitan Broadcasting Corporation
acquired by
Outlet Broadcasting, Inc.
$29,250,000

DKM Broadcasting Corporation
pending acquisition by
Summit Communications, Inc.
Price not disclosed

WIP-AM
(Philadelphia, PA)
of Metropolitan Broadcasting Corporation
acquired by
Spectacor Broadcasting L.P.
Price not disclosed

TranSales, Inc.
(an affiliate of The United Stations Companies)
acquired a beneficial equity interest in
StarGroup Communications, Inc.
Price not disclosed

PUBLISHING

Bell & Howell Company
pending acquisition by
BHW Acquisition Corp.
$678,400,000

$100,000,000
Pulitzer Publishing Company
8.8% Senior Notes due 1997

Four Newspapers of Clay Communications Investors
acquired by
Thomson Newspapers Limited
Price not disclosed

ENTERTAINMENT

$300,000,000
MCA Inc.
5½% Convertible Subordinated Debentures

Theatre Assets and related Real Estate of The Litchfield Company of South Carolina, Inc.
acquired by
United Artists Communications, Inc.
$93,000,000

SERVICES

JWT Group, Inc.
acquired by
WPP Group plc
$566,000,000

Reuters Holdings PLC
acquired
Instinet Corporation
$106,500,000

CELLULAR

The Cellular Telephone and Paging Operations of Metromedia Inc.
acquired by
Southwestern Bell Corporation
$1,197,000,000

Detroit Regional Cellular Telephone Companies
acquired by
PacTel Personal Communications
(division of Pacific Telesis Group)
$316,000,000

13,050,000 Shares
McCaw Cellular Communications
Class A Common Stock
Price $21¾ a Share

Communications companies have very specialized needs.

And Morgan Stanley's Communications Group provides clients in the communications industry with a special resource—a team of more than a dozen seasoned investment bankers who work full time with media companies.

This year, the Communications Group was involved in mergers and acquisition transactions worth more than $7.2 billion. In addition, they helped their clients raise more than $1.6 billion in capital.

From mergers and acquisitions to financings and corporate restructurings, Morgan Stanley's Communications Group delivers the combination of investment banking expertise and communications industry know-how its clients need.

MORGAN STANLEY

"You win the bet, and I owe you a dinner."

Ron Devillier, President
Devillier Donegan Enterprises

DEVILLIER·DONEGAN·ENTERPRISES

October 26, 1987

Mr. Mort Miller
Vice President & Sales Director
Television/Radio Age
1270 Avenue of the Americas
New York, New York 10020

Dear Mort:

The one-third page ads we ran exclusively in Television/Radio Age in '87 worked beautifully.

So you win the bet, and I owe you a dinner --

We'll definitely take the same schedule in '88 ... But the bet's off!

Cheers,

Ron Devillier
President

THEY MADE MORE THAN MOVIES . . .

THEY MADE HISTORY

"Hollywood: The Golden Years"

6 x 1 hr Narrated by Ed Asner

The rich archives of RK[...] Pictures and the recollections of Fred Astai[...] Ginger Rogers, Katherir[...] Hepburn, Janet Leigh, Rob[...] Mitchum, Robert Wise, Lucille Ball and many oth[...] reveal the creative anc[...] turbulent life of a Hollywood Studio.

for preview materials contac[...]

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1608 New Hampshire Avenue, [...]
Washington, D.C. 20009
Telephone (202) 232-8200 Te[...]
248 724 DDEI UR

JACK NICHOLSON TELLS A WONDERFUL STORY . . .

"The Elephant's Child"

And So Does Cher, *"The Ugly Duckling"*

Jeremy Irons, *"The Steadfast Tin Soldier"*

Kelly McGillis, *"Santabear's First Christmas"*

Meryl Streep, *"The Velveteen Rabbit"*

Glenn Close, *"The Emperor's Nightingale"*

In *Story Book Classics*, premiering on SHOWTIME in October

Distributed Exclusively By

DEVILLIER · DONEGAN ENTERPRISES

1608 New Hampshire Ave., N.W.
Washington, DC 20009
Telephone (202) 232-8200
Telex 248724 DDEI UR

- **DEVILLIER • DONEGAN,** a successful and rapidly expanding producer/distributor of programming both internationally and domestically chose *Television/Radio Age* as the *exclusive publication* for this series of ads *and* they got RESULTS! They got results because:

- **TELEVISION STATIONS RESPOND TO TELEVISION/ RADIO AGE!** They consider it their *basic* publication. Of their own trade advertising, they place more in *Televison/Radio Age*. 41% more than in Broadcasting, 94% more than in Advertising Age, 293% more than in Variety and 411% more than in Electronic Media. What better proof of response?

- **ADVERTISERS AND AGENCIES RESPOND TO TELEVISION/RADIO AGE!**

Advertiser/Agency Circulation of Broadcast Publications*

	Advertiser	Agency	Total
Television/Radio Age	1,872	7,360	9,232
Broadcasting	1,450	635	2,085
Electronic Media	735	672	1,407
View			310**

- **INTERNATIONAL BROADCASTERS RESPOND TO TELEVISION/ RADIO AGE!** An "International Report" edited for and about them appears in every issue of (*Television/Radio Age*.)

- **YOUR CLIENTS RESPOND TO TELEVISION/RADIO AGE** This is proven each and every time a coupon is run in *Television/Radio Age vs.* its competition. Because *Television/Radio Age* provides the ideal readership and programming environment, your advertising in *Television/Radio Age*, gets response and delivers RESULTS!

* *based on 12/86 BPA/ABC Audit Statements*
** *listed as "Advertising Executives" for both categories*

Sevcec fills some big shoes at HBC; Hispanic newscast charts new course

Gustavo Godoy is a tough act to follow. But Pedro Sevcec (pronounced Sevsek), who follows Godoy as director of Hispanic Broadcasting Corp., which produces *Noticiero Telemundo*, the nightly news for Spanish language Telemundo TV Network, is a tough man.

A former Central American bureau chief for SIN, now Univision, Sevcec was tough enough to survive cross fire in El Salvador and jail in Nicaragua. In El Salvador, in fact, his Chilean cameraman was shot out from under him while covering the 1982 elections there. The Nicaraguan jail wasn't quite that tough. He spent only one night there, and the next day was escorted to the airport and thrown out of the country.

Now at HBC headquarters in Miami, Sevcec is working to broaden its coverage to include more overseas reports from Latin America and from hot spots in Europe and the Middle East.

"We're trying to be a more complete news service," he says, "and not only geographically. I'd like to do more of what BBC does in Britain: provide more and deeper analysis to explain the background and *why* what's happening is happening."

Practical. Domestically, adds Sevcec, *Noticiero* already differs from most general market TV newscasts in that "There's less show business, less emphasis on celebrities from the world of entertainment—Telemundo has plenty of other shows that do that—and more practical information on how viewers can cope in their new country here. How to adapt. How to find a job. Where to go for health care, explaining the ins and outs of the immigration law."

"I'd like to do more of what the BBC does: deeper analysis and background."

Before going to work for SIN and Godoy for three years, Sevcec had worked for radio, newspapers and television in Uruguay.

And Godoy? He's now running KTVW-TV Phoenix and its satellite, Channel 52, in Tucson, as vice president, general manager, and news is now only part of his business.

Sevcec wants to broaden coverage to include more reports from Latin America and hot spots in Europe.

But last year, about the same time SIN was changing its name to Univision, Godoy made headlines himself in Miami and New York when Univision was also planning to make its own then-Miami-based news division part of an international TV news agency that would provide televised news services to other networks around the globe as well as for Univision.

To head this agency, Univision planned to bring in as top man, over Godoy, Jacobo Zabludovsky, influential anchor for Mexico's Televisa-produced nightly newscast, *24 Horas* (*24 Hours*). The reaction back in Miami was for Godoy and 15 members of his largely Cuban-American news staff to walk out.

In their view, Zabludovsky's *24 Horas* was "slanted in favor of the Mexican Government, and his presence at Univision would undermine the credibility of Godoy's news product."

And that's when Godoy and his former Univision teammates set up HBC and went to work for Telemundo.

WANE-TV finds rivals a help

As far as Bob Fishman knows, LIN Broadcasting's WANE-TV Fort Wayne, Ind., may be the only television station supplying local news and sports breaks to a local cable system and also promoting its newscasts on a rival television station—Fort Wayne independent WFFT-TV.

Fishman, WANE-TV president and general manager, says he does it "to attract as many viewers as possible to our news. WFFT throws a good signal, and Comcast Cable also gets outside the ADI. Between them they can tell people about our news programs across much of northeast Indiana, part of northwest Ohio, and even in some areas of southern Michigan."

He explains that WFFT does its own news headlines, "but not extensive coverage like ours. We tape each day's news and sports breaks fresh each day and hand deliver the one minute segments to Comcast each day so it's always a current headline preview of what's coming up that same day on our evening news."

Fishman says he'd been talking to both WFFT and Comcast about doing this "for about a year."

Male & female newscasters rate even in appeal

There is no difference in the appeal of women vs. men newscasters, according to the latest data on the News Talent Search released by Herb Altman Communications Research. The syndicated service provides TvQ-type awareness and appeal scores for personalities appearing on local news shows in the top 50 markets.

The average appeal scores for men and women "front-line" newscasters were identical—20. These represent percentages of respondents who are familiar with a personality (awareness score) who say that personality "is one of my favorites." The awareness, or familiarity, scores were slightly skewed in favor of women—58 vs. 55.

Altman also compared the appeal of black vs. white newscasters. In this case, white newscasters received a higher score—20 vs. 14. The awareness scores were close: 56 for whites and 54 for blacks.

The top 10 markets ranked by appeal scores of men newscasters are (with appeal scores in parentheses): Charlotte (32), Houston (31), St. Louis (28), Denver, (28), Columbus, 0 (26), Dayton (26), Salt Lake City (26), New Orleans (26), Greensboro-Winston Salem-High Point (25), Hartford-New Haven (24), Minneapolis-St. Paul (24) and Washington (24).

The comparable list for women: Washington (30), Kansas City (27), Phoenix (27), San Antonio (26), Minneapolis-St. Paul (26), Hartford-New Haven (26), Charlotte (26), Boston (25), San Diego (24), Houston (24) and Raleigh-Durham (24).

The 1987–88 News Talent Search measured a total of 698 "front-line" newscasters. Of this total 410 were men and 288 women.

Sidelights

Hispanic radio's dynamic duo

With Spanish Broadcasting System's agreement to pay Pennino Music Co. $15 million for KNOB(FM) Los Angeles to convert it to a Spanish-language format like its other four radio stations, the father and son team of Raul Alarcon, senior and junior, add one more key notch to their status as "largest Hispanic-owned radio group in the United States."

The move, subject to FCC approval, would give SBS five stations, two ahead of runner up Ed Gomez in Albuquerque. And the Alarcons' $15 million is not only more than double the average radio station trade going down these days (around $6 million, say

Raul Alarcon, l., Raul Alarcon, Jr.

broadcast brokers), but it's $2 million more than the $13 million Group W reportedly paid NBC for its WMAQ Chicago.

It was less than five years ago that SBS was incorporated to acquire its first U.S. station, now WSKQ New York. By May 1984 SBS was negotiating with Capital Cities for its first Los Angeles station, KSKQ, and that fall had racked up $3 million in gross sales for its first fiscal year. The following fall SBS was up to $6.7 million in gross sales and by October 1986 was reporting gross sales of $9.5 million.

Still more. Two months later the Alarcons had completed acquisition of WCMQ AM-FM Miami and by August 1987 were projecting gross sales that year of over $18.5 million. That's quite a way to go since the day the family fled Castro's takeover of Cuba in 1960.

Pablo Raul, the father, born in Cuba in 1926 and educated at Jose Marti University there, acquired his first radio operator's license in 1948. He acquired his first radio station license from the Cuban Ministry of Communications in 1955 and three years later assumed the presidency of Radio Cadena Agramonte, which by then consisted of CMJY Camaguey, a second station in Ciego de Avila and six repeaters in Oriente Province.

Then came the revolution, and Alarcon was back to square one as a radio announcer again, only this time for WBNX New York. By 1963 he was the station's program director and two years later was promoted to station manager.

He left WBNX in 1970 to organize and manage New York's first Spanish language FM operation, WEVD, the same year he started up his own ad agency. In 1973 he started up Latin Sound Recording Studios and in 1981 founded Eurosound Studios. Between them, the two companies operated six recording studios with over 50 employees.

Meanwhile Raul, Jr., born in Cuba in 1956, just four years before exiting to the U.S., was growing up in the U.S. and in 1978 graduated from Fordham.

While still in school he got his start as parttime recording engineer at Latin Sound Recording Studios and by 1983 he was negotiating a $3 million-plus loan to buy WSKQ as his father was putting together the foundation of SBS.

Once off and running, Raul, Jr. became vice president, sales for SBS and negotiated loans and acquisitions for the company's later station additions as well as the sale of both recording studios in 1984. Then in 1985 he assumed the presidency of SBS.

'Forbes' on Tisch

CBS president Laurence Tisch is limelighted as an industry leader in the Jan. 11 issue of *Forbes*. The magazine comments, "In an industry in which diversification has long reigned supreme as a business strategy, Laurence Tisch stood out in 1987 as its most innovative, dynamic leader.

"While his two leading network rivals disappeared into non-network parents, Tisch aggressively reshaped CBS into the only pure play in the broadcast industry."

Observing his sale of more than $3 billion worth of CBS businesses and his cost-cutting measures, *Forbes* says earnings per share should be up 30% from 1986 levels to an estimated $9.80 in 1987. It adds, "Tisch has built a more efficient machine, but can he provide quality programming?"

Pioneers elect

Erwin G. Krasnow, partner in Verner, Liipfert, Bernhard, McPherson and Hand, Washington, has been reelected president of the Broadcast Pioneers Educational Fund, the foundation that endows the Broadcast Pioneers Library.

Newly elected to the board of directors are Joseph H. Berman, director, School of Communication Systems Management, Ohio University; James H. Duncan, Jr., publisher, Duncan's American Radio; Ken J. Elkins, president and CEO, Pulitzer Broadcasting Co.; George Gillett, chairman, Gillett Group; and Jeffrey H. Smulyan, president, Emmis Broadcasting.

Meredith's deed etched in stone

Meredith Corp.'s name *was inscribed in a marble pillar at the Metropolitan Museum of Art in New York recently. This follows its sponsorship of "In Pursuit of Beauty" last year. Viewing the inscription are Emily Rafferty, vice president for development at the museum, and Robert A. Burnett, president and CEO of Meredith. Meredith owns and operates seven TV stations.*

TV Business Barometer

November: a little better than most

The news about national and regional spot billings in November was not bad, considering the ho-hum numbers racked up in previous months last year. The *TV Business Barometer* sample of stations reported a 6.3% increase in November vs. the year before. It was actually the third best month of the 11 reported to date.

The two months that topped November in percentage increases were only slightly better. April showed spot up 7.6% and May was up 7.5%.

The Standard Broadcast Month (SBM) was not a major factor in the returns by sample stations since both November '87 and November '86 were five-week SBMs. However, as has been noted in previous *Barometer* reports, a minority of returns are usually based on the SBM.

In the latest survey, 21.3% of respondents reported on an SBM basis, most of them stations with less than $7 million in annual revenue. Another 63.8% reported on a calendar month basis and no less than 15% report on some other period, most of these among the bigger stations, those over $15 million in annual revenues.

The spot billings in November came to an estimated $576.0 million, compared with $541.9 million the year before. November was the fourth $500 million month in '87 and while it was a five-week SBM, that was only one factor, since, as the previous paragraph indicates, mostly the smaller stations report on an SBM basis. The main factor is seasonality; November is historically one of the best months for spot.

Barometer responses in November showed again a faster growth in spot among the smaller stations (under $7 million in annual revenue). This was the eighth month last year that this group topped the other brackets in percentage increase, a reflection, no doubt, of the fact that the smaller stations are more likely to be the newer stations and, therefore, are growing from a smaller base.

Spot crossed the $5 billion line in November, reaching $5,321.9 million, compared with $5,122.5 million for the 11 months of '86. That represents an increase of 3.9%, which for all practical purposes, with inflation factored in, means practically no change from the year before.

There is much hope, of course, that this year will be much better and there is every indication that it will be. One question is whether spot business will achieve double-digit increases. The consensus seems to be that the increase will be in the neighborhood of 10%.

'88 forecast

TV/RADIO AGE's own prediction is for an increase of 9.5% (see *Publisher's Letter* in the Dec. 28 issue), and the exclusive Dick Gideon predictions in this issue call for a rise of 9.6%. Both are a little more conservative than most other forecasts.

Gideon notes that his '88 forecast is the smallest increase for spot in any Olympics/election year in his latest historical analysis, which goes back to 1964.

November

National spot **+6.3%**

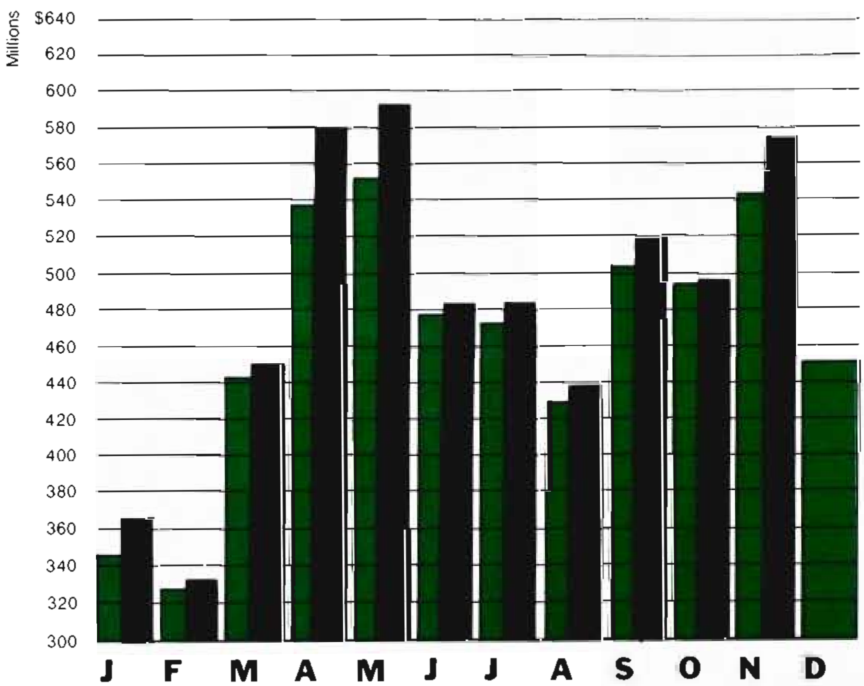
(millions)

1986: $541.9 **1987: $576.0**

Changes by annual station revenue

Under $7 million	+20.8%
$7–15 million	+4.8%
$15 million up	+4.6%

Network (millions $)



Granada's Plowright & Wallace adopt more commercial approach

"Not very long ago a producer said to me," recalls Vivien Wallace, Granada Television International chief executive, "Granada has changed more in the past three months than it has in the past 30 years." Perhaps that should not be as surprising as it sounds. For some time many outsiders had been predicting that the changes which would occur once those who had dominated Granada thinking for those 30 years left would be more obvious than subtle. They have been.

While no one would deny the right of those involved in the string of distinguished Granada programs, including *Brideshead Revisited* and *Jewel in the Crown*, to feel justifiably proud of their accomplishments, few observers doubt that the new commercial-oriented financial approach will provide a great deal more revenue than the past successes.

David Plowright

Costs. In fairness, it should be pointed out that in the past the cost of making programs was not as crucial as it is today and that there wasn't a great deal of thought given to international sales potential: "In the heady days of having plenty of money," explains Wallace, "how much you spent wasn't a problem. Now they would start counting residuals per hour. There is a much greater awareness of how things are costed. They say, 'We're going to make this. It's going to cost so much. How much can you sell it for?' It's all part of the equation."

A new sense of commercial realism has produced a 19% increase in sales.

David Plowright is the first nonprogrammer to lead Granada.

The new commercial realism has produced an 18.8% increase in sales in the year ending September 30 over the previous 12 months, "without," says Wallace, "any major new drama."

Granada actually is a relative latecomer among the major British commercial networks in joining the race for the big bucks. In general, until quite recently, most of the British programs which did make it to the U.S. had been broadcast on PBS. While the PBS audience may appreciate the British programs, unfortunately PBS payments have not tended to keep up with real costs.

Vivien Wallace

Now almost all of the large British television companies are trying to find American coproducers with network contacts. Trailing at the back of the pack until now, under chairman David Plowright's administration, Granada's pace has materially quickened. Plowright is the first nonprogrammer to lead Granada; he, therefore, naturally approaches the job from a different perspective than his predecessors.

Support. Wallace unequivocally states she is a great supporter of Plowright and, although she wouldn't be drawn out on whether, as many people believe, she does not exert the same political influence, or weald the same power within the Granada organization as Barrie Heads, whom she succeeded last year, she contends it doesn't matter as long as there is an admiration for fellow workers.

Politics aside, however, there seems to be a great deal of evidence that Wallace's input is sought when it comes to deciding which program might sell best overseas: "When I first knew I was taking over, David [Plowright] sent me three scripts which he said Granada could do," Wallace recounts. "Which one he asked, do you think would sell best? It was a question no one had asked me in my eight years with the company."

With Plowright's active participation, Granada and Granada International have become involved with program coproductions, looking as most foreign producers do to the attractive U.S. market to produce large returns. Wallace says that International has raised money in the past mostly by big presales in America, possibly enhanced with a little money in Europe. Now she says Granada is actively seeking liked-minded coproduction partners.

"When you're fumbling along the coproduction route," she says, "it's terribly important that there is a real commitment to making it work right at the top of both organizations." That is one reason Wallace hopes a deal for the television adaptation of the Jack Higgins' novel, *Confessional*, currently in development with Harmony Gold and the Berlusconi organization, will come to fruition. It is intended for first-run syndication. "I originally met Frank Agrama [Harmony Gold president] at NATPE," Wallace remembers, "I felt that it would be a good idea for David Plowright to meet him. In fact, they got along enormously well."

Should the program materialize, Granada has traded distribution rights, which it has never done before, in order to retain artistic control. Nevertheless, there already has been a considerably valuable production contribution from Harmony Gold. The U.S. company has provided an American producer to help the British writer shape the script in a manner which is likely to appeal to American tastes while remaining perfectly acceptable to

Granada has high hopes for Harmony Gold's plans for a TV production of Higgins' novel "Confessional."

(International Report continued on page 36)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International Report

Granada's Plowright & Wallace adopt more commercial approach

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Now almost all of the large British television companies are trying to find American coproducers with network contacts. Trailing at the back of the pack until now, under chairman David Plowright's administration, Granada's pace has materially quickened. Plowright is the first nonprogrammer to lead Granada; he, therefore, naturally approaches the job from a different perspective than his predecessors.

Support. Wallace unequivocally states she is a great supporter of Plowright and, although she wouldn't be drawn out on whether, as many people believe, she does not exert the same political influence, or weald the same power within the Granada organization as Barrie Heads, whom she succeeded last year, she contends it doesn't matter as long as there is an admiration for fellow workers.

Politics aside, however, there seems to be a great deal of evidence that Wallace's input is sought when it comes to deciding which program might sell best overseas: "When I first knew I was taking over, David [Plowright] sent me three scripts which he said Granada could do," Wallace recounts. "Which one he asked, do you think would sell best? It was a question no one had asked me in my eight years with the company."

With Plowright's active participation, Granada and Granada International have become involved with program coproductions, looking as most foreign producers do to the attractive U.S. market to produce large returns. Wallace says that International has raised money in the past mostly by big presales in America, possibly enhanced with a little money in Europe. Now she says Granada is actively seeking liked-minded coproduction partners.

"When you're fumbling along the coproduction route," she says, "it's terribly important that there is a real commitment to making it work right at the top of both organizations." That is one reason Wallace hopes a deal for the television adaptation of the Jack Higgins' novel, *Confessional*, currently in development with Harmony Gold and the Berlusconi organization, will come to fruition. It is intended for first-run syndication. "I originally met Frank Agrama [Harmony Gold president] at NATPE," Wallace remembers, "I felt that it would be a good idea for David Plowright to meet him. In fact, they got along enormously well."

Should the program materialize, Granada has traded distribution rights, which it has never done before, in order to retain artistic control. Nevertheless, there already has been a considerably valuable production contribution from Harmony Gold. The U.S. company has provided an American producer to help the British writer shape the script in a manner which is likely to appeal to American tastes while remaining perfectly acceptable to

Granada has high hopes for Harmony Gold's plans for a TV production of Higgins' novel "Confessional."

(International Report continued on page 36)

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Plowright & Wallace team at Granada

(Continued from page 34)

a British audience, an extremely important consideration for Granada, particularly in the area of pacing.

Experiment. Even if the program is not made, Wallace notes, Granada has learned a great deal from the preliminaries. "It's been a very interesting experiment," she says. "Granada has always greatly respected text. If you look at something like *Brideshead*, there hasn't been a nuance on a page that hasn't been put on the screen; the English find the idea that you say, 'Perhaps we could change a line here or have that line said by somebody else,' very surprising. I am not saying that the script has been butchered. I am just saying that it never occurs to us to think of that."

Certainly Wallace has credentials which ensure her familiarity with a wide spectrum of American television programs. She started her career with Granada in its New York office. So she understands the reason why foreign buyers are frequently unhappy about the pacing of British programs. They complain, she admits, that the audience is often lost in the first 10 minutes. "They have said it a million times, but the English have ignored it [a million times]."

Granada also has teamed with Telecom Entertainment on the production of Neville Shute's *Pied Piper*, which Wallace would like to see ending up on a U.S. network. She explains that Granada was favorably impressed by Telecom president Michael Lepiner's approach of anticipating network requirements and providing programs to fit needs rather than going to a network and asking what it would like made.

Balance. Wallace says that one must balance all the elements in a deal so that the end result fits your own requirements. For instance, Granada hopes that its new coproduction interest will provide an opportunity to produce work within its large production facilities. With 25% of British programs likely to be made by independent companies in the future, Granada officials anticipate a drop in their in-house production needs.

Granada International also is getting into the production business for the first time. It is working with Atlantis (Canada) and Elipse (a subsidiary of the French channel Canal Plus in which Granada has a shareholding) on a series of Ray Bradbury stories. Elipse will benefit from facility charges. Granada International has presold the series back to Granada so that its risk is minimal and the partners have split distribution rights. If the series works, Wallace says, she would expect the coproducers to continue making episodes for syndication.

Wallace also says Granada International is exploring a number of options aimed at maximizing its selling, marking and growing production capability. While she maintains that it still is too early to precisely define where the organization is heading, she is quite confident that it will not emerge as a facilities house churning out mid-Atlantic programs that have little worth. "In any case," she chides, "everybody is trying to do it."—**Irv Margolis**

Japan hopes HDTV displays will lure public

Japanese merchandisers are planning to follow a time-honored tradition of letting prospective purchasers sample the product.

Next year, NHK, set manufacturers and local governments will begin to prepare the public for the introduction of high definition television by holding HDTV demonstrations of videotaped events, such as the 1988 Olympic Games, in railway stations, department stores, hotels and other public locations around the country.

These kinds of demonstrations are credited with successfully motivating consumers to buy black-and-white television sets in the 1950s and color sets a decade or so later.

At the moment, of course, HDTV sets at close to $40,000 each are well beyond the average means, but manufacturers say that the price is likely to plunge dramatically once full-scale production is underway.

In fact a recent Japanese Ministry of Posts and Telecommunications report forecasts that half of all the country's households will own HDTV sets with an average screen size of 40 inches by the year 2000.

The survey also projects that 20% of all households will own compatible videotape recorders with 5% owning compatible videodisc recorders. According to the report, the annual market for HDTV by the beginning of the 21st century will total $40 billion.

U.S.-German TV alliance

The giant German multimedia entity, Beta Taurus, which already has moved aggressively into most other European countries, now has a toehold in the U.S. through an "association" with Tribune Broadcasting.

The association, to be called the International Program Organization, will develop TV movies, miniseries and specials for both U.S. and European audiences. All the programs will be produced in English, distributed in the U.S. by Tribune and by Beta Taurus in Europe.

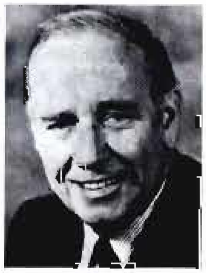
Leo Kirch, who heads the Kirch Group (Beta Taurus), spent approximately $50 million on TV productions in 1987.

While Tribune offered few details about the U.S.-German arrangement, it appears as though Beta is bringing most of the money to the table along with a reputation as a high-quality production company.

People in the news

Mel Watson, one of the real veterans on the international circuit, has retired as vice president and general manager of Worldvision Enterprises Canada. He had been with Worldvision and its predecessor company, ABC Films, since 1966. Watson is succeeded by **Bruce Swanson,** who joined the company's Canadian office last April. Prior to joining Worldvision, Swanson spent 21 years with CHCH-TV Hamilton, Ontario, most recently as program director. Swanson will report directly to **Bert Cohen,** who was recently promoted to executive vice president and chief operating officer of Worldvision Enterprises and who continues to oversee international operations.

Bruce Swanson



Mel Watson

In an effort to put more zip into its international operations, NATPE has appointed **Mauricio Calle** to be its first South American rep. Calle, currently commercial director of the distribution company RTL, will represent NATPE in Latin American Spanish-language countries.

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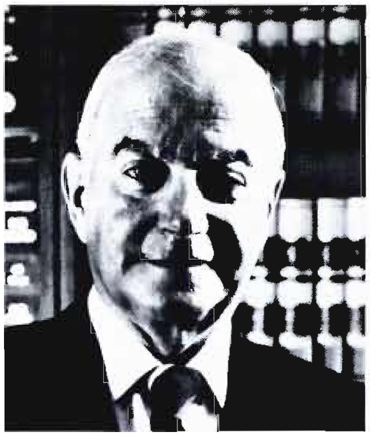
F INFLUENCE

Cable Report

Baruch says cable takes advantage of web 'chaos'

Cable television is taking advantage of the "chaos" in commercial broadcasting, leading the way in amassing new talent, ideas and program concepts, according to Ralph M. Baruch, former chairman of Viacom, now chairman of the National Academy of Cable Programming.

In a talk to the Metropolitan Cable Club in Washington, Baruch said "Cable programmers have done a better job in filling the American viewer's need for information and entertainment. We give the public the programs they want in a quantity, variety and di-



Ralph Baruch

versity never before equaled, and we shall continue to grow." Baruch predicted that by the end of this decade cable programmers will triple their $2 billion annual investment in programming product.

According to Baruch, "the turmoil which is affecting broadcast networks stems not just from competition or technology; much of it is of their own making." He said the recent changes in ownership of all three broadcast networks have resulted in "severe cost-cutting that affects every segment of their television organizations" including program development. "Programming innovation now carries an economic risk that networks simply can't justify, or even explain, in today's ever-sterner broadcast network economic climate and ever-increasing preoccupation with the bottom line."

Adding some more bullishness to Baruch's remarks are some recent figures from Paul Kagan Associates, saying that combined gross advertising billings for cable TV networks, which are forecast to reach $883 million in 1987, could top the $1 billion mark in 1988. The study indicates ad-supported cable networks grossed $740 million in 1986. The 1987 and 1988 projections represent annual percentage gains of 19.4% and 20.2% respectively. Just over 50% of all U.S. TV homes now subscribe to cable.

According to Kagan, in 1987, the top cable TV networks in terms of forecast gross ad billings were WTBS ($180 million), ESPN ($125 million) and Cable News Network ($110 million).

And when license fees paid by local cable systems are factored into the equation, cable networks' total revenues are expected to skyrocket, Kagan says. In fact, just looking at the top 17 basic cable networks, Kagan says they could generate an estimated $1.13 billion in revenues in 1987, up 26.7% over 1986. And for 1988, those same cable networks are forecast to generate $1.33 billion revenue, an 18% gain.

'Sports Shopping'

SportsChannel will launch a weekly half-hour *Sports Shopping Showcase* beginning next spring. Plans call for the show to be seen on subscribing cable systems which pick up the regional feed—SportsChannel New York, SportsVision Chicago, SportsChannel New England and SportsChannel Florida. There are three million subscribing households to these services.

The Sports Shopping Showcase will be hosted by SportsChannel Mets announcer Fran Healy and sportscaster Leandra Reilly, and will peddle fitness equipment, sportsgear and special sports vacations. Also planned are theme shows on winter sports and summer sports. SportsChannel hopes to bring in top athletes for product endorsements. Fulfillment, of course, is up to the product sponsors.

SportsChannel says the concept was developed by Eric Lund of Lund Media Associates of Lancaster, Pa., who will be responsible for coordinating all sales and marketing for the project.

General Mills: top client

General Mills, which ranked fourth for the year to date (through October) among cable network spenders, was first in expenditures during October, according to the latest BAR report. Procter & Gamble, ranked second during October, leads the client list for the 10-month period with $19.4 million.

Among the top 10 for the year to date (not shown) are Time Inc., ranked fifth, with $13.6 million; Coca Cola, ranked eighth, with $7.7 million, and the Gillette Co., ranked 10th, with $6.9 million.

Top 10 cable TV clients—October

Parent company	October expenditures	Year-to-date expenditures
General Mills	$2,800,845	$15,182,207
Procter & Gamble	1,890,669	19,433,199
Anheuser-Busch Cos.	1,600,124	19,030,769
RJR Nabisco	1,599,564	12,234,300
Philip Morris Cos.	1,099,315	17,401,557
Thompson Medical Co.	989,098	7,620,306
General Motors	930,934	6,269,648
Mars	880,701	13,573,975
American Home Pdts.	844,543	6,202,714
AT&T	825,683	4,809,462

Moody reviews MSO debt

Moody's Investors Service has placed "under review, direction uncertain" the debt ratings of the three cable companies—American Television & Communications (ATC), Comcast and Tele-Communications Inc. (TCI)—involved in the multibillion-dollar takeover of Storer Cable from SCI Holdings for approximately $1.7 billion cash plus an assumption of $2.25 billion in SCI debt.

The MSO consortium is picking up Storer Cable's 1.4 million subscribers for about $2,000 per subscriber. Storer is cable's fourth largest MSO. SCI Holdings' parent, Kohlberg, Kravis, Roberts & Co., put the cable MSO on the block some time ago for about $2,200 per subscriber, but the same buyers balked at the high-priced deal. The takeover group actually consists of ATC, Comcast and Taft Cable Partners (which includes TCI and investor Robert Bass).

According to various reports, SCI will emerge as the surviving company and new management will be brought in to run the cable operations under the SCI umbrella.

In its review of the buyout, Moody said it will concentrate on the transaction's effect on the financial leverage and debt protection of each of the companies, even though the acquisition is not expected to be completed until the second quarter of 1988. However, the rating agency is continuing to review the debt ratings of SCI Holdings "for possible upgrade."

The SCI/Storer deal is another example of the merger mania sweeping the cable industry, and which continues to run unchecked by either Congress or the Justice Department. TCI, ATC and Comcast also were included in the group which bought out Group W Cable two years ago for just under $2 billion. KKR/SCI had bought Storer Communications in a leveraged buyout in 1985 for $2.5 billion, and later sold off the television station properties.

Financial planning

The New England, a financial services organization, will sponsor a six-part program on financial planning, to be aired on Financial News Network. The half-hours will air on consecutive Tuesdays (4:30–5 p.m.) and Wednesdays (7:30–8 p.m.), beginning in mid-January and will be re-broadcast on April 5 and 6 for six consecutive Tuesdays and Wednesdays.

Each series will be moderated and hosted by Bob Berkowitz. Guest experts and commentators are Gary L. Klott, *New York Times;* Richard Eisenberg, *Money* magazine; Raymond D. Loewe, president, Educational Planning Systems; William G. Flanagan, *Forbes* magazine; Leonard Sloane, *New York Times;* and Hubert L. Harris Jr., president, International Association of Financial Planners.

The series consists of: Introduction: Getting Started, Money Management, Protecting Your Assets, Education Funding, Estate Planning, and Retirement Planning. Kenneth Rouse, author of *Putting Money in its Place*, will be the program's financial educator.

Shopping for a good cause

Shop Television Network donated all proceeds from the sale of merchandise during a one-hour special which ran four times between Christmas and New Year's Day to aid victims of child abuse. Recipient of the monies was Child Help USA, dedicated to the prevention, treatment and research into causes of child abuse.

The staff of the basic cable network also donated toys and games to the Los Angeles Children's Hospital.

Hosting *Holiday Special to Child Help USA* were Juliet Prowse, Steve Edwards, Bob Braun, Richard Simmons, Eric Boardman, Sandye Stewart, Ruta Lee, Jackie Olden, Pan Roberts, Paula McClure and Nancy Nelson.

STN is a joint venture with J.C. Penney. It premiered Oct. 16, 1987 and is reportedly seen in more than three million homes.

Discovery in Japan

The Discovery Channel, which is pumping out 18 hours a day of documentaries into 26.5 million basic cable homes in the U.S., has entered into a multi-year deal with the big Japanese trading company Mitsubishi to provide programming to cable and closed circuit TV in Japan. Discovery's programs will run in approximately 500,000 cabled Japanese households.

John Henricks, *CEO and chairman of The Discovery Channel (seated r.) and Hiroshi Fukagawa, manager, broadcasting business team of Mitsubishi (seated l.) sign agreement taking The Discovery Channel programming into Japan. Also pictured are: from l., Yasuhiko Tokuda, manager, systems planning, telecommunications; Sadaaki Tomioka, v.p. and general manager, Project Coordination Center of America; Dan McPhun, manager, project coordination west; Yasushi Hotta, executive v.p., Mitsubishi Corp.; Clark Bunting, v.p. program acquisitions and development; Denise Baddour, director of communications (both of The Discovery Channel) and Kenji Yanagisawa, deputy general manager, project coordination center of America (also with Mitsubishi Corporation).*

Radio Report

ABC Radio Networks see sales grow 5%

The ABC Radio Networks turn 20 in 1988, and with six full-service networks serving 2,244 affiliates, ABC continues to buck the depressed network economy affecting its competitors by reporting a 5% increase in sales for 1987. And that's a 5% increase over a very strong 1986 network economy.

For Lou Severine, senior vice president and director of sales for ABC Radio Networks, that's not a bad report card to take upstairs to the powers that be at ABC/Cap Cities.

"1987 was one of the worst years ever for network radio," Severine says, "but when the market is soft

Lou Severine

we are always up, and up substantially, simply because we have the best networks. When there's not much money working in the market we get most of the money that is there, which in 1987 means we got close to a 40 share."

In 1986 when the network radio economy for all networks was up 16%, ABC couldn't handle all the demand, says Severine, any "only" went up 11% over the previous year.

Looking ahead to 1988, Severine says, "We're only running a couple of percentage points ahead of last year, but a lot of upfront accounts have not come in yet. . . My guess is that the overall network market will be up 5–8%" and ABC will be at least as strong as 1987.

Looking at both 1986 and 1987—one a boom year, the other a bust—Severine thinks 1988 will show a return to normalcy with increases running in the usual 5–10% range.

Even though ABC Radio has both the winter and summer Olympics (with the winter games sold out and the summer event about 80% sold out), the Olympics will not be a big money maker for ABC Radio Networks this year, says Severine. Compared to the 1984 games which ABC broadcast from Los Angeles, this time around ABC Radio Networks will bill only a third of what it did in 1984. But, he adds, the downswing will be more than compensated for by the boost in the overall network economy.

Hispanic listening factors

The less time Hispanics have spent living on the U.S. side of the border, the more likely they are to listen to Spanish language radio. That's one of the factors contained in a report from California Research Consultants. A new comparison between Hispanics living in Los Angeles and in San Diego finds 56.4% of those in Los Angeles have lived in the U.S. 15 years or less, against 51% of San Diego Hispanics who have lived in this country 15 years or less. Thus, while 60 to 65% of San Diego Hispanics listen to Spanish language radio stations, the figure climbs to 75–80% of Los Angeles Hispanics.

A second factor affecting incidence of listening to Spanish radio is age of arrival in this country, reports CRC vice president, research, Glenn Higgins. The older Hispanics are when they reach the U.S., the more likely they are to retain the media habits they brought with them from their homeland.

The latest CRC quarterly studies for both Los Angeles and San Diego Counties include Hispanic radio listening trends for fourth quarter 1987, information on product use and brand preference, format preference, program ratings, music preference, and assimilation and acculturation profiles, plus a wide range of demographics.

Deflation spreading fast

The first stations running *The 69 Cent/Dollar* promotion dreamed up by The Radio Retailing Network "project additional revenues of from $30,000 to over $100,000," says RRN president Tony Niskanen. He also says the promotion "is headed for 150 to 200 markets in first quarter 1988 and, after only six weeks, is running on radio stations in California, New York, Texas, South Carolina, Ohio, Iowa and other states."

To participate, consumers buy 69 Cent/Dollar certificates from radio stations in on the deal during remote broadcasts staged on the sites of sponsoring advertisers. Consumers pay just 69 cents for each certificate, but redeem it for one dollar's worth of goods or services from the sponsoring advertisers, according to Niskanen.

Niskanen says one of the promotion's strongest benefits "is the tremendous goodwill generated for the radio stations and advertisers. We recommend that stations and business communities use the promotion to attract more shoppers to a particular area, such as downtown or other centralized retail locations."

He adds, "Stations generate significant revenue through sponsorships and spot sales. Advertisers can build incredible store traffic and increased sales. And the consumer gets a dollar's worth of merchandise or services for every 69 cents she spends."

Radio Retailing Network also offers *The Value Line Shopping Show*, a locally-produced home shopping radio program featuring local retail merchandise.

NAB radio datebook

The NAB's radio department has put out a calendar of events:

■ January 29, 1988—Deadline for entries in the "Best of the Best" campaign, which salutes the top radio promotions conducted by NAB member stations.

■ March 14 to 15, 1988—DFW Hyatt Regency Hotel, Dallas, for NAB's Group Fly-In, where heads of radio station groups will meet to discuss issues of the broadcast industry.

■ April 30, 1988—Deadline for entries into NAB's Crystal Radio Awards for Excellence in Local Achievement. The awards program is open to all U.S. radio stations, regardless of NAB membership.

Steering toward convention

The NAB has put its radio convention steering committee together to start work on the September 14–17 conclave in Washington. The appointment of committee chairman Richard A. Ferguson, president of the NewCity Communications in Bridgeport, Conn., was announced earlier.

The committee consists of four subcommittees to cover four of the five areas of the convention: management, programming, sales and marketing. The fifth area, the engineering conference, will be handled by NAB's science and technology department. The subcommittee members are:

Management—Joseph Dorton, president, Dorton Broadcasting, Detroit, chairman; Paul Hedberg, president, Hedberg Broadcasting Group, Spirit Lake, IA; Nicholas Trigony, executive vice president, Cox Broadcasting, Atlanta; Agnes W. Simpson, president/general manager, WOOF AM/FM Dothan, Ala.; Michael Douglass, vice president/general manager, WTOP/WASH Washington; Ron Kirby, general manager, KSWO-AM, Drewry Broadcasting, Lawton, Okla.

Programming—William Figenshu, president, Radio Division, Viacom Broadcasting, New York, chairman; Jay Meyers, general manager, WOJY High Point, N.C.; John Sebastian, program director, WBMW, Infinity Broadcasting, Fairfax, Va.; J. J. Jeffrey, senior vice president, KSCO, Fuller-Jeffrey Broadcasting, Santa Cruz, Calif.; Terry Robinson, chairman, Transtar Radio Network, Colorado Springs, Colo.

Sales—Lee S. Simonson, vice president/general manager, WOR/WRKS, RKO Radio, New York, chairman; William Sanders, president KICD/KICD-FM Spencer, Iowa; Nancy Vaeth, general manager, WFMS-FM, Susquehanna Broadcasting, Indianapolis; Paulette Williams, vice president/general manager, KMEL-FM San Francisco.

Marketing/Promotion—Paul Fiddick, chairman, Heritage Broadcasting Group, Des Moines, chairman; Otis Conner, president, Otis Conner Cos., Dallas; E. Alvin Davis, president, E. Alvin Davis & Associates, Cincinnati; Doyle Rose, vice president, Emmis Broadcasting, Minneapolis.

RAB promotes Holbrook

Raymond Holbrook, a past president of the Kentucky Broadcasters Association and a former director of the New Jersey Broadcasters Association, has been promoted to the new post of vice president for station relations at the Radio Advertising Bureau. His new responsibilities involve directing and supervising activities of RAB's regional directors and headquarters member service staff in the station relations area.

Holbrook is a 41-year radio veteran who has been

Raymond Holbrook

everything from a station news reporter and on-air personality to manager at the station and group level. He joined RAB in October 1984 as regional director for the Northeast after serving as general manager of WTKC Lexington, Ky. Earlier he had been general manager of WOND/WMGM(FM) Atlantic City, N.J., president and general manager of WHIR Danville, Ky., and executive vice president and general manager of WVLK AM-FM Lexington, Ky.

Ford top web spender

Ford Motor Co., which is ranked fourth for the year to date (through October) in network radio expenditures was the top spender during October; according to the latest BAR reports. The perennial leader, Sears Roebuck, was right behind the auto maker, however (see table below).

Second-ranked for the year-to-date, Warner-Lambert (not shown), ranked only 12th during October.

Top 10 web clients—October

Parent company	*October expenditures*	*Year-to-date expenditures*
Ford	$4,425,890	$18,742,358
Sears Roebuck	4,354,330	41,739,016
Procter & Gamble	3,448,750	17,494,220
AT&T	3,142,060	12,462,463
Anheuser-Busch Cos.	2,827,320	19,556,647
Bayer	2,693,640	15,965,064
U.S. Armed Forces	2,296,760	8,695,913
General Motors	2,271,300	13,959,610
Campbell Soup	1,945,975	10,510,440
Cotter & Co	1,857,250	9,918,062

Radio Business Barometer

November upturn in spot radio

November struck a cheery note in the spot radio industry with the first real signs of an upturn since February. True, July was an "up" month, but it was only up by 1.4% and then the following three months were downers.

In any case, November came up with an increase of 4.5% over the previous year, being only the fourth month this year with a plus sign, according to figures from Radio Expenditure Reports, which collects data on rep-transmitted business.

Really big month

It was also a big month, dollar-wise, hitting $100,028,500, vs. $95,755,200 in '86. November was the first $100 million month this year for commissionable spot radio billings. True, it was a five-week Standard Broadcast Month, but so were March, May and August, which did not reach $100 million, though May came close.

All four market groups broken out by RER showed increases in November, even the 26th-to-50th market group, which scored only one previous monthly hike in '87 and that was in February, when a freakish 13.2% overall increase hit spot radio. At that time, the 26–50 group had a 13.3% increase.

26–50 strong

This time around the 26–50 group not only showed a rise but topped the other three groups in its percentage increase. This, of course, is an average for all markets in the group, and RER must frequently point out that individual markets may deviate substantially from the average.

The 26–50 markets were up 7.5% in November, reaching $14,894,100 as against $13,855,200 the year before. The November increase compared with an 8.8% decrease in October, which means a difference in performance of more than 16 points.

The top 10 markets were up 3.7% to $38,707,700 vs. $37,336,900; the 11–25 group rose 2.2% to $21,721,600 and the 51-plus markets up 6.0% to $24,705,100.

For the 11 months to date, commissionable spot radio is now down only 1.6% to $844,394,000. Among the market groups only the 51-plus markets are up through November, though not much, registering an increase of only 0.4% to $213,115,700. The top 10 group is down 2.2% to $321,032,000, the 11–25 markets are down 1.5% to $183,867,900 and 26–50 group is down 3.7% to $126,378,400.

CBS shows data

In regard to the RER figures, CBS Radio Representatives is now providing its stations with graphic rendering of the research firm's national spot radio data. These include a breakdown of the 51–100 and 100-plus markets, not generally released to the trade press. For the first nine months, the data show the 51–100 group down 2% to $77 million and the 100-plus markets up 2% to $93 million.

National spot +4.5%

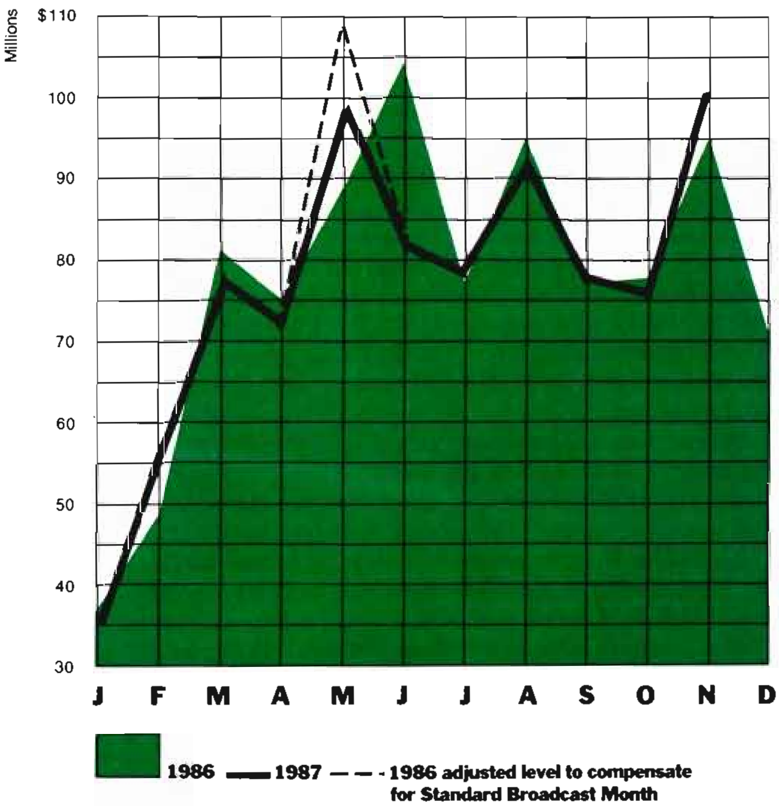
(millions) **1986: $95.8** **1987: $100.0**
1986 adjusted $95.8

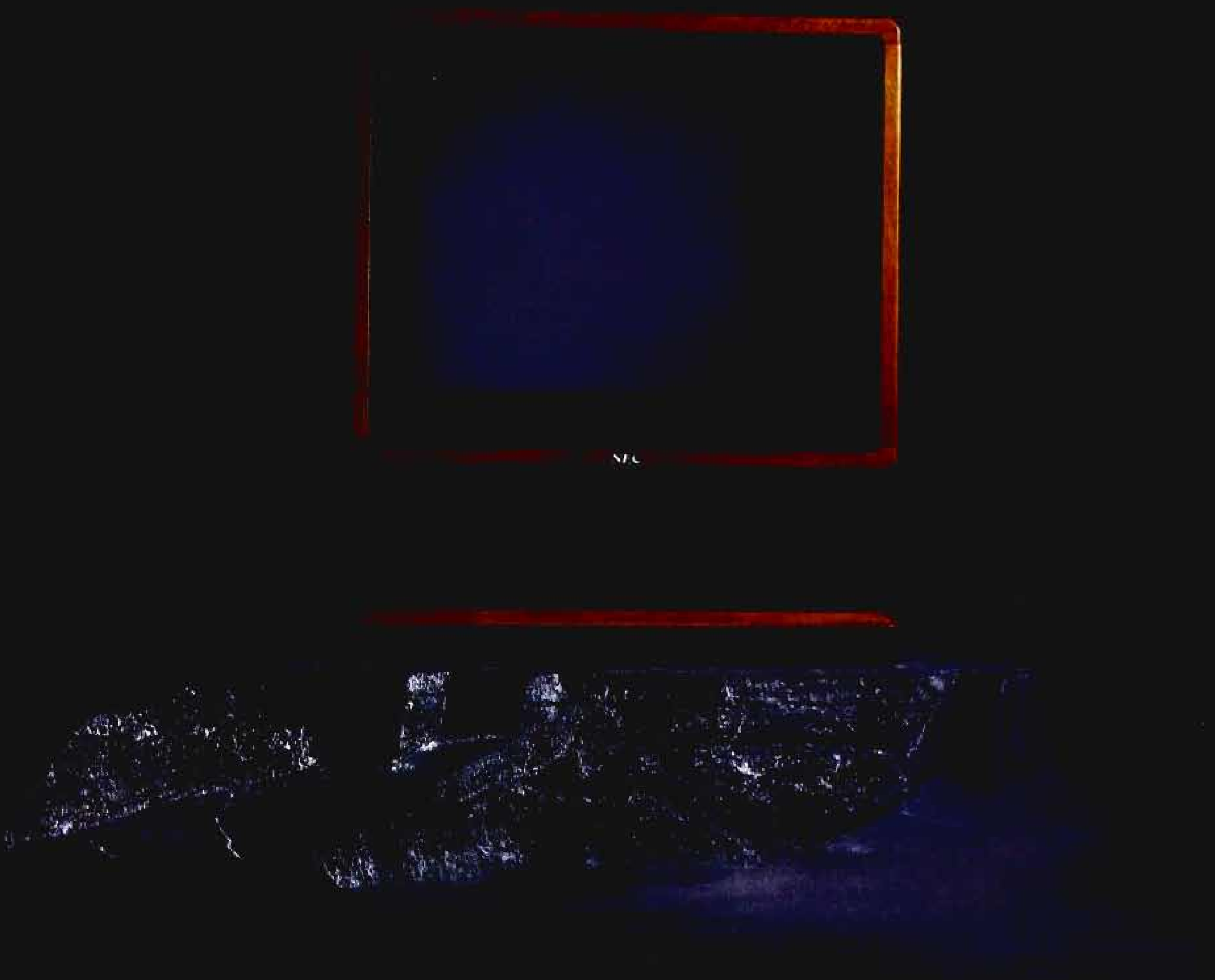
Changes by market group

Market group	Billings (mils.)	% chg. 87–86
1–10	$38.7	+3.7%
11–25	21.7	+2.2
26–50	14.9	+7.5
51+	24.7	+6.0

Source: Radio Expenditure Reports

November




NEC

Television/Radio Age
January 11, 1988

Consultant Gideon forecasts billings for spot up 9.6%, with local up 12.7%

TV station biz this year seen as good, not great

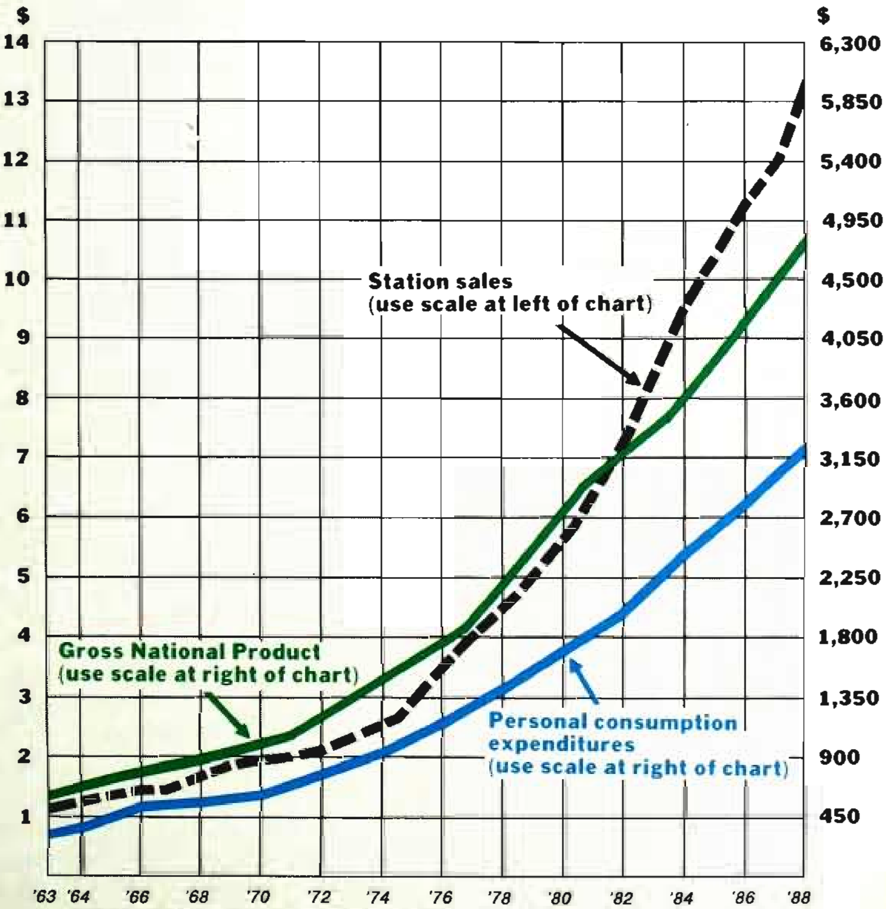
By ALFRED J. JAFFE

Forecasting TV ad spending this year provides elements of both uncertainty and predictability. The uncertainty is due to the stock market "crash," of course, and the predictability is related to the parlay of the quadrennial Olympics and Presidential election this year.

Despite the decline in stock market prices, many signs in the economy appear promising. Unemployment recently hit a low point, industrial activity is at a recent high and even toy sales, which looked like a downer for Christmas, seemed to be turning up.

On the other hand, quadrennial TV ad sales, which have turned in some

Broadcast sales of U.S. television stations related to national economic statistics, 1963–1988 (billions of dollars)



Sources: FCC television financial data (1963–1980); TELEVISION/RADIO AGE "TV Business Barometer" (1981–1986); U.S. Department of Commerce, Bureau of Economic Analysis, Oct. 23, 1987; Dick Gideon Enterprises (1987 & 1988).

pretty hefty increases during the past couple of decades, may not repeat such performances in '88. Nevertheless, TV ad sales could, on a percentage basis, reach double-digit levels.

These conflicting factors are laced into the latest predictions made for TV/RADIO AGE by consultant Dick Gideon of Dick Gideon Enterprises, Medford, N.J. Gideon sees the increases this year a lot better than the increases last year, but they won't be record-breakers. In general the '88 increases fall somewhere in the 10% neighborhood.

Specifically, Gideon projects the *TV Business Barometer* estimates of national/regional spot spending for '88 to be up 9.6% and for local spending to rise 12.7%. That would push spot time sales to $6,350 million and local time sales to $6,325 million—making the two just about even.

Based on 10 months of *Barometer* figures last year, Gideon predicts that spot in '87 will come out 4.0% ahead of '86, with local 6.4% ahead. This would aggregate spot time sales of $5,795 million and local time sales of $5,610. The latest available *Barometer* data, through October, show spot up 3.6% to $4,745.9 million and local up 6.2% to $4,604.3 million.

As for network compensation to stations, Gideon sees that sector inching up 2.0% this year to $469 million. The forecaster figures that last year the full 12-month figure for network comp was $460 million, up 1.3% over '86. At the 10-month mark, the '87 actual *Barometer* figure for network comp was up 0.9% to $381.1 million.

Of direct import is the question of how '88 compares with previous quadrennial years. There is universal agreement that '88 will top '87, but how about '84, '80, '76, etc.?

Gideon makes the point that '88 (assuming his predictions are on target) would show the worst—i.e., the smallest—increase for a quadrennial year in his current analysis, and that goes back 25 years.

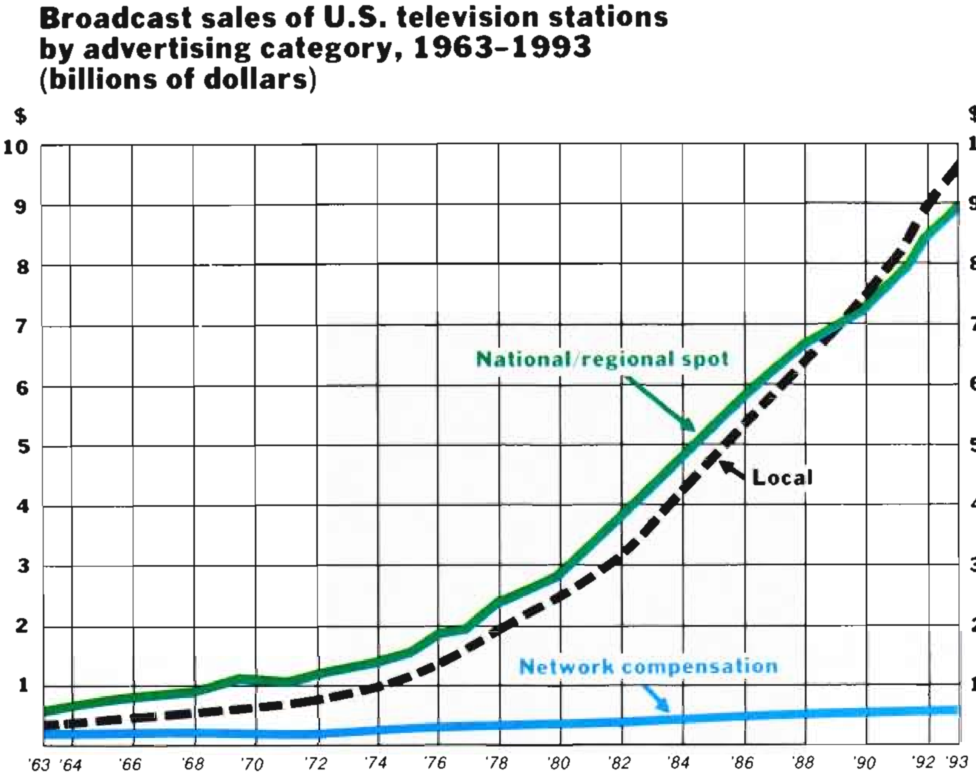
The projected increase of 9.6% for spot this year compares with double-digit rises in Olympics/election years going back to 1964. The increases were as high as 33.2% in '76 and as low as 12.0% in 1984. The '84 figure indicates that maybe spot is slowing down. Some of Gideon's figures says just that, but the '92 quadrennial year is projected for a 10.4% increase in spot time sales (see table on sales of U.S. TV stations by ad category). So the bottom line is that the economy will make the difference between good vs. great increases for spot in '88.

As for local, almost the same story

U.S. TV station sales related to national economic statistics, 1963–1988

Year	Total station time sales		Gross National Product (Billions of dollars)		Personal Consumption Expenditures	
	Amount	% change	Amount	% change	Amount	% change
1963	$1.06	7.7%	$606.9	5.6%	$381.7	5.5%
1964	1.20	13.3	649.8	7.1	409.3	7.2
1965	1.32	9.8	705.1	8.5	440.7	7.7
1966	1.46	10.8	772.0	9.5	477.3	8.3
1967	1.48	1.4	816.4	5.8	503.6	5.5
1968	1.70	14.6	892.7	9.3	552.5	9.7
1969	1.88	10.7	963.9	8.0	597.9	8.2
1970	1.90	0.7	1,015.5	5.4	640.0	7.0
1971	1.88	−0.8	1,102.7	8.6	691.6	8.1
1972	2.17	15.4	1,212.8	10.0	757.6	9.5
1973	2.35	8.3	1,359.3	12.1	837.2	10.5
1974	2.56	8.8	1,472.8	8.3	916.5	9.5
1975	2.78	8.7	1,598.4	8.5	1,012.8	10.5
1976	3.58	28.8	1,782.8	11.5	1,129.3	11.5
1977	3.83	7.1	1,990.5	11.7	1,257.2	11.3
1978	4.63	20.7	2,249.7	13.0	1,403.5	11.6
1979	5.15	11.3	2,508.2	11.5	1,566.8	11.6
1980	5.77	12.0	2,732.0	8.9	1,732.6	10.6
1981	6.46	11.9	3,052.6	11.7	1,915.1	10.5
1982	7.34	13.6	3,166.0	3.7	2,050.7	7.1
1983	8.24	12.2	3,405.7	7.6	2,234.5	9.0
1984	9.36	13.6	3,772.2	10.8	2,430.5	8.8
1985	10.19	8.9	4,010.3	6.3	2,629.4	8.2
1986	11.30	10.9	4,235,0	5.6	2,799.8	6.5
1987	11.87	5.0	4,484.0	5.9	2,970.2	6.1
1988	13.14	10.7	4,807.1	7.2	3,157.0	6.3

Sources: FCC television financial data (1963–1980); TELEVISION/RADIO AGE "TV Business Barometer" (1981–1986); U.S. Department of Commerce, Bureau of Economic Analysis, Oct. 23, 1987; Dick Gideon Enterprises (1987 & 1988).



Sources: FCC television financial data (1963-1980); TELEVISION/RADIO AGE "TV Business Barometer" (1981-1986); Dick Gideon Enterprises (1987-1993)

unfolds. Only one Olympics/election year during the past 25 years showed a smaller increase than Gideon projects (12.7%) for '88. That was 1980 (10.6%), a recession year and which had an economy that helped put Ronald Reagan in the White House. But '84 was up 16.8%, according to the *TV Business Barometer*, while '76 was up 28.7%, '72 was up 22.1% and '68 was up 24.1%, according to the FCC's own figures.

Network comp is another story. While there is a longterm decline in the proportion of station revenue from this source, and while the projection for '88 is a modest one (2%), the fact is that of the six Olympics/election years during the past 25 years, fully half showed lower increases than that projected by Gideon for this year. In '84, the increase was 1.9%, in '72, there was a decrease of 2.6% (the third straight annual drop for network comp) and in '68 the rise came to 0.8%.

Taking a look at the overall network TV picture, Gideon forecast close to a double-digit for the '88 increase—9.7%. This follows three years of low increases and one down year, 1985, which sent shock waves through the industry. The '85 drop, which was small—only 2.8%—followed, however, eight years of double digit increases during the previous 10 years. The immediately-preceding year, 1984, was, of course, an Olympics/election year and registered a 21.5% rise.

However, there is an important caveat to be noted about the second half of the '70s and the first half of the '80s: Many of the increases shown were bloated by inflation. Still the perceptions were important and a drop from double-digit increases had at least a psychological impact.

Gideon figures that network billings were up 2.9% last year, exactly the same percentage increase for '86. His estimates of billings projected from McCann-Erickson data show '87 to equal $8,775 million and '88 to reach $9,625 million.

While Gideon employs forecasting "curves" to project past data, there is still judgment built into the way they're employed. In the final analysis it is the judgmental factors that determine the curves.

The positive side of the forecasting equation is the Olympics and election, but there are more negatives than in the past. Gideon cites the uncertainty of the economy, but that's to say it could go either way. In any case, his projected increase for Gross National Product this year—7.2% in current dollars—is lower than any quadrennial year since 1964. The GNP rose 10.8% in '84 and even in the recession year of '80 the rise was higher than the '88 projection, 8.9%.

However, these figures do not take inflation into account, and inflation in '80 was higher than it is now. Gideon estimates that inflation in '88 may be upwards of 4%—meaning that real growth in the economy would be about 1.5-3.0%.

Repeating the GNP picture are Gideon's estimates and projections on Personal Consumption Expenditures. Here again, the '88 forecast (up 6.3%) is lower than any Olympics/election year PCE in the past 25 years, including 1964.

The rep view

As to the rep view, Katz Television, with 191 stations sensing the state of spot business, sees a 9% increase this year. Pete Goulazian, president of the organization, finds early '88 indications do not refute that estimate. "The only major concern is a recession," he says, and while he notes that some people are "talking about" a serious recession, he finds no evidence to warrant that prediction. "Spot *could* go to double digits," he adds.

While noting the healthy network TV marketplace, he doesn't see any spillover into spot. It happened four yers ago, he recalls, but it's not happening now. What changed the picture is the growth in barter syndication and cable networks, he explains, adding that strong network sales have spilled

Sales of U.S. TV stations by advertising category, 1963–1993

Year	Network compensation		National regional spot (In Millions)		Local	
	Amount	% change	Amount	% change	Amount	% change
1963	$203	0.5%	$616	11.2%	$241	5.7%
1964	214	5.4	711	15.4	276	14.5
1965	230	7.5	786	10.5	303	9.8
1966	244	6.1	872	10.9	346	14.2
1967	246	0.8	872	0.0	365	5.5
1968	248	0.8	998	14.4	453	24.1
1969	254	2.4	1,108	11.0	519	14.6
1970	240	−5.5	1,092	−1.4	563	8.5
1971	230	−4.2	1,013	−7.2	637	13.1
1972	224	−2.6	1,167	15.2	778	22.1
1973	233	4.0	1,221	4.6	896	15.2
1974	248	6.4	1,329	8.8	979	9.3
1975	258	4.0	1,441	8.4	1,080	10.3
1976	270	4.7	1,920	33.2	1,390	28.7
1977	288	6.7	1,960	2.1	1,586	14.1
1978	315	9.4	2,326	18.7	1,987	25.3
1979	344	9.2	2,564	10.2	2,245	13.0
1980	369	7.3	2,920	13.9	2,484	10.6
1981	393	6.5	3,302	13.1	2,767	11.4
1982	406	3.3	3,846	16.5	3,088	11.6
1983	416	2.5	4,211	9.5	3,611	16.9
1984	424	1.9	4,715	12.0	4,216	16.8
1985	446	5.2	5,077	7.7	4,665	10.6
1986	454	1.8	5,574	9.8	5,275	13.1
1987	460	1.3	5,795	4.0	5,610	6.4
1988	469	2.0	6,350	9.6	6,325	12.7
1989	476	1.5	6,825	7.5	6,900	9.1
1990	483	1.4	7,275	6.6	7,475	8.3
1991	489	1.3	7,725	6.2	8,025	7.4
1992	497	1.7	8,525	10.4	9,025	12.5
1993	504	1.4	9,150	7.3	9,800	8.6
5-year growth rates:						
(1975–1980)		7.4%		15.2%		18.1%
(1980–1985)		3.9		11.7		13.4
(1985–1990)		1.6		7.5		9.9
10-year growth rates:						
(1975–1985)		5.6%		13.4%		15.8%
(1980–1990)		2.7		9.6		11.6
5-year growth rates:						
(1988–1993)		1.5%		7.6%		9.2%

Sources: FCC television financial data (1963–1980); TELEVISION/RADIO AGE "TV Business Barometer" (1981–1986); Dick Gideon Enterprises (1987–1993)

over into barter, but not into spot.

Goulazian is counting on heavy political advertising, heavier than in '84. One reason is the long roster of Presidential candidates, though he acknowledges that this will be cut down by primaries and caucuses. This cut may not occur until March, he says, when a large number of states will hold primaries. The Iowa and New Hampshire votes in February will "not be definitive," Goulazian believes. The Katz TV chief sees upwards of $300 million spent on political advertising. "That's a 4–5% increase by itself."

Bill Breda, senior vice president and general sales manager for Blair Televi-

(*Continued on page 80*)

Agencies contemplate greater use of alternative media in coming year

Web seller's market seen holding until at least fourth quarter

By EDMOND M. ROSENTHAL

A seller's market in network TV will continue its impact on the rest of the TV marketplace through the third quarter of this year, according to agency media executives, but discontent with high network pricing appears to be building up for the '88–89 season. If there's going to be any change in the situation, many say, it's most likely to surface in the fourth quarter of the new year.

As in any Olympics and election year, the networks have the supply and demand situation working in their favor, but by fourth quarter, most of the quadrennial windfall will be behind them. Also behind them will be the effect of the people meter, which showed lower-than-projected ratings generally, resulting in a heavy makegood situation that tightened up the market.

In the current environment, agencies continue their interest in alternatives to network TV. Executives report that cable networks, syndication and funds shifted into national and regional spot buying and rep networks will continue to skim dollars from network TV. But they don't see the total advertising pie getting any smaller, regardless of economic conditions.

"While companies are economizing employee-wise and benefit-wise," explains Bart McHugh, senior vice president, director of national radio and television programming, DDB/Needham Worldwide, "they're still doing business and continuing to ship product. For many years, advertising was the area where companies cut costs—until the early '70s, when they learned how much it costs to regain share of the market."

Mike Drexler, executive vice president and national media director at Bozell, Jacobs, Kenyon & Eckhardt, sees a strong advertising marketplace going into '88 but indicates advertisers' concerns for the economy are more likely to surface in the latter part of the year. "There's an interest in more flexibility," he notes. "The confidence in longterm commitments does not seem to be there. Even as early as the second quarter, we're going to see a greater drive for flexibility."

While only 5–6% of network upfront options were not picked up for the first quarter, Drexler observes, as much as 15% may not be picked up in the second and third quarters. He adds, "There's an overriding fear of a recession setting in during the latter part of '88, so there's more likely to be a weaker marketplace going into the '88–89 season. The fourth quarter is going to be a very tentative one.

Exploring alternatives

"If there's a recession, there could be a wholesale change in media plans—more radio and more scatter vs. upfront purchases. I think spot television could benefit as well, because when there's a recession, there are always geographic pockets that are hit harder than others. If there are budget reductions, an advertiser can reduce out-of-pocket expenditures by focusing on specific markets."

As for the people meter, Drexler says, "We're over the initial trauma. As the sample is increased and distribution is adjusted, we're even going to see the kinds of numbers we were used to seeing."

Paul Isacsson, executive vice president, broadcast programming and purchasing at Young & Rubicam, is much less bullish about the future of network ratings: "I think we'll see a more rigorous exploration of alternatives to network because of the scarcity of rating points at the networks. The decline in the network share of the audience has been greater than anticipated, and I think it will continue.

"We have a lot to learn about what the new people meter numbers are saying. Demographic data is just beginning to come on stream. I think there will be more use of demographic data because, as the numbers for the networks get lower, we're going to have to be more astute about how we use the networks."

Isacsson doesn't see any correlation between advertiser spending and the stock market nosedive. "Profits are still healthy," he observes.

As for new alternatives, he says buys of entire rep lists, such as Procter & Gamble did with Katz and Bristol Myers with Blair, are a distinct possibility—but that they will take away from barter syndication spending as much as from network: "They're buying pretty much the same shows they could have bought from a barter syndicator, but the rep list delivers greater coverage than you can get with one barter show. The Katz list delivers 90% coverage, while most barter shows deliver 70%."

Joe Ostrow, executive vice president and woldwide media director at Foote, Cone & Belding, doesn't see any shift coming in the proportion of network budgets spent between upfront and

"Second quarter is always a tough quarter. There's no reason to believe it won't be this year. Right now third quarter looks tight, but what will happen when third quarter options are due?"

Bart McHugh
Senior vice president
DDB/Needham Worldwide

scatter, but he does see buyers looking at a longer list of alternatives to network. "We're likely to see more emphasis on geographic segmentation with more regional expenditures," he predicts. "This could mean transfer of national money to local and regional."

Advertisers also will be working with a shorter planning cycle, he adds, with decisions made more closely to airdate in order to respond to competitive situations more quickly.

Discussing the people meter, Ostrow says, "It was almost scary how true our estimate [of lower network ratings] was. We're now looking to see the people meter results on what hasn't been measured yet—cable and syndication. I think cable will show up more strongly and syndication will be a mixed bag."

Ostrow also is awaiting a shakedown in the AGB battle against Nielsen. With AGB showing lower ratings than Nielsen, he observes, there's a question as to whether it will sign up another network beyond CBS—"and AGB needs another network to be viable."

John Sisk, senior vice president, director of network negotiating at J. Walter Thompson, points out that second and third quarters last year sold disproportionately higher than in the previous year: "The networks were saying they had no concrete people meter data with which to project second and third quarters.

"It was felt that male viewership would go up because men were more likely to hit the buttons. But the whole fourth quarter results show our estimates for male viewing on the people meter were too high. We paid high prices because of the exorbitant demands for time. Nobody made their goals in any demographics. Prices should have gone down, but they didn't, because the demand was greater."

Sisk comments that, if the ratings were off for fourth quarter—with all the networks running original programming and with a greater percentage of returning programs than in second and third quarters—the ratings probably will be off even more in the coming second and third quarters.

"I don't think the economy will take its toll on network TV until the fourth quarter . . . . in our planning, we're estimating that costs for the fourth quarter will be lower than in the second and third quarters."

John Sisk
Senior vice president
J. Walter Thompson

"I don't think the economy will take its toll on network TV until the fourth quarter," Sisk says. "The schedules advertisers have put in place with the networks for the season are the cornerstones of their media plans. But in our planning, we're estimating that costs for the fourth quarter will be lower than in the second and third quarters. There's more demand for time in the second and third quarters because ratings are lower and you have to buy more."

Sisk sees the move of advertisers toward "megamarketing" as a positive sign for TV expenditures. He notes that previously separate persons were generally responsible for advertising and promotion. He believes that, with one person in charge of both, "the tendency of that person is to look at all of what he is responsible for and say that network time is high but much more efficient than promotional activity." Although these people are more bottom-line oriented than creative, he can see a shift of promotional funds into TV.

He adds that the coming year will see more advertisers paying attention to environment in order to set themselves apart. Clutter is a factor, he notes, but the main reason is product positioning in relation to what's shown on the screen.

Sisk counters those who say guarantees by the networks are on their way out: "Guarantees will continue, but there will be times when agencies will be willing to give up guarantees if the price is lower or if they are getting a better commercial position."

McHugh of DDB/Needham points out that continuing awareness of the erosion of network audiences still doesn't make the webs anything less than "the best game in town." He adds, "The network that has the programs people want will get the top dollar. I don't think we have any more leverage over the networks than in the past. I see no reason for there to be a change in the current seller's market status."

He believes the underdelivery of the people meters has been overplayed: "There has been underdelivery ever since I've been working. Nielsen and AGB still have to iron the kinks out of the thing, but you can't blame underdelivery on the people meter. You have to blame it on your projections. In college football, we have been 30% under our projection for the package we bought for a client, but a couple of weekends turned it around."

Looking at the next three quarters, McHugh says, "There's still a first quarter market. It's not as exorbitant as it was last year, but there are only two networks involved [because of ABC's Olympic commitment]. Second

(Continued on page 81)

"I think we'll be seeing a more rigorous exploration of alternatives to network because of the scarcity of rating points at the networks."

Paul Isacsson
Executive vice president
Young & Rubicam

'88 MEDIA OUTLOOK

Local seen going from good to better; spot, network expected to turn around

Everything seems to be going radio's way in '88 ad sales

By GEORGE SWISSHELM

This is the year radio could "come within striking distance of becoming an $8 billion industry," in the view of Bill Stakelin, president of the Radio Advertising Bureau. RAB, he says, expects local radio to increase 7.5%, network radio to show a 5.5% gain, and national spot to turn around with a 5.3% increase over 1987.

Such gains, if realized, will come on top of the 6.3% projected increase that brought local's lion's share of 1987 radio ad dollars to $5.6 billion and follow the 2% drops in both spot and network radio last year. Last year's network decline followed an "extraordinary performance in 1986," which had sales of $372.4 million. Spot radio revenues were $1.3 billion last year, according to the RAB projection.

Mike Drexler, executive vice president, national media director at Bozell, Jacobs, Kenyon & Eckhardt, agrees that this year could be a better one for radio. He told the '87/'88 Media Week Conference in New York that, in general, "Radio should look healthier than we've recently seen it. It's ability to segment an increasingly segmented population makes radio much more versatile in falling in line with demographic trends. And if we do fall into a recession, what's a curse for the economy may prove a blessing for the lower cost, more efficient radio medium. So, in radio, we can expect a slight rise in revenue and rates."

The spot reps wouldn't give Drexler an argument. Stuart Olds, president, Katz Radio, says, "If fourth quarter is an indication of what's coming this year, we should have a great 1988." Olds reports November was strong and December very strong: "Fourth quarter was presenting us a double digit increase in the high teens, the first time in 1987 we saw anything that good. And now the pacing for first quarter is also dramatically ahead of a year ago."

Chuck Hillier, executive vice president of Hillier, Newmark, Wechsler & Howard, agrees that 1987 was "certainly a disappointing year for spot radio," but adds, "Our company nevertheless posted a 9% increase over 1986. And interviews and studies with leading advertisers and their agencies have us optimistic about 1988. While it's true that some territories are quiet at the moment, upfront in other regions is more than compensating for it."

At Eastman Radio, executive vice president Carl Butrum reports that activity "has picked up noticeably in the last couple of weeks, and that's a welcome change from most of the rest of 1987, which was plagued by later and later last minute buying. The most productive stations that are close to sold out have problems clearing so many last minute buys, and this has hurt national spot all during last year."

Butrum admits "possibly being on somewhat shaky ground when we project a 4% increase for '88, because we start with at least one unknown: the effect of Wall Street's Black Monday on advertiser readiness to spend. But outside of that, most of the knowns are

Lou Severine *of ABC Radio Networks reports, "We expect 1988 to show increases at least as strong as last year's. Our 1988 Winter Olympics inventory is already sold out, and the Summer Olympics was 80% sold out as of December 20."*

Bill Stakelin *of Radio Advertising Bureau says radio could become close to an $8 billion industry this year. He expects local to increase 7.5%, network to gain 5.5% and national spot to rise 5.3% over 1987.*

Stuart Olds *of Katz Radio says, "If fourth quarter is an indication of what's coming this year, we should have a great 1988. Fourth quarter was presenting us a double digit increase in the high teens, the first time in 1987 we saw anything that good."*

Chuck Hillier *of Hillier, Newmark, Wechsler & Howard notes interviews and studies with leading advertisers and their agencies make his firm optimistic about '88. Upfront in some regions is more than compensating for quietness in others.*

positive, running in radio's favor. Election years are always good for radio and Presidential election years are best of all. So barring a recession, spot should do better."

Tony Miraglia, vice president, general manager, CBS Radio Representatives, projects spot radio "flat to 4% ahead for 1988, with first quarter soft, some pickup in second quarter, and third better than second because of traditional third quarter increases spot gets during summer, plus political dollars."

But he warns, "Political dollars aren't always the big bonanza a lot of people think they are when we stop to realize they're using inventory we could very likely be selling at better rates to regular advertisers."

Jerry Cregan, president, Republic Radio, notes that Radio Advertisers Reports figures show January through October 1.1% behind 1986 but says November and December turned around "with what looks like may be an 8% increase. That's very encouraging in light of some of the scare talk we heard following October's stock market drop."

Both Cregan and Katz' Olds see no patterns in the turnaround. Olds calls it "across the board for both fourth quarter and first."

Cregan notes, "Even in the top markets some are up and some down. But the averages are encouraging enough for us to project a 7% industry increase for 1988. Our own projections for just our Republic-represented stations are higher because we added so many new station clients over the past 12 months. And it should be higher for all of our Katz Radio Group companies because we formed a KRG marketing department whose job is to call on advertisers to generate new national business for spot radio and to make sure our current national advertisers don't join the attrition parade. We formed the new marketing department because, if spot's going to grow, we have to go out and make the total pot bigger. Our biggest potential general category for this recruiting to radio is package goods of all kinds."

Similarly Hillier says, "The fact that Interep predicted today's tightened environment some five years ago allowed us a good head start in pushing our new-to-radio account development effort. Increased activity in this area during 1987 will be paying dividends in 1988."

At Eastman, Butrum observes, "The automotives have become more competitive. Chrysler is out with its new Jeep Eagle. GM and Ford will want to meet and match, if not exceed Chrysler's increased level of advertising for its new entry. And the Japanese and Germans no longer have the price advantage they once held, now that the dollar is down against the yen and mark. That means their imports will also have to promote harder."

Butrum also points out, "Most of the agency merger activity is behind us, and that's good for all media. Instead of having to concentrate on bare survival

Carl Butrum *of Eastman Radio admits "possibly being on somewhat shaky ground when we project a 4% increase for '88, because we start with one unknown: the effect of Wall Street's Black Monday on advertiser readiness to spend."*

Tony Miraglia *of CBS Radio Reps warns, "Political dollars aren't always the big bonanza a lot of people think they are when we stop to realize they're using inventory we could . . . be selling at better rates to regular advertisers."*

and internal agency reorganization, top management can settle down and go back to concentrating on what's best for their clients. They'll go back to overseeing the mapping out of the most effective creative approaches and media plans, and that's good for radio."

CBS' Miraglia reports there was a flurry of late-breaking activity for both fourth and first quarters from last minute Christmas retail advertisers, and, for January and March, from some of the automotive accounts. He figures there will probably be "a lot of incentive advertising by the auto makers and dealers to clear out as much inventory as they can, as early as possible in the new year."

He also says there's been a good deal of "defensive advertising" from financial accounts "telling the public there's no reason to be afraid to buy stocks now. We're expecting this to continue into early '88, and we're also expecting some of the computer accounts to come back. But in some of the other categories I think a good many advertisers are waiting to see how their sales go after Christmas before committing new dollars to 1988."

Republic's Cregan observes, "The November and December gains have been mostly from the old standbys—from such primary categories as automotive, the airlines, travel, beer and food. And the second tier categories like telephone services, financial, credit cards, gas and oil, soft drinks, retail and agriculture."

Miraglia believes that how close 1988

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Sticking his neck out for Fox

Chao innovates for seven stations and maybe network

By ELIOT TIEGEL

Stephen Chao, the 32-year-old programming development vice president for the seven Fox Television Stations, likes to take chances. "There are great opportunities for original programming," he says in his office on the Fox film studio lot in Los Angeles. "There are a lot of time periods to play with. There's a lot of *I Love Lucy* on in the morning along with other reruns."

Having developed two shows this fall, he's got two new chancy ones in preparation, *America's Most Wanted*, which helps law enforcement track down the nation's most sought-after criminals, and *King Of The Mountain*, a herculean stunt show based on a popular, physically demanding Japanese program.

Already airing Saturday afternoons is the offbeat, zany children's program, *Dr. Science*, and already history is *The Clio Awards*, a salute to global TV commercials.

Helping the cops capture bad guys? Unleashing 120 contestants through a series of physical stunts to uncork the best of the lot? These are the kinds of shows which exemplify Chao's mission: "to take chances and do daring things."

Working to fill time slots for the seven Fox O&Os has its strong and weak points, Chao concedes. On the plus side, he emphasizes, "We have the opportunity to use our stations as a testing ground before releasing the shows to syndication. We can find out in which time period they work best, and we don't have to go to NATPE and say, 'You've got to buy this and put it on the air.' We can work out the bugs and make the show right."

On the debit side are budgetary limitations. "That's the tradeoff," Chao admits. "If you know you'll be launched on seven stations as opposed to the rest of the country, then you obviously have less money to spend." "But," continues the graduate of both Harvard College and the Harvard School of Business, "there's an awful lot of fat in budgets.

"You find it in overstaffing and longer production schedules than are necessary. A producer with a good name commands a good price. So when you go outside the sitcom and dramatic areas, you don't need to be held hostage to that list of major names. I don't think we have been disadvantaged at all in our dealings thus far."

Chao speaks of the "fun in having a hand in taking a risk," and of the "wonderful opportunity to try out shows" for the seven Fox stations—WNYW New York, KTTV Los Angeles, WFLD Chicago, WFXT Boston, KDAF Dallas, WTTG Washington and KRIV-TV Houston.

The Clio special, which aired Dec. 2, is the first of many tributes to the ad industry, Chao believes. The 60-minute special has been syndicated for Fox TV Syndication. "People have a fascination with commercials," Chao believes. "There's more production values in some 30-second spots than in some 60-minute shows."

According to Chao, *Clio* drew Nielsen figures of a 13 rating in New York, 12 in Washington and 8 in L.A. Produced by Manhattan Video, it was hosted by Jill Eikenberry and her husband, Michael Tucker, who both appear in *L. A. Law*.

Dr. Science, which features Dan Coffer in the lead, with support from other members of the San Francisco-based Duck's Breath Mystery Theatre, was devised as an alternative to the dominant form of children's shows: an animated adventure with merchandising tie-ins. The program has "the sensitivity of Rocky and Bullwinkle," jokes Chao.

Originally set mornings, it has been switched to late afternoon for a wider audience because some of the comedy can appeal to parents. The show's numbers, according to Chao, are 4–6s in Chicago, 5–8s in Washington and 5s in L.A., for example.

Chao says he got the idea for *Dr. Science* after hearing the program on National Public Radio. "I was amazed at all the humor," he recalls. "I parked my car and waited until the end of the show to find out who it was. And then I went up to San Francisco and suggested we create a TV show. In less than 2½ months we started production." The half-hour features skits and oddball characters who play out the themes.

Chao has one great advantage in his job. He has no committees to please, only Bob Kreek, executive vice president of Fox Inc. Says Chao: "It's a matter of convincing Bob that I believe in the program, and promising I can de-

(*Continued on page 89*)

Stephen Chao

"Dr. Science" was devised as an alternative to animated children's shows with merchandising tie-ins.

"Dr. Science"

ROAD TO NATPE-III

Shows not addressed to time period may settle for it; CBS preemptions high

Pickings are lean in new offerings for late-night TV

By ROBERT SOBEL

Late fringe is floating in a twilight zone, with stations continuing to look at the daypart as a new dimension for additional revenues and for capturing untapped young adult viewers.

But when it comes to first-run syndicated product designed exclusively for late fringe, stations going to NATPE International this year will have to settle for something less than they did at previous conventions. As things currently stand, only one or two first-run strips and one or two weekly shows are being pitched primarily for late-night play.

Most of the lack of enthusiasm on the part of syndicators to produce shows for late night most likely is because practically all of the previous late-night entries have wound up as failures over the past several years. In addition, the syndicated late-night strip *Nightlife with David Brenner* and Fox Network's *The Late Show Starring Joan Rivers* have long departed because of poor ratings, while the Rivers replacement, *The Late Show*, suffered a similar fate. The jury is still out on the current series, *The Wilton-North Report*.

Even for CBS affiliates and for the few indies that carry *CBS Late Night*, recently overhauled weekly first-run checkerboard hour shows, late night has been far from a sleeper.

Something to settle for

But it's better late night than never, and while the new late night offerings are extremely sparse, program candidates looking primarily for other dayparts will look to late fringe rather than be shut out of stations' schedules.

Interviews with station and rep sources also indicate:

• The number of preemptions by affiliates of *CBS Late Night* continues to remain high, with stations using off-network product as substitutes. Also, the number of delayed broadcasts in running the CBS fare is running high.

• The off-network *Cheers* is doing respectfully well in late fringe, although it's not breaking down the ratings walls. A few stations are double-running the sitcom in access and in late night.

• The new first-run candidates for late night are mostly in the "talk" vein, unlike last NATPE's crop, which contained a mixed bag of genres.

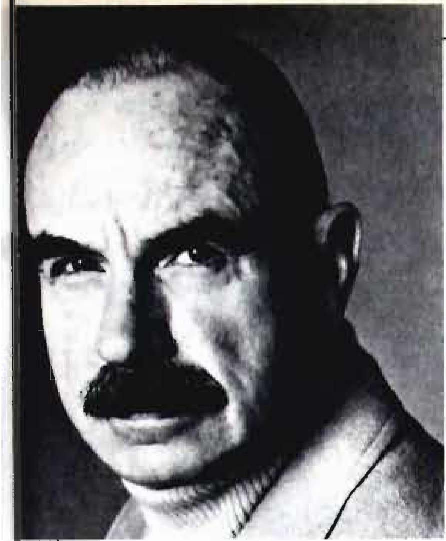
There's only three definite new major syndicated strips, including *T.H.E. Hospital*, from MGM/UA, that is designed specifically for late-night use, although other shows could make it into the pipeline if they fail to get enough station interest for the dayparts pitched by syndicators. At present, *Hospital's* lineup, according to Rob Corona, vice president, domestic syndication at MGM/UA, is 21 stations, representing about 30% of the U.S. TV households. Eighteen are indies; three are affiliates.

Initially marketed for a June 1988 start on a cash-plus-barter basis, *Hospital* is now being offered via barter only. Corona explains that there were two types of station groups that showed interest in signing up for the series, which is a satirical hospital serial. "The better indie stations wanted cash/barter, the weaker wanted half cash/half barter, so we decided to go all barter. Fortunately, those stations that came on initially on the cash/barter scenario have felt strongly enough about the show to see the upside potential of *Hospital* and are in the lineup."

Barter split is 3½ minutes for stations, three for MGM/UA sale, per half-hour. The company is guaranteeing 16 weeks of production, and MGM/UA is telling the stations it will advise the outlets after eight weeks into the run whether production will continue. On the other hand, stations are asked to inform MGM/UA in 10 weeks whether they want to renew after the initial run.

"Night Court"

Both "Night Court" and "Newhart" are expected to get a decent ABC affiliate lineup for late night.



"Liddy"

"Freddy's Nightmares"

"Love Court"

Station reps and the station programmers buying *Hospital* are saying they see the series as portending good ratings medicine for the station. At Petry Television, Jack Fentress, vice president, director of programming, sees *Hospital* as "deserving a shot. If it can be zany and 'blue' enough, it will work."

Stuart Z. Swartz, KMSP-TV Minneapolis, United Television/Chris-Craft owned station, says all five group stations have committed to carry *T.H.E. Hospital*. Based on the tapes of the show he's seen, he believes "the show has a real chance."

Another late-night half-hour strip is *The Street*, distributed by MCA TV Enterprises, being made available for telecast in the spring. The drama series is produced by a wholly owned subsidiary of Quantum Media, which is funded and 50% owned by MCA Inc. See *Programming* section, for details.)

Another strip entry geared exclusively for late fringe is Peregrine Film Distribution's *Improv Tonite*, 30 new half-hours, offered for the fall via barter.

At least a dozen other shows could evoke late night interest. Fentress at Petry sees *Love Court*, a cash-plus barter strip from Orbis Communications, as a good late-night vehicle. The show, which combines elements from love game shows with court shows, is "cute and off the wall humor." MTM Enterprises, he adds, has recently completed a pilot on *Clashpoint*, a weekly hour confrontational show, that Fentress believes has late-night potential. *Liddy*, a confrontational strip from All American; *Howard Cosell: Speaking of Everything*, weekly hour from Casablanca IV, could wind up in late-fringe as well, notes Fentress, as can *The Gong Show*, from Barris Program Sales.

"Assuming it gets off the ground, *Liddy* feels like a late show, although it could be on an indie in the latter part of its primetime schedule." *Twilight Zone*, from MGM/UA, consisting of new episodes to be added to the CBS version, in a weekly format for the fall 1988, could also see late-night interest, he says. Down the line, for the following fall, the new episodes plus the CBS versions, will be used as a syndicated strip. *War of the Worlds*, another weekend series, from Paramount, could also be aired in a late-fringe spot, says Fentress.

At Seltel, Janeen Bjork, vice president, director of programming, offers others to the potential first-run late-night list for the fall: *Crimewatch Tonight*, from Orion Television; *Freddy's Nightmares* from Lorimar Syndication; and Worldvision's *Trivial Pursuit*, which would accept late-night, according to Bjork. Four January start strips are also late-night possibilities, she continues, *A Current Affair* (already on Fox affiliates only), from Twentieth Century Fox; *Yahtzee*, from ABR Entertainment; Access Syndication's *Eavesdroppers*; and Casablanca IV's *Hit Squad*.

John von Soosten, Katz Communications vice president, director of programming, differs in one or two cases on which of the proposed new entries have late-night potential. "*The Gong Show* could work in some situations in late-night. It's the type of show that could appeal to late-night viewers, but I don't see it has a particularly strong entry for late night."

On the other hand, he agrees that *Freddy's Nightmares* has a good chance in a late-night slot. "It's of the same genre as *Friday the 13th*, which has been successful recently as a weekly show. If *Nightmares* is well executed, as I expect it will be, it could have a very good shot."

In the way of off-network sitcoms being made available for the fall, 1988, two series, *Night Court* and *Newhart*, are the most likely to get a good share of late-fringe play on affiliates, points out Mitchell Praver, vice president, director of programming at Katz Continental Television. This is mostly because both shows are projected as having adult appeal, he says.

Both series are expected by Praver to have a decent ABC affiliate lineup. "I know of several that are committed to late-night adult sitcoms, which would include both *Night Court* and *Newhart*. Also, Praver believes, there is room for a first-run half-hour strip for late fringe on affiliates. "Some NBC affiliates have enjoyed success with *Love Connection*, hammocked between *Carson* and *Letterman*; CBS affiliates have enjoyed success by delaying The CBS late-night movie with *MASH* and other strong adult sitcoms; and ABC affiliates have a lot of flexibility in scheduling half-hours before or after *Nightline*."

New in off-network

In the new-since-September off-network arena, *Cheers* is getting late-fringe play on at least five indies, and in some instances is getting a run in access as well. At KTLA-TV Los Angeles, where the sitcom airs at 11 p.m., Steve Bell, general manager, says that *Cheers* did a 5 rating in the November Nielsen. The indie competition, consisting of *CBS Late Night*, *Carol Burnett and Friends* and the old *Star Trek*, are doing ones and twos, says Bell.

Cheers replaced *Taxi*, which was moved last September to the 11:30 slot, where *Taxi* has been racking up a 4 rating, similar to the number in its previous time period. *Taxi* took over the 11 p.m. slot in January from *The Honeymooners*, which was getting a 3. *Honeymooners* now takes up the midnight

(Continued on page 86)

TV looks at TV in 13-parter

Those who shaped the industry offer perspectives

Television's subjective view of itself, based initially on a 13-part series produced by Granada Television of England and updated and streamlined into an eight-part series for American audiences, debuts on national public television Jan. 25.

Television's one-hour programs, held together by host and former NBC News correspondent Edwin Newman, analyze the growth and development since 1948 of such program genres as news, comedy, drama, games and talk. The series offers a historical perspective on the development of this global medium and how American shows affect programmers and viewers in other nations besides the U.S.

With the series first aired in the U.K. in 1985, the American version was put together by WNET New York in association with KCET Los Angeles. The series features interviews with industry executives and performers as well as archival footage of programs which helped TV become the nation's major medium for news, information and entertainment.

With the Granada footage as the basis for the domestic series, *Television's* content is 65% American material, notes Michael Winship, the series writer and coproducer. All the fresh footage was shot by WNET, augmented by freelance crews in Los Angeles, New Orleans and London.

Working on the project were Jack Sameth, executive producer, who holds the same title at WNET; Susan Kim, coproducer; and production executives Rohert Kotlowitz of WNET and Phylis Geller of KCET. David Pentecost is the tape editor.

This is how the series breaks down:

Live Pictures, Jan. 25, an overview of the kinds of live programming which give the medium its uniqueness. Among the interviewees: William S. Paley, Herb Brodkin, Fred Friendly, Barbara Corday and Avery Brundage.

Comedy, Feb. 1, describes the evolution of the genre from Milton Berle to *Moonlighting*. Interviewees include Ed Asner, Norman Lear, Dick Van Dyke, Larry Gelbart, Susan Harris and George Schlatter.

The Race For Television, Feb. 8, discusses the global race to invent TV and the battles between proponents of mechanical and electrical systems, as well as offering rare footage of the early days of commercial broadcasting. Spotlighted are the BBC's first commercial telecast on Nov. 2, 1936 and NBC's initial July 7, 1936 broadcast, followed three years later by its first regularly scheduled program service to the New York area.

The Power Of Pictures, Feb. 15, examines TV news and its impact on society. Interviewees include Walter Cronkite, Reuben Frank, Fred Friendly, Abbie Hoffman, George Lewis, Dean Rusk and Frank Stanton.

Point Of View, Feb. 22, explores TV news and how it has affected political careers. Interviewees include Sam Donaldson, David Gergen, Herb Klein, Bill Moyers and Pierre Salinger.

Drama, Feb. 28, analyzes the evolution of dramatic shows, from early live programs through episodic series to popular British imports like *Brideshead Revisited*. Interviewees include John Forsythe, Stephen Bochco, Larry Hagman, Michael Mann, William Orr, Dennis Potter, William Shattner, David Tebet and Gore Vidal.

Fun & Games, March 7, recaps the history of game shows and the development of the talk format. Included is a view of NATPE's selling marketplace for shows. Interviewees include Jack Barry, Steve Carlin, Merv Griffin, Wink Martindale and Les Brown.

The Promise Of Television, March 14, is a catch-all for the history of children's programming, the religious right, censorship and the evolution of public television in the U.S. Interviewees include Joan Ganz Cooney, Peggy Charren, James Comer, Jack White and David Wolper.

Host Edwin Newman

Comedy "sold television sets, so it became a vital part of the business."

How it came about

How did American TV get hooked on the Granada project? Michael Winship supplies the answer. "Peter Foges, the former director of public affairs for WNET, was aware of the Granada series, and we thought it was an ideal idea for America. So WNET and KCET acquired the rights to the show."

In preparing the U.S. skein, Winship says the producers added elements not in the British series, like the Challenger space disaster, the Irangate Senate hearings and the effect of TV coverage on the Reagan presidency, plus such new programs as *L.A. Law* and *It's Garry Shandling's Show*.

Production cost for the eight shows is in the \$2 million range, according to Winship, who says it took two years to put the series together, including seven months to write the script.

As part of chief corporate underwriter MCI's efforts to draw attention to the series, a six-city promotional tour begins Jan. 10 and runs through Jan. 23. Lunches and dinners will bring together an invited mixture of media, celebrities and MCI clients to view a sample tape of the programs and hear celebrity speakers discuss their roles in television.

At the kickoff dinner Jan. 19 in Los Angeles for the national press, newsman/host Edwin Newman (who says in the news segment that he covered many of the stories profiled) and comic/impersonator Frank Gorshin will address the assemblage. The following

(*Continued on page 85*)

Viewpoints

David Poltrack

Vice president, marketing, CBS Television Network, in a recent speech before the Advertising Research Foundation Electronic Media Workshop in New York

Complacency scored in problems presented by people meters

Both AGB and Nielsen currently have (people meter) samples with over 32% pay cable representation. Their own universe estimates are around 27%. Nielsen reports 24% penetration of HBO. HBO just announced that it had reached the 15 million subscriber level. That's 17% penetration, not 24%. Sure some people are stealing pay cable, but one-quarter of the total HBO audience? Hard to believe. And it is equally hard to believe that those thieves would be willing to participate in a television audience measurement service that serves as a documentation of their theft.

The overrepresentation of pay cable is evidence that the Nielsen and AGB samples, as now constituted, are not representative of the overall viewing audience. A broad-based industry initiative aimed at addressing this noncooperation issue and documenting its significance is of critical importance. To date, I do not see any progress toward the development of such an initiative. Another area where complacency can be found is in-tab performance. I am not that concerned with the overall level of in-tab performance. Progress does seem to be made there, and a 100% in-tab level is not possible.

What I am concerned with is that the industry seems to be not only failing to address the differentials in in-tab performance by demographic segment as a major shortcoming of the system, it seems to be welcoming these imbalances as a corrective factor regarding imbalances in the installed sample. If the installed sample is slightly too heavy in its representation of young adults, the lower in-tab performance of this segment is seen as correcting for that imbalance. Two wrongs do make a right. But, if I am correct, and the differences in the original cooperation and in-tab performance rates are the results of differences in the behavioral composition of the overall viewing audience and not causally tied to the demographics themselves, then it is highly unlikely that these two shortcomings are resulting in a more balanced reporting sample.

Another sign of complacency has to do with the variations between the Nielsen and AGB results. I sense that very little analysis of those variations is taking place and that many have looked at the broadest measures and found the differences not that disturbing. Well we have been analyzing the variations in depth, and we find many of them significant, both statistically and economically.

Perhaps the most disturbing sign of complacency of all, however, is the industry's lack of initiative in developing new evaluative tools from the people meter data base. I have proposed to both Nielsen and AGB that, as they move from a base of 2,000 to 4,000 respondents, they begin to develop marketing-factor as opposed to limited demographic definitions of their samples. The AGB "principal shopper" is an example of a marketing-factor definition of viewers as opposed to a demographic definition of those viewers. If going from 2,000 to 4,000 respondents only provides the industry with the ability to look at even narrower age breaks and more precisely define the audiences of lower and lower rated programs, then I would argue that we have wasted our money.

I recognize that AGB and Nielsen do not want to do anything that makes participation in their surveys any more onerous than it is currently. I am not advocating a Simmons-style exhaustive product-usage survey. However, I do believe that a quarterly update on certain key consumer attributes and a more comprehensive annual survey would be valuable.

Sending wrong signals

I believe that this complacency may be resulting in our sending the wrong signals to AGB and Nielsen. In fairness to both of these companies, we have saddled them with quite a challenge. And I do not believe we, as an industry, are doing everything we can to help them meet that challenge. Consider the following:

Nielsen must turn its sample over every two years. That means that the original 1,000 homes in the people meter sample must be phased out by September 1988. This is a positive development. The first 1,000 homes recruited by Nielsen showed strange patterns from the outset, and the faster they are phased out of the system, the better. However, Nielsen must also recruit and install the additional 2,000 homes required to bring the full sample to the 4,000 level by September. This means that Nielsen must put into operation 3,000 new homes within one calendar year. Last year they were only bringing 1,000 homes online, and the strain showed.

AGB has an even more difficult task than Nielsen. This service has experienced many of the difficulties that you would expect from a start-from-scratch operation. There is no question that they would benefit from a period of time devoted entirely to fine-tuning their operations and bringing their software systems on-line. Instead, they too will have to focus their energies on meeting the September 1988, 4,000 sample deadline.

Programming/Production

'Feud' for NBC-owned stations in fall; weekend slots for two sitcoms?

The five-owned stations, which have called it quits on checkerboarding in access for the end of this season, will go back to the game show business with *The New Family Feud*, beginning with next fall, according to West Harris, vice president of programming at the owned stations. As for the fate of the five sitcoms at present on the access lineup, the future of one or possibly two is bright, but whether the other shows will continue to be produced is questionable at the very least.

Harris, in an interview, notes that he has not made a firm decision on whether to renew the licenses on any of the programs but that he favors retaining either or both of Lorimar Television's *She's the Sheriff* and MCA TV's *Out of This World* for a possible weekend afternoon slot. Both shows have been performing respectfully and far better than the other checkerboard series, MGM/UA Television's *We Got it Made*, Paramount's *Marblehead Manor* and LBS Communications' *You Can't Take It With You*.

In the case of *We Got It Made*, the series recently was moved from Friday to Wednesday, and *You Can't Take it With You* was switched to the old *Made* slot in an effort to bolster ratings on both, notes Harris.

Decision. At this point, Harris says, no decision has been made on a weekend commitment. Harris continues that there is a possibility that the owned stations may pick up the two top ratings runners because of the success of two other sitcoms now airing on KNBC-TV, the owned station in Los Angeles. "We are looking at that now, and the other stations have taken note of that as well. If we could find a way to accommodate one or two of the checkerboard shows on a Saturday afternoon or early evening, we would like to do it. But it's premature to tell whether that's do-able or not."

Harris continues that, while *Sheriff* and *World* are the front contenders if and when the NBC groups go with new sitcoms on the weekend, it's possible that *We Got It Made* could wind up in a slot as well. If it does well in the Wednesday time period. "It's possible. We have a good way to go for the balance of the season, and obviously we want to maximize our performance with the inventory we have, whether it continues into another year or not."

"It's difficult at this time to know how much of an accommodation can be made on the weekends. In the case of KNBC, the major advantage they have had is their schedule is dramatically different from the schedule of those stations in the East because they have more time available to them because of the time difference. The same kind of mosaic is being explored for the other stations, but it's more difficult."

KNBC at present airs *Mama's Family* and *It's a Living*, which Harris says are working very well in the weekend slot.

Syndicators. As for the syndicators, the three that responded to phone calls are bullish on continuing productions of their shows. Rob Corona, vice president, domestic syndication at MGM/UA, holds that the NBC-owned move on *We Got It Made* will inject higher ratings blood into the show, giving it a shot with NBC on weekends and attracting indies in NBC-owned markets if the stations don't buy a weekend *Made*.

Robert Corona

Corona feels the move indicates at least a tacit endorsement by NBC of the potential of *Made*. "We had the worst lead-out, on Friday, with *Rags to Riches*, which subsequently has been cancelled. From that standpoint we are confident that if NBC picks us up, we can continue on. Meanwhile, we have interest in major markets from indies where their track records on sitcoms have worked rather well.

"If NBC goes with us, it will ease our task on the lineup of stations. But certainly KTLA-TV in Los Angeles will look at sitcoms that are not working, and some stations in New York appear to have some holes for first-run sitcoms on the weekends. We need these markets to go ahead with new productions. But all indications are that it will be worthwhile for us to proceed."

Shelly Schwab, president, MCA TV Enterprises, notes that the NBC station group has indicated it is interested in running *World* on the weekends beginning next fall, "and we are just waiting for them to commit to an actual time period.

"Meanwhile, we have had 'what if' type of phone calls from other people in the NBC markets, asking 'what if NBC doesn't renew, would you open the markets again?'

"The show is working well, so I'm quite confident that we will be covered in those markets. But we're not rushing, because we owe it to NBC to wait for them to come back to us with time periods, and at that time we will make a decision on whether to go with NBC, or we will go with the inquiries which come from indies." Schwab says *World's* clearances represent close to 90% of the U.S. households.

Shelly Schwab

Strip. Schwab points out that of the 15 first-run sitcoms running on the air at present, *World* is Number 3 in ratings. Down the road Schwab sees *World* as having strip potential. "In three years, we will have 70-plus episodes, and that makes it a strip. Of course, if it continues to work, we will get to 100 or more. The demos, too, make the show especially strong. In women 18–34 and in 18–49, it was the Number 1 sitcom, year-to-date, and falls in Number 3 in all the other demos."

Regarding *Sheriff*, Jim McGillen, president, first-run syndication, Lorimar Television, says the company plans to produce year two of the series, although a definite go is premature. "We would like nothing more than to have NBC renew the show for a weekend slot. All-in-all, though, we are not concerned, because the show is doing so well."

McGillen speculates if NBC doesn't pick up *Sheriff*, there will be no problem in getting replacements.—**Robert Sobel**

'Cosby' show unsold in 24 markets; Zaleski won't give discounts on show

The move to resell the off-network *The Cosby Show* to the 24 "holdout" markets opened recently by Viacom Enterprises failed to generate buys acceptable to the company. According to Joseph Zaleski, president of domestic syndication, more than 30 bids were received in the 24 markets, but "none were deemed acceptable." In this regard, Zaleski continues in an interview, Viacom is sending letters to the stations in the participating markets advising them that after reviewing the offers, Viacom "is declining to accept those offers at the present time."

Of the top 50 markets, the five still not opened are Cleveland, Tampa, San Diego, Sacramento and Birmingham.

Regarding the bidding by the stations in the new effort, Zaleski says, "While a lot of people bid, there are no discounts on *Cosby*. I'm not about to discount the show—not especially for product for which I have gotten good bucks. If these stations that signed knew they could get a discount, they may not have bid. I have a basic value of the product that may differ from the 24 stations' point of view, and I'm going to maintain that. I'm not concerned about the stations.

"Obviously, these stations will be without *Cosby*. If they feel their marketplace will be better off without *Cosby*, that will be up to them."

Joseph Zaleski

As of presstime, how the marketing on the barter element will be handled had not been nailed down. But, according to Zaleski, a decision will be made pre-NATPE. The barter selling of *Cosby* could go either in-house or could be done by an outside syndicator.

Plan. "We certainly have a plan and have various contingencies that can provide us with a way of going forward. It depends on what the deal is." Viacom, along with other major syndicators, has made deals with distributors to handle the barter sales end on product. But, adds Zaleski, with a product such as *Cosby*, Viacom could return to pitching national advertising: "The advertising will have the same weight that the program has on network television."

Zaleski stresses *Cosby* has been sold to 169 stations representing 90% of U.S. households, with cash revenues totaling more than $500 million. Overall, the two 30s that Viacom will retain in each half-hour for national advertising is seen as grabbing more than $100 million. Each of the 1,820 spots in the 910 telecasts over 42 months is seen as bringing in about $55,000 per 30, on average, in national advertising.

Columbia renames pkg.

Columbia Pictures Television has renamed its syndicated barter film network *Columbia Night At The Movies*. The old name, *Embassy Night At The Movies* does not fit in with newly-formed Columbia Pictures Television name, notes Barry Thurston, president of the company's syndication division.

First film under the new identity is *The Bride*, starring Jennifer Beals and Sting. It airs Feb. 4 through March 2, and has been cleared by 128 stations, according to Columbia.

TEN in bankruptcy; 'Pops' to Lionheart

The Entertainment Network has filed for Chapter 11 bankruptcy, and one of its key syndicated programs, *Top of the Pops*, has gone to Lionheart Television. Actually, the takeover of distribution of *Pops* by Lionheart is deemed as sealing the fate of TEN. According to Drew Levin, president, the company was near becoming profitable, "but it just blew up."

That BBC Enterprises, the producer of *Pops*, chose to switch to Lionheart, its wholly-owned subsidiary, and decided not to help finance *Pops* in the future "blew our financial plans" says Levin. He will be looking to reorganize the company possibly as early as the end of this month.

As for BBC, it had taken action to take over the *Pops* production and for Lionheart to get into the act even before TEN went into bankruptcy. The program, which at present is on CBS as a weekly late-fringe show, was given guaranteed funding by BBC, which permitted Lionheart to distribute the show if TEN couldn't do so. TEN will continue to distribute *Pops* overseas

Programming/Production

(continued)

for the 26 weeks run by CBS. Also, TEN has other shows with which it may go forward, including *Rhyme or Reason*, a game show, and *Scavenger Hunt*, a kids' game show, says Levin.

Syndication shorts

Group W Productions will introduce an animated strip, *Bugsburg*, from Filmation, for the 1989–90 season. It's being described as a situation comedy cartoon and takes place in a tiny magical town populated by a collection of little bugs whose miniature world parallels the human society with its joys and problems. Also at Group W, it has acquired the rights to *Good Company*, hour daily talk-entertainment series, for syndication beginning next September. The program is seen on KSTP-TV, Hubbard station in Minneapolis-St. Paul, which produces the show.

The Christian Science Monitor Reports has added four markets and has been picked up by the Armed Forces Network. Stations acquiring the half-hour weekly series are KSLA-TV Shreveport, WTGI-TV Wilmington, KJMH-TV Davenport-Burlington, and WUHF-TV Rochester.

LBS Communications will handle the clearances and sales for *The Story of Rock 'N' Roll*, summer series of 15 weekly half-hours that will premiere in June. Target audience is 18–34, and the program is hosted by Jon Bauman from *Sha Na Na*. Included in the series are interviews, performances and wraparounds. LBS is offering the program via barter split of three minutes for national sale, three-and-a-half for local.

All American Television is offering *Hollywood Countdown*, entertainment weekly half-hour, for the fall or before, depending on demand. The series focuses on fashion, fads, movies, home videos and "what's hot and what's not."

KTLA-TV Los Angeles has acquired **New World Television**'s *Highway to Heaven*, being made available for a September 1989 start as a strip series. Other outlets signed include KPNX-TV Phoenix, WTVK-TV Knoxville, KOB-TV Albuquerque, WLUK-TV Green Bay, KHQ-TV Spokane, KYTV(TV) Springfield.

D. L. Taffner/Ltd. has licensed *Hollywood*, 13-part series that celebrates the early years of the American cinema, to 11 stations, for a total of 39. The newest markets are WNET-TV New York, KCET-TV Los Angeles, WTTW-TV Chicago, WNJS-TV Philadelphia, KQED-TV San Francisco, WQTV(TV) Boston, KDFI-TV Dallas, WETA-TV Washington, WBNX-TV Cleveland, WGTV(TV) Atlanta and WPBT-TV Miami. The series is narrated by James Mason. Also at Taffner, seven markets have signed for *The World at War*, 36-part history of World War II, for a total of 35. The newest markets are WNET, KQED, WQTV, WTVS-TV Detroit, KERA-TV Dallas and WBNX.

MCA TV Enterprises will release *My Secret Identity* and *Tender Loving Care*, two half-hour barter sitcoms, for the fall. Jerry O'Connell headlines on *Identity*, and *Care* stars Christopher Atkins.

Lionheart Television International has cleared 46 markets for *Cut-Rate Care: America's Daycare Gamble*, hour news special. Markets include New York, Los Angeles, Pittsburgh, Seattle, Minneapolis, Phoenix, Baltimore and Portland. *Gamble* is produced by Post-Newsweek Television and Lionheart.

Blair Entertainment's one-hour sports special, *Road to Super Bowl 88*, has a current lineup of 185 markets, representing 95% of the U.S. households. Among the stations due to carry the special are WABC-TV New York, KABC-TV Los Angeles, WLS-TV Chicago, KYW-TV Philadelphia, KGO-TV San Francisco-Oakland, KRIV-TV Houston, KOMO-TV Seattle-Tacoma, WFSB-TV Hartford and KSHB-TV Kansas City. The special is on a barter basis, in a six and six split. Airing is set just prior to the game, Jan. 31, and/or the day before.

Orbis Communication's *Matchmaker*, late-night game show strip, has entered its second production cycle of 13 weeks. The show, which made its debut in September, is airing on 96 stations, including the NBC-owned stations in New York and Los Angeles. *Matchmaker* is a Four Star International production with Procter & Gamble as major national advertiser.

Lionheart Television International is making 26 new episodes of *'Allo 'Allo* available, for a total of 54 half-hours.

World Events' 'Denver' to be weekly series

Based on what World Events Productions calls "extremely enthusiastic station response," *Denver, The Last Dinosaur*, will become a weekly series for the fall. A one-hour *Denver* special, set for the spring, has been cleared on more than 130 stations covering 85% of the U.S. households.

Stations include all Fox-owned outlets in the top 10 markets plus KBHF-TV San Francisco, KCPO-TV Seattle, WCIX-TV Miami, WOIO-TV Cleveland, WVTV(TV) Milwaukee, WXIX-TV Cincinnati and KITN-TV Minneapolis.

Both the special and the series are going the barter route. The hour show has a five-and-a half minute split for the stations and four-and-a-half for national sale. The series is offered in a three-and-a-half minute split for local sales, two-and-a-half for national, in the first three quarters of the year. The split is 4/2 for the fourth quarter.

Group W buys rights to KSTP-TV program

Looking to cash in on similar locally-produced deals which have turned into bonanzas for distributors, Group W Productions has acquired the national syndication rights to *Good Company*, KSTP-TV Minneapolis-St. Paul TV

Programming/Production

(continued)

show. The locally-produced one-hour strip program is hosted by the husband-wife team of Steve Edelman and Sharon Anderson.

The program, claimed to be the highest rated local talk-entertainment strip series in the U.S., will be available to stations beginning next fall. In the November Nielsen, *Company* racked up a 37 share in households, a 43 share in the metro and a 53 share with women 25–54.

Katz Hispanic TV Sales in growth mode

Katz Hispanic TV Sales, currently the only rep firm in the Spanish television business, is growing. It has about 20 stations under its sales wing. It was officially launched the past April, having gone forward after successfully testing the waters with an ad-hoc station group. "Since that time, says John Cuddihy, director of the Katz Television's Group's sales unit, "we have had terrific growth and one which exceeded our expectations."

Much of the new-found strength comes from the southwest, he points out, where Spanish television is the weakest, but which represents markets with an extremely high penetration of Hispanics. Laredo, for example, he says, is 93% Hispanic. Katz reps KGNS-TV, NBC affiliate in Laredo. In the southwest marketplace, Katz also is rep for KGBT-TV Harlingen, Tex., CBS affiliate; KVIA-TV, ABC affiliate in El Paso; KENS-TV cable outlet in San Antonio; KYEL-TV Yuma-El Centro, NBC affiliate; KGGM-TV, CBS affiliate in Albuquerque; KMID-TV, ABC station in Midland; KCBD-TV, Lubbock, NBC outlet; and in Tucson, KGUN-TV ABC station. It also reps WLII-TV Puerto Rico.

In all but one case, in San Antonio, the stations repped by Katz carry Spanish-language programs. But, in addition, four Katz-repped stations carry Spanish commercials in their English-language programming. These three are KMPH-TV, indie in Fresno; KDAF-TV Dallas-Ft. Worth indie; KGGM-TV, CBS affiliate, Albuquerque.

Increase. Most all of these stations have increased their Spanish-language programming, notes Cuddihy, at the suggestion of the rep company, and in several cases are preempting the regular network fare. KGNS, for example now strips a novela, *Bienvenida Esperanza*, in the 3–4 p.m. time slot, and preempts NBC's *Saturday Night Live* show for Johnny Canales, host of a Spanish-language music show.

Preemptions are particularly increasing in the southwest markets, especially along the border, says Cuddihy. "These are markets where there are low-power stations, cable or Mexican stations, which don't provide the strong and quality signals that our stations provide. We feel we can mix Spanish programs compatably with the English programs because TV is a mass media, unlike radio which is specifically formatted."

Besides Spanish-language originated shows, including locally-produced news and novelas, some of Katz stations air dubbed versions of American product, such as *The A Team* and *Knight Rider*. Occasionally, a locally produced show will be offered to other stations on ad-hoc network, with Katz handling the clearances and the sales. The past Sept. 16, on Spanish independence day, six stations in the southwest, primarily network affiliates, aired the one-hour show.

The outlets carrying the special, *Celebracion: Diez y Seis de Septiembre*, produced by KGBT and Draper Communications, was carried by KGBT, from 7–8 p.m. KENS, from 7–8 p.m., KGNS, 6–7 p.m., KMID, from 12:30–

1:30 p.m., KCBD, 2:30–3:30 p.m. and KYEL, from 4–5 p.m. All stations ran *Celebracion* on Saturdays, except KMID, which played the program on Sunday, Sept. 17.

John Cuddihy

Regarding advertisers, Cuddihy says *Celebracion* was sold out at spot rates ranging from rate card prices of $125 per unit on KYEL to as high as $550 per 30 on KGBT. In general, the Katz division looks for the same national advertisers to run on Spanish-language programming as those that run on English language TV: McDonald's, P&G, Ford, Life Savers, Miller Beer and Sears Roebuck, among others.

Market. The Spanish market has been good overall, says Cuddihy. "We really can't compare what we did last year to now because we weren't in business last year. But we're still in a growth period and very excited on what we have been seeing." He says that the ???

Regarding programming supply in the Spanish-language arena, Cuddihy says that it's slow in coming, despite that another major player has entered the scene, Telemundo. "At one point Univision (SIN) was the only major supplier," he notes. "We are always looking for properties for our stations, but the programming is just starting to develop.

We don't carry Univision product because they have their own network and don't want to sell to us. We are open to them, however. On the other hand, we get Telemundo product because our stations are not in the same cities that they are in. Our early-fringe novela, *Bienvenida Esperanza*, is from Telemundo.

TPS offers 2 series and movie package

Turner Program Services is launching two first-run syndicated series and a new movie package. In series, TPS will offer a new half-hour adventure/mystery program, *The Secret World*, available for next fall. Twenty-four episodes will be marketed on a cash basis, both domestically and internationally. *World* combines rare and original footage shot on location, of the world of the unknown and unexplained. The show is hosted by Christopher Lee.

The other series, *Portrait of the Soviet Union*, consists of a seven-hour documentary that takes an inside look at Russia in areas which have been off-limits to western camera crews. *Union* is offered by TPS domestically, on a barter basis, with two formulas—seven one-hour programs or a two-three-two-hour combination. Plans call for a mid-July through early September 1988 window. Roy Scheider is host of *Union*.

In movies, TPS has 20 made-for-TVs from the Turner Entertainment film library. Titles are *The Dirty Dozen: The Next Mission*, *Journey's End*, *Deadly Lessons*, *Children of the Night*, *Death of a Centerfold*, *Cowboy* and *Happy Endings*, among others.

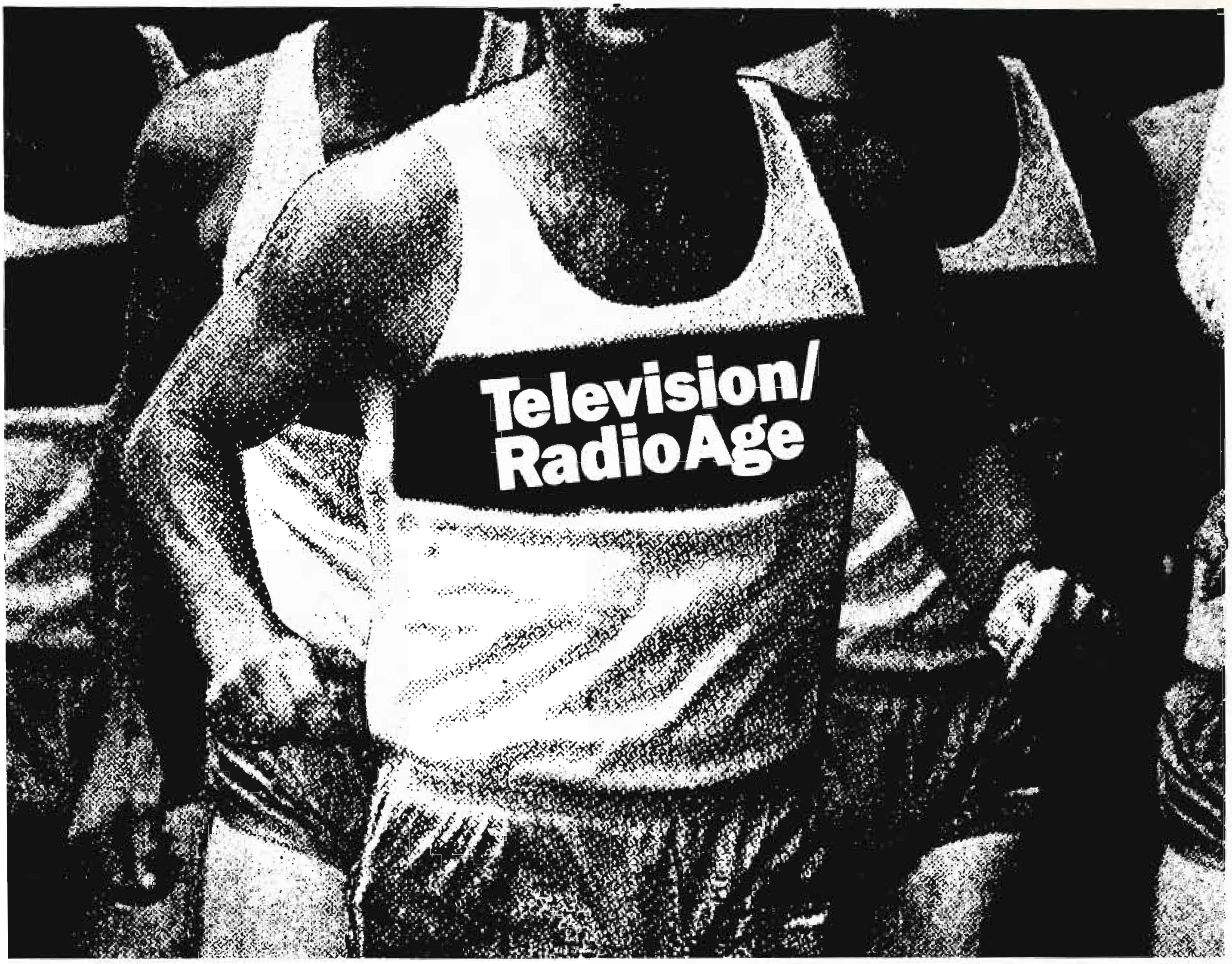
MCA TV to sell late-night strip

MCA TV Enterprises will distribute a late-night half-hour drama strip beginning in the spring. The series, *The Street*, is produced by Quantum Media Inc., an entertainment and communications company which is funded and 50% owned by MCA Inc. WWOR-TV New York, which is owned by MCA, played an integral role in the development of the new series and has scheduled the series in its lineup starting in March.

Scene from "The Street," *new first-run late-night strip being offered by MCA TV for spring availability.*

The show is called an "intense and involving portrayal of life on the Newark, N.J. police force, focusing on two pairs of patrol officers while on their eight-hour shifts. According to Robert Pittman, president and CEO of Quantum Media, *The Street* takes television in a new direction. "We're placing emphasis on story and character, married with a gritty, realistic visual style, and we're doing it in a totally unconventional matter."

Mayo Stuntz, Jr., president of television, Quantum Media, notes that late night offers both creative and business



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DEC. 7, 1987	EARLY FRINGE	(PRE INTV ISSUE)	NOV. 23, 1987
DEC. 28, 1987	PRIME TIME	(INTV ISSUE)	DEC. 11, 1987
JAN. 11, 1988	LATE NIGHT	(POST INTV)	DEC. 28, 1987
JAN. 25, 1988	DAYTIME		JAN. 11, 1988
FEB. 8, 1988	ACCESS	(PRE NATPE ISSUE)	JAN. 25, 1988
*FEB. 22, 1988		(NATPE ISSUE)	FEB. 8, 1988
MAR. 7, 1988		(POST NATPE ISSUE)	FEB. 22, 1988
MAR. 21, 1988		(POST NATPE ISSUE)	MAR. 7, 1988

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opportunities. "Not only can we be freer with language and subject matter, but we can take chances with story construction and production styles as well in order to provide a truly alternative form of programming in the marketplace."

Besides WWOR licensing *The Street*, KCOP-TV Los Angeles has cleared the show as well.

Zooming in on people

Lawrence Gottlieb has been appointed senior vice president and chief financial officer at the entertainment group of the **Great American Broadcasting Co.** Gottlieb had been executive vice president, finance, at Worldvision Enterprises, a subsidiary of GAEG, a position he held since 1982. He has been associated with Worldvision since its formation in 1973.

Lawrence Gottlieb

Todd Baker has been promoted to vice president, movies and miniseries at **New World Television**. Most recently, Baker was NWTV's director of creative affairs.

Pam Koch has been named manager, specials division, and **Peter Rosenberg** has been appointed northeast regional sales manager at **Access Syndication**. Previously, Koch was account executive, station sales, at Syndication Services. Rosenberg had been director of national sales services at Viacom.

Michael Shaw has been named vice president, midwest sales, **Camelot Entertainment.** Shaw joined Camelot with extensive experience in advertiser sales, coming to Camelot from Tele-Trib, where he was manager of midwest sales.

Lorin B. Salob has been named senior vice president, production, at **New World Television**. Prior to joining NWTC, Salob was vice president at Tri-Star Pictures television division, after a stint as executive production manager, TV, for Walt Disney Pictures.

Michael Keegan has been named vice president, planning and development at **ACT III Communications.** Keegan was associate director, corporate development at the Columbia Pictures/Coca Cola Entertainment Business Sector.

Jules Haimovitz has been named to the new post of president and chief operating officer at **Aaron Spelling Productions**. Also, he has been elected to the company's board of directors. Most recently, he was president of the Viacom Network Group. Haimovitz joined Viacom in 1976 as director, planning and administration for pay-TV.

Lou Zaccheo has been appointed vice president, creative services, **Multimedia Entertainment**. Zaccheo has an extensive background in TV station promotion and was president of Zaccheo Inc., an advertising and promotion consulting firm that has handled the Knight-Ridder stations and Tribune Entertainment. Also, he was a founder and president of The Cable Preview Network, and The Cable Promotion Network.

Lou Zaccheo

Jim Engleman has been named senior vice president, media sales, and **Julie Kantrowitz** has been named an account executive in media sales at **Lorimar Syndication**. Engleman had been vice president, media sales. Kantrowitz moves up from manager, media sales planning.

Stephen N. Hackett has been appointed manager, southwest region, MCA TV Enterprises. He most recently was vice president, Coca-Cola Telecommunications. Previously, he was regional sales manager and held other positions at Blair Entertainment and Blair Television.

Alan I. Berkowitz has been named president of **RPR Productions,** sports programming production and distribution arm of Blair Entertainment. Before joining Blair in 1982 as vice president, media marketing, Berkowitz was senior vice president, director of sales at Intercity Communications Network.

'Uncle Miltie' is back via Columbia; lineup includes three major markets

The zany, often irreverent comedy of Milton Berle, television's "Uncle Miltie" from 1948–55, comes alive again after 40 years the week of Jan 17, when *Milton Berle: The Second Time Around* airs on 120 stations.

The one-hour primetime special, syndicated by Columbia Pictures Television, allows viewers to see "what a real vaudeville variety show was like," says Berle, 79, who is also celebrating his 40th anniversary in TV that week.

"I call this show wall-to-wall comedy, a return to the '50s and a program children can watch because it's funny, refreshing and clean."

The special is a compilation of Berle's viewing 29 of the 180 hours he owns of *Texaco Star Theater*, which kept America glued to its TV sets Tuesdays at 8 p.m. and helped close down movie houses that evening.

In the latter part of 1988, Berle plans developing a five-day syndicated strip show using material which didn't make the first go-around in *The Second Time Around*. Berle is a 50% owner of another 1,000 hours of his TV antics with his various past sponsors.

While the basic footage for the special is black-and-white kinescopes, since there was no color or tape during those salad days, Berle has taped an intro and wraparounds in color from his den, which houses his tapes and his library of 6½ million computerized jokes.

Lineup. The lineup of guests, all of whom interplay with Berle, include: Dean Martin and Jerry Lewis in their 1949 TV debuts, Elvis Presley in his 1955 TV debut, Frank Sinatra in his 1950 TV debut, Bob Hope, Phil Silvers, Ronald Reagan, Jack Benny, Martha Raye, Edward G. Robinson, Peter Lorre, Cesar Romero, Carmen Miranda, Tony Martin and Johnny Puleo and the Harmonica Rascals.

"There's also the famous "We are the men of Texaco" singing opening, Berle in drag and all his whimsical makeup routines.

Notes Berle, "In those days it was the diaper stages of early TV. You got what you got and you saw what you got. You didn't get a second chance because it was live and before tape. If a joke bombed, it bombed and, you stood there with egg on your face. That's where all the recovery lines developed, like 'There must be an audience out there,' or 'My mother told me there'd be days like this.' There were no cue cards or teleprompters and no phony laugh machines."

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Milton Berle *lights up. He's host of one-hour special, "Milton Berle: The Second Time Around," which recalls TV moments of Berle and Texaco Star Theater.*

Among the stations clearing the show are: KCOP Los Angeles, WPIX New York, WPWR Chicago, WPHL Philadelphia, KTVU San Francisco, WZTV Boston, WVON Detroit, KDFI Dallas, KFTY Washington, WOIO Cleveland and KTXH Houston.

Berle reveals that two months before he began work on the syndicated version, he met with Brandon Tartikoff, president of NBC Entertainment. "I said I've got an idea. It's my 40th anniversary, so let's make it a little event. Since I started my TV career with NBC in primetime on Tuesdays, I suggested the show start at 8 p.m. on Tuesday. I'd do a prologue and say, 'Here it is, you're back in the '50s.' Brandon said he liked the idea but couldn't do it because NBC had to fulfill its commitment for Tuesday night at 8 and couldn't switch any shows.

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Group W's 'Moments'

Group W Productions will distribute *Life's Most Embarrassing Moments* with Reeves Entertainment Group as producer, as a weekly half-hour series beginning in the fall. The old *Moments* consisted of 10 network specials that aired on ABC from 1983–86. The new shows will be produced by Woody Fraser Productions for REG and will include parts of the originals.

Fraser was executive producer of the *Moments* originals. On the network, the specials attracted shares as high as 44, according to Group W.

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Buyers, sellers see reasons for dollar shift from network/73

BUYER'S OPINION
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TELEVISION/RADIO AGE Spot Report

January 11, 1988

Spot Report

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More bright signs for spot seen by buyers, sellers

Both buyers and sellers of spot television have come up with some more new reasons for advertisers to shift network dollars to TV's market-by-market selling force.

Jack Oken, president, MMT Sales, sees reason to suggest this year's presidential run for the White House could bolster spot more than the previous two presidential contests. He notes, "The last two were such a runaway for Reagan there wasn't much point in either party spending tremendous amounts of money. This time it looks much closer. And with the key to the outcome lying in those states with the huge numbers of electoral votes, it would make sense for both parties to concentrate on spot in those key states rather than scattering their dollars all over the networks."

Jack Oken

Hal Katz

On the buying side, Vitt Media International reports results of its latest advertiser survey indicating that regionalization will continue to grow in importance to advertisers as Universal Product Code data becomes more readily available. But this intelligence also comes with the warning that use of UPC data to regionalize ad campaigns "will further accelerate use of promotions at the expense of image advertising. As UPC data allows advertisers to devise more local and regional campaigns," says Hal Katz, VMI executive vice president.

Katz bases his prediction results of a survey of 102 *Fortune* 1,000 advertisers indicating that "pressure for better quarterly earnings is forcing many advertisers to shift the strategic focus of ad campaigns from the traditional image-building, long term results orientation to advertising that maximizes short term performance."

Some 55% of the replying advertisers reported developing campaigns focusing on short term results against 34% who still plan for long range results and only 11% who try to do both.

Networks. Growing regionalization of marketing is one of two trends confirmed by the Vitt survey that could potentially benefit spot. The other is short term profit pressures at the TV networks that are likely to lead to boosts in both the quantity and price of primetime commercials, thus causing advertisers "to rely more strongly on alternative media."

Some 43% of the responding advertisers believe the changes coming out of new ownership at all three networks will mean higher ad costs, and 66% agree they'll mean more clutter on the webs. And 61% figure more clutter will drive audiences to look to other media.

SAMI/Burke-ARB tie

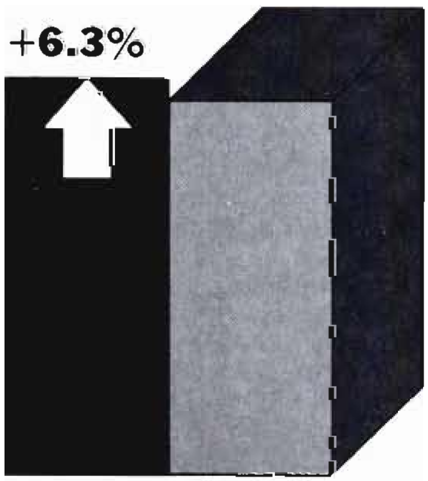
Having folded SAMI/Burke into its Business Services Group, Control Data Corp. says that the Group, of which Arbitron Ratings Co. is a part, is expected to grow faster than the total company in the next few years. The new acquisition, which is headed by president Jack E. Brown, "will have close ties" with Arbitron.

Control Data announced last week that it had concluded the purchase of SAMI/Burke from Time Inc. The Cincinnati-based research company was described as offering a wide range of data bases and market research services, including product tracking, test marketing, market modeling, custom surveys and copy testing.

The initial cash payment of $60 million is $20 million less than stated in the announcement of the purchase agreement last October. However, the overall price remains "essentially the same," according to Control Data.

November

National spot business



1987: $576.0 **1986: $541.9**

Complete TV Business Barometer details p. 32

Spot Report

Campaigns

Burger King, TV
N W Ayer/New York
FAST FOOD CHAIN is lining up 26 weeks worth of inventory for first half 1988 in a widespread list of television markets. Negotiators are using the full range of dayparts to reach adults and children.

Kellogg Co., TV
Leo Burnett Co./Chicago
SELECTED CEREALS are set for 12 weeks of first quarter spot appearances in a long and nationwide list of television markets. Media worked with fringe, kid, primetime and prime access inventory to reach teenagers, children and young adults.

Walgreen Company, TV
CPM Inc./Chicago
VARIOUS DRUG STORE ITEMS will be featured for 13 weeks during first quarter in a long and nationwide list of television markets. Buying team selected a full range of daypart inventory to impress women 25-plus.

Wm. Wrigley, Jr. Co., TV
BBDO/Chicago
SELECTED CHEWING GUM FLAVORS will be sharing 52 weeks of spot exposure during 1988 in a long and coast-to-coast lineup of television markets. Media group arranged for daytime, fringe, prime access and weekend showings to reach everyone from 12 to 49.

Explosive color

Regional spot programming starting this month is backing the new campaign that kicked off in December on network television for Fuji Photo Film's quality line of color paper. The TV commercial, produced by Geers Gross Advertising, features a consumer making a decision on photo developers as one-hour photo signs flash across the screen and, on the horizon, both actual fireworks and computer-aided special effects inside the minilab appear to explode above each picture as it's being printed. As the customer picks up his photos he finds out that Fujicolor paper "produces photos that explode with radiant reds, sparkle with gleaming whites and burst with brilliant blues."

Appointments

Agencies

Lee White has been named vice president of media at Ehrlich Manes Associates in Washington, D.C. She moves in from a post as manager, marketing information for the Sweetheart Brands Division of Maryland Cup Corp. to succeed **Toni Pearson.** Pearson has retired but continues as a media consultant with Ehrlich Manes.

Leni Salz has been elected a vice president of Lintas:New York. She came to the agency two months ago as director of local broadcast buying. She had previously headed spot buying and syndicated programming for the RJR Nabisco Broadcast Group.

Susan L. Bahr, manager, new electronic media, has been elected a vice president of Young & Rubicam, New York. She joined Y&R in 1977 as a media planner, became a supervisor in 1980 and in 1983 was promoted to senior project director, new electronic media.

Ellen Stafford has joined HBM/Creamer in Boston as executive producer in the Broadcast Production Department. The former executive producer for The Film Consortium in New York has most recently been producing commercials in Los Angeles for The Partners USA.

Andrew J. Kelly has joined William Esty Co. as vice president with the Consumer Perspectives Department. He was formerly vice president, director of strategic services at J. Walter Thompson.

Linda Campbell has been elected a vice president of DDB Needham Worldwide. She came to the agency in 1979 as an account executive and is currently associate director of the Merchandising and Promotion Services Department in Chicago.

Carol Wells is now a media account supervisor with McKinney Advertising/Philadelphia. She had been a media director and a senior account executive at Al Paul Lefton Co. and now moves in to succeed **Linda Gross** who continues with McKinney as a consultant.

Media Services


Hirsch


Van de Cater

Shelly Hirsch has been named to the new post of executive vice president, entertainment at Bohbot & Cohn and **Pat Van de Cater** has joined the company as senior vice president and manager of the media service department. Van de Cater was previously an executive vice president at Century Media Corp. and Hirsch is a 17 year veteran of the toy marketing and broadcast businesses.

Long running

The new Gabriella radio campaign that broke in December for Dorman-Roth Foods' new line of deli cheeses and other deli items is scheduled to run through 1988 in major markets across the U.S. Agency is Waring & LaRosa, New York. Dorman-Roth says it's the largest importer of cheeses into the U.S. since the merger of N. Dorman Food Co. with Otto-Roth Foods in 1986.

The 13 one-minute executions feature Gabriella as a witty advice columnist who counsels listeners on matters of life, love and cheese. And when it comes to cheese she gets down to specifics like Swiss Emmentaler, Bonchampi and Grand Toast Havarti, and such other items as Bagel Crisps, while continuing to reinforce brand recognition of Dorman-Roth Foods and its full deli line.

Representatives

Rod Murray has been promoted to director of research for MMT Marketing Division. He joined MMT Sales in early 1985 as a research manager, moving in from a post as senior research analyst at TeleRep.

Kandice Cinnamon and **Mariann DeLuca** have been named senior vice presidents and regional managers for Torbet Radio. Cinnamon transfers from New York to take over as Los Angeles regional manager and DeLuca, who had been senior vice president/research, replaces Cinnamon as New York regional manager.

Russ White and **Swain Weiner** have been promoted at Katz American Television. White moves up to New York office manager of the rep and continues as vice president, national sales manager of the White Team stations. Weiner, who joined Katz as a sales executive on the Blue Team in 1978, now steps up from New York team manager of the Eagles to national sales manager of the Eagles.

Juanita Hamilton has stepped up to New York sales manager of the Rockets at Seltel. She came to Seltel from Petry Television in 1986 and now transfers from account executive duties with Seltel's Raiders.

Sharon Walz has moved up to senior group research manager for Petry Television, reporting to **Teddy Reynolds,** vice president, director of research. Walz was senior research analyst at KHJ-TV Los Angeles before joining Petry in 1986 as research manager for the Ravens.

One Buyer's Opinion

Why buying direct can work better for local retail clients

Harpur

Retail advertising requires local market insight, often right down to the trading areas at the store level. For our multi-market clients, rather than using a national sales representative, we make market-specific buys from individual market plans, all involving different timing and different demographic strategies.

A national rep's strength is "one call" for multimarket buys with the same specs. But our clients' individual market strategies just don't fit the "one call" bill. This tends to offset any time savings for the agency, but we are not intimidated by the extra effort if it's for our clients' benefit.

There is always some extension of the client in the market, ready to challenge our moves and keep us on our toes—be it the marketing director, regional operations, sales or marketing person, or store manager. To enhance our clients' buys, our media buyers have become local specialists. Our buyers make trips to our major markets, meeting with station management on the local level. We do this because we believe local station sales executives are in a better position than national reps to complement our own efforts. These local executives act as our "eyes and ears" in the market to provide valuable information such as insights into general market news, competitive activity, programming and personality changes.

Retail advertising often requires fast turnaround, the clearing of avails, last minute changing or pulling of schedules, and that requires efficient local service. For short retail sales events, spots must run today, because there's no tomorrow for running make-goods. This makes the baby sitting of schedules for position and rotation very important.

Often, good retail media involves campaign enhancements, extensive promotion and merchandising cooperation, and we believe the local station sales executive who is closer to the promotion directors and sales managers is in a better position to provide local servicing.

On the other hand, we have found national reps often deal in stale avails, get second crack at local specials (if they are ever made aware of them) and are less prepared to deal with opportunistic or fire-sale situations.

Successful retail advertising can require creative new uses of a medium for breaking through clutter in a very short period of time to generate traffic. Stations can help by being open to innovative, new uses of spot inventory. Programs of this nature require a close working relationship with the station and a feel for the market and the advertiser. It's difficult to be innovative and to establish close relationships at the national rep level because it's strictly numbers-oriented. We've found that negotiating clout is not necessarily dependent on the size of the budget, but more often on the agency's experience, expertise and media relationships.

The same is true of the sales manager/account executive relationships at stations. Whether the need is for a low rate, spot clearance, a promotion, hard-to-get tickets for a client or a creative use of the medium, the local sales executive is in a better position to service retailer needs. We experience less turnover in local sales managers and account executives than we do at the national reps, allowing local executives to better undestand our clients' needs.—**John Harpur,** *vice president, media director, MARC Advertising, Pittsburgh*

Scott Pokard has been promoted to manager of Blair Television's Independent sales team in Los Angeles. The former Avery-Knodel Television account exec has been assistant sales manager of Blair's Independent team since 1984.

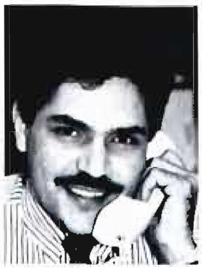
Stations

Allan D. Chlowitz has been named vice president, general manager of Metropolitan Broadcasting Corp.'s KTWV(FM) Los Angeles, the station that invented *The Wave*. He is a former vice president, general manager of KHJ and KRTH(FM), also Los Angeles.

Robert R. Regalbuto, president of Hubbard Broadcasting's KSTP-TV Minneapolis-St. Paul takes on added responsibility as president of WDIO-TV Duluth, recently acquired by Hubbard from Harcourt Brace Jovanovich. **George Couture,** who has been sales manager of WDIO, becomes vice president, sales/acting station manager and former general manager **Frank Befera** becomes a senior consultant to **Stanley S. Hubbard,** chairman of Hubbard Broadcasting, Inc.

Nan Heller and **Jack Patterson** have been elected vice presidents of The Westwood One Companies. Patterson is director of sales, Detroit Region and Heller is director of sales, Western Region.

Dick Williams has been named vice president, general manager of TVX Broadcast Group's WCAY-TV Nashville. The one-time TeleRep salesman has most recently been general manager of KPDX-TV Portland, Ore.



Jimmy Jimenez has been promoted to general manager of United Broadcasting's Spanish language KDM New York. He started with KDM in 1980 as a newscaster and was appointed program director in 1982.

Maureen Lesourd has been named president and general manager of Capital Cities/ABC's WRQX(FM) Washington, D.C. She comes from New York where she had been sales manager of WPLJ(FM).

Lynn Nathanson has been promoted to senior vice president, general manager of Charles River Broadcasting's WCRB(FM) Boston. Before joining the station in 1982 she had been manager of the Remis Auditorium at Boston's Museum of Fine Arts.

James A. Kizer has been appointed general manager of Federal Broadcasting Co.'s WLUC-TV Marquette, Mich. He moves in from Detroit where he was marketing director for all Federal stations overseeing programming, research and promotion.

Ronald J. Morey, president of Jarad Broadcasting, becomes general manager of Jarad's recently acquired WDRE(FM), formerly WLIR, Garden City New York, and **Abe Goren** has been named general sales manager of the Long Island new music station.

Michael S. Cohen has been appointed general manager of WXLO(FM) Worcester, Mass. He had been with WJIB(FM) Boston before coming to the Montachusett Broadcasting station.

Henry K. Yaggi, sales manager of WUSA-TV and **Henry Price,** head of programming and marketing for the Gannett-owned CBS affiliate, have been elected vice presidents of the station. They report to **Ron Townsend,** president and general manager.

John Shine has been named general manager of Spartan Radiocasting's KIMT-TV Mason City, Iowa. He had been vice president, general manager of WJKA-TV Wilmington, N.C.

Ed O'Connor has been appointed vice president/major market specialist for the Transtar Radio Network. He moves in from Legacy Broadcasting where he had been corporate retail sales manager and before that he had been with Scripps Howard and New City Broadcasting.

Dan Lutgen has been promoted from general sales manager to station manager of KTZZ-TV Seattle. Before joining the station he had been retail marketing director for KCPQ-TV Tacoma and Eastern sales manager for Four Star Entertainment in New York.

Jose R. Cruz has been named general sales manager of Telemundo's Spanish language KSTS-TV San Jose-San Francisco. He moves in from Group W's KPIX-TV San Francisco and before that had been with the sales staff of Univision's KDTV(TV) San Francisco-San Jose.

Stuart Fenston has been promoted to general sales manager of WNBC New York. He joined the station in 1981 and now steps up from sales manager.

Media Professionals

Pointing the advertising and promotion in same direction

Alan B. Jurmain

Senior vice president,
Media Director
Scali, McCabe, Sloves, Inc.
New York

Even before acquiring the marketing and sales promotion company, Morton Goldberg Associates, Alan Jurmain, senior vice president, media director, notes that Scali, McCabe, Sloves already operated its own internal sales promotion department as "an agency within our agency that works hand in glove with our general advertising campaigns."

He observes that with all the complaints heard about the shift of more client dollars to promoting immediate sales at the expense of long-term image building advertising, "Some people might think an agency would resist promoting an internal promotion unit that competes for marketing dollars. But we see both our long range and immediate sales efforts as integral parts of the same integrated marketing drive, both pointing in the same direction to multiply the impact on consumers instead of confusing them. And at the same time, since all business is local, both efforts are coordinated through every link of the client's distribution chain, right down to the end aisle displays at the local supermarket."

Jurmain explains, "The client's image advertising is the 'push' and the promotion is the 'pull-through,' into and then through the store, the check out counter, out the door and into the consumer's car."

He illustrates by noting, "Frank Perdue is familiar to everyone because of the long-running advertising campaigns that have given him and his chickens instant recognition in broadcast, print, and at point-of-purchase. The advertising over the years has built up a lot of equity in this universal consumer recognition.

"This carries over automatically to the 'Perdue's Passing the Buck' promotion in which consumers get the coupon for one dollar—the 'buck'—through local newspapers, and it's merchandised to the retailers with brochures that identify and promote the promotion so they'll be sure to have their poultry sections stocked and the displays in place. It's all done with a common 'look' in both the media advertising and in the stores that's a lot easier to achieve when both the advertising and promotion are coming out of the same office and under the supervision and coordination of the same account group management team."

New Stations

Under Construction

WLKT-TV Lexington, Ky.; Channel 62 ADI Lexington. Licensee, Family Group Broadcasting, 5401 West Kennedy Blvd., Suite 1031, Tampa, Fla., 33609. Telephone (813) 875-0006. Ian N. (Sandy) Wheeler, managing general partner. Target air date is January 1988.

Buyer's Checklist

New Representatives

Banner Radio is now national sales representative for KJET/KZOK(FM) Seattle and WHEN/WRRB(FM) Syracuse, N.Y. WRRB offers contemporary country music and WHEN airs an adult contemporary/full service format. KJET programs modern music and KZOK has a classic rock sound.

CBS Radio Representatives is the new national sales representative for KTAC/KBRD(FM) Seattle, owned by Entercom Inc. KBRD plays beautiful music and KTAC features an adult contemporary format.

Eastman Radio has been appointed national sales representative for KFIG AM-FM Fresno, Calif. and for WMYU(FM) Knoxville, Tenn. All three stations feature adult contemporary music.

Network boss

Marc Guild has been named president of Interep Radio Networks in New York. Guild joined Interep 12 years ago in the research department of McGavren Guild Radio and was later named manager of McGavren Guild Network research and operations. When Interep was formed in 1982 Guild moved up to manager/marketing and research of the new company's network division, Internet, and he now steps up from executive vice president/general manager.

Christal Radio has been named national sales representative of KFMZ(FM) Columbia, Mo. and KXDC AM-FM Monterey-Salinas, Calif. The California duo programs easy listening and KFMZ offers a contemporary hit radio/album oriented rock format.

Hillier, Newmark, Wechsler & Howard has assumed national sales representation of WASH(FM) Washington, D.C. The station airs a soft adult contemporary sound and is being sold nationally in combination with its new sister station WTOP.

Katz Radio is now the national sales representative for WPAT AM-FM New York, WNCT AM-FM Greenville, N.C. and WLRW(FM) Champaign, Ill. WLRW programs an adult contemporary format and both the WPAT duo and WNCT feature beautiful music.

McGavren Guild Radio has assumed national sales representation of WKIX/WYLT(FM) Raleigh, N.C. WYLT carries the Transtar 41 format and WKIX offers classic oldies.

Regional Reps Corp. has signed new client radio stations WDON(FM) Geneva, Ohio and, in Georgia, WLSQ Dalton and WMVG/WKZR(FM) Milledgeville, WKZR broadcasts country music and both WMVG and WDON air adult contemporary formats.

Republic Radio is the new national sales representative for WSCQ(FM) Columbia and WMYI(FM) Greenville, both South Carolina. Both stations carry adult contemporary formats.

Roslin Radio Sales has been named national sales representative for WMHQ Morristown, N.J. and KAYO AM-FM Aberdeen, Wash. KAYO plays modern country music and its FM sister is an AOR station. WMHQ offers oldies.

New Affiliates

ABC Rock Radio Network has added new affiliates in Texas. They are KPRR(FM) El Paso and DeLier Broadcasting's KFMX(FM) Lubbock.

CBS Radio Network has signed KPRC Houston as its latest affiliate, effective Feb. 15, 1988. KPRC is currently an NBC affiliate.

Transactions

Gannett Co., Inc. has agreed to purchase WFMY-TV Greensboro, N.C. and WTLV-TV Jacksonville, Fla. from **Harte-Hanks Communications, Inc.** for $155 million. If approved by the FCC, the move would make Gannett an owner of 10 TV stations reaching approximately 11% of U.S. TV households.

Young Broadcasting of Louisiana has agreed to purchase KLFY-TV Lafayette, La. from **Texoma Broadcasters Co.** for over $50 million. The buyer is controlled by Adam and Vincent Young and Texoma is a Texas joint venture headed by M. N. (Buddy) Bostick. Broker is R. C. Crissler & Co.

Spanish Broadcasting System has agreed to acquire KNOB(FM) Los Angeles from **Pennino Music Co.** for $15 million. SBS also owns Spanish language KSKQ Los Angeles and is headed by Raul Alarcon and Raul Alarcon, Jr. Pennino is owned by Jack and Jeannette Banoczi and the Broker is W. John Grandy.

Cecere to Blair

Linda Cecere has been appointed to the new post of editorial director for John Blair Communications, reporting to Kenneth P. Donnellon, vice president, advertising and communications for the company. In her new post Cecere is responsible for editorial and public relations functions of Blair's new corporate communications department which directs advertising, promotion, public relations, editorial and graphic services for John Blair Communications and its subsidiaries, Blair Television and Blair Entertainment. Cecere was formerly associated with *Newsweek* magazine in the areas of advertising, marketing, promotion and business planning, and she has also done story analysis for television and motion picture production companies including Lorimar, MGM/UA and Highgate Pictures.

Wall Street Report

Broadcast operations not the reason for gains in Times Mirror results

Newspaper publishing, not broadcast operations, gets the credit for revenue and earnings gains for Times Mirror Co. in the third quarter and first nine months of 1987. Pointing to positive results from its asset redeployment program, the company reports earnings per share, without the gain from an asset sale in 1986, rose 11% in the third quarter on a revenue gain of 12%. Operating profit showed a 20% improvement.

Newspaper publishing led the way with an operating profit increase of 18%, reflecting strong performances by most of TM's newspapers and the inclusion of earnings from the *Baltimore Sun* newspapers.

The company currently operates four TV stations affiliated with all three networks: KDFW-TV Dallas and KTBC-TV Austin, Texas, both CBS affiliates; KTVI(TV) St. Louis, ABC; and WVTM-TV Birmingham, Ala., NBC.

Broadcast operation revenues for the third quarter declined 9% to $24.3 million from $26.7 million, while the nine-month results were down 15% to $79.7 million from $93.8 million. This was partly due to the absence of revenues from three TV stations sold in June 1986. But also lower revenues were recorded at the St. Louis station and the two Texas stations, "which continue to be adversely affected by a weak local economy."

Broadcast operating profit

The broadcast group's operating profit of $41.8 million for the first three quarters was down 17% from the prior year, mainly due to revenue-related profit declines at the three mentioned stations and the absence of profits from the divested stations. The group's operating profit margin of 52.5% was slightly below the 53.7% recorded in 1986.

Corporate net income for the third quarter was $70.6 million, or $1.09 per share, compared with $74 million, or $1.15 per share, in the previous year. The 1986 results include a 17-cent, one-time gain from the sale of *The Dallas Times Herald*.

Earnings per share in 1986, without the gain from the asset sale, would have been 98 cents per share. The 1987 earnings per share of $1.09 represent an increase of 11% over the 98 cents. Revenues for the third quarter rose to $782.3 million, compared with $697.7 million.

Net income and revenues for the year-to-date reflect a similar picture. Net income was $211.8 million, or $3.27 per share, compared with $308.8 million, or $4.78 per share. The '86 results included gains of $2.24 from asset sales, so the per share increase over $2.54 without asset sales represents a 29% increase. Revenues for the year-to-date were up 7% to $2.29 billion from 1986's $2.14 billion.

Cable television

For the third quarter, cable TV revenues were up 23.7% to $61.6 million from $49.8 million, but year-to-date results showed an 8% drop to $175.8 million from $190.1 million. The decline reflected absence of revenues from the divestitures of the microwave communications operation and an interest in a cable system, which were sold in the first half of 1986.

Revenues from TM's ongoing cable operations, however, increased between years. Part of the improvement resulted from inclusion of revenues from a Rhode Island cable system, which was only partly owned through most of 1986 and whose revenues were not included in 1986's revenues for the first three quarters. The cable group's operating profit of $20.3 million was lower than the $31.4 million reported in 1986, which included six months of profits from the microwave communications operation. Profits at Times Mirror Cable Television advanced 14% from 1986, largely reflecting higher revenues from cable's ongoing operations.

The Times Mirror Co.

(In thousands of dollars)	*Total revenues*	*Operating profit*	*Depreciation, amortization and depletion*	*Capital expenditures*	*Identifiable assets*
First nine months of 1987					
Newspaper publishing	$1,460,985	$276,883	$55,262	$122,486	$1,553,424
Book, magazine and other publishing	462,501	82,636	20,615	7,754	547,824
Broadcast television	79,673	41,794	3,238	2,773	115,375
Cable television	175,756	20,347	37,409	49,237	492,962
Other operations	86,232	23,239	6,560	1,502	144,224
Corporate and investments	27,587	(12,277)	1,178	938	228,675
Total	2,292,734	432,622	124,262	184,690	3,082,484
Eliminations	(1,278)				(69,578)
Interest expense		(38,892)			
Consolidated	$2,291,456	$393,730*	$124,262	$184,690	$3,012,906

* Consolidated income before income taxes.

TV station biz seen good, not great *(from page 50)*

sion, which has 132 stations, sees four factors fueling '88 spot billings: (1) political advertising, (2) strong ad pressures by fast food chains, (3) continued promotion on TV by auto makers and dealer associations and (4) heavy retail advertising. It adds up to an increase in the 9–10% range, says Breda.

Breda sees the reentry of Gary Hart stirring up the political waters and thus benefitting TV, and he predicts "good success" with advertising on the Olympic coverage.

Gideon feels that 15-second commercials will have a big impact on station business in the coming years. They are already having an impact on spot, he believes, because of network willingness to sell 15s at half the 30 rate, a policy few stations are willing to adopt. This is pulling business from stations, he argues.

Increasing the potential amount of inventory for 15s is the increase in the number of stations on the air, the consultant points out. "Most of the new

National/regional spot TV time sales, 1978–87
(Millions of dollars)

	1987	1986	1985	1984	1983	1982	1981	1980	1979	1978
Jan.	$364.7	$345.0	$296.4	$296.7	$271.7	$237.3	$189.4	$174.2	$149.2	$141.0
Feb.	335.7	327.5	295.3	283.7	254.9	242.3	203.6	180.5	158.8	148.9
Mar.	452.0	441.0	406.8	361.6	340.2	319.1	275.3	234.3	200.5	186.8
April	580.4	539.4	507.0	485.6	417.5	403.0	341.8	299.6	267.2	232.3
May	589.5	548.4	512.0	478.5	427.6	373.8	338.3	290.6	254.8	222.9
June	483.6	477.4	451.2	391.3	354.4	296.6	265.5	239.6	218.6	193.9
July	481.4	476.2	459.7	422.1	370.3	328.3	270.9	238.7	218.9	187.7
Aug.	439.8	429.5	373.5	329.4	298.4	271.0	236.9	213.0	186.2	155.7
Sept.	521.4	505.2	463.9	417.3	358.5	318.4	284.8	258.4	215.3	182.1
Oct.	497.4	491.0	425.5	406.0	360.9	342.7	281.6	250.5	227.3	206.9
Nov.	—	541.9	469.2	445.6	408.8	390.8	344.9	292.8	257.5	232.3
Dec.	—	451.1	416.5	396.7	347.1	322.9	269.3	248.0	210.1	204.1

Local TV time sales, 1978–87
(Millions of dollars)

	1987	1986	1985	1984	1983	1982	1981	1980	1979	1978
Jan.	$320.5	$302.1	$265.7	$236.0	$201.5	$185.7	$168.7	$144.7	$130.6	$109.1
Feb.	308.3	291.7	264.0	251.4	208.3	178.5	168.4	160.5	136.8	112.4
Mar.	500.9	464.2	424.3	358.4	305.8	267.8	242.1	230.6	193.2	162.1
April	493.2	461.4	430.0	386.7	313.4	275.6	246.7	232.5	206.0	178.3
May	554.6	532.8	450.0	407.6	346.0	274.6	244.1	214.9	205.3	170.6
June	397.7	387.6	337.9	299.0	253.6	202.7	187.5	165.8	154.4	135.7
July	408.0	383.5	356.7	317.9	277.4	222.3	198.5	176.0	168.5	150.2
Aug.	474.7	452.1	383.8	343.0	278.9	243.4	221.7	192.6	173.6	157.3
Sept.	516.1	468.8	415.2	370.7	327.2	275.4	242.0	209.5	198.6	177.9
Oct.	630.3	590.2	504.9	455.7	395.9	366.2	293.7	270.2	242.6	223.5
Nov.	—	495.3	431.8	414.4	372.3	306.4	281.9	241.6	220.8	208.6
Dec.	—	444.8	400.7	374.8	330.2	288.9	271.3	244.9	214.4	191.3

Source: TV/RADIO AGE "TV Business Barometer" stations are independents, and they have many more commercial positions to sell than affiliates." In the past 20 years, according to FCC and INTV figures cited by Gideon, the number of indies has increased from less than 50 to more than 300. Gideon estimates that there are about three times as many commercials units offered by an indie as by an affiliate. He also cites an increase in affiliates during the past two decades. The FCC tallied a total of 500 affiliates in 1967.

But Gideon also cites reasons why 15s may not make much progress this year, the main reason being that business is likely to be good enough to stave off the pressure by agencies for a 15 rate that's 50% of the 30's. Also, he points out, "for a national advertiser to use 15s, there must be a large number of stations around the country accepting them."

Goulazian sees 15s as a negative factor for networks as well as stations. While he agrees that the network 15s pulled money from spot, he feels they could hurt the networks eventually by restricting rate increases. They've already made daytime network a "disaster," according to the Katz executive. Goulazian predicts that by next year about 40% of commercials on the networks will be 15s.

As for stations, he notes that charges of up to 75% of the 30 rate for a 15 are, so far, discouraging national clients, though the agencies are pressing hard for a 50% charge. But Goulazian sees a gradual increase in 15s. "A year ago, about 2% of commercials were 15s. Now it's about 4%." He feels the gradual increase will continue even in this year's sales environment. Blair's Breda, however, doesn't see any increase coming in 15s, "not in '88, anyway."

Gideon tracked a diminishing growth rate for both spot and local business since 1975 (see graph and table) but sees a leveling off during the early years of the '90s. Again, in reviewing growth rates, the observer must take into account the inflation factor.

The Gideon forecast calls for a drop-off in growth (from '88) in both spot and local time sales in '89, as might be expected, but not much. A 7.5% increase in spot and a 9.1 increase in local in '89 would not be bad considering the doldrums of '87. Local will definitely pass spot in '89 and by 1993 will top spot by about $650 million, according to the forecast. The '92 quadrennial year is seen as providing about the same degree of increase as '88. For the five-year period, 1988–93, spot is seen with a growth rate of 7.6% and local with a growth rate of 9.2%. This is about even with the growth rate projected for 1985–90, which comes to 7.5% for spot and 9.9% for local. □

Web seller's market *(Continued from page 52)*

quarter is always a tough quarter. There's no reason to believe it won't be this year. Right now third quarter looks tight, but what will happen when third quarter options are due?"

Steve Grubbs, senior vice president, director of national TV buying at BBDO, observes that the past year saw an increase in upfront network budgets pretty much across the board, and, "I don't see any signs of cutbacks overall yet. A couple of clients have cut back on their options for upfront buys, but many others are increasing their scatter spending.

"The premiums for fourth-quarter scatter have been 15–30%, and I expect them to be even more in the first quarter. Long-term, people are going to take their money out of network budgets if it continues to go this way." He says the spot market could benefit from this and that cable and syndication definitely will.

Grubbs says advertisers are now looking for more event advertising in order to deliver more impact. This could be sports events or three units and a billboard in a primetime special or miniseries.

Clutter and 15s

No major changes in network budgets are seen by Larry Cole, senior vice president, head of media at Ogilvy & Mather. He adds, "The spot market will be tight because of the Olympics and the elections, but I can see no abnormal changes or any inordinate increase in prices.

"Cable will continue to get more dollars, but this will be a steady growth as they get more popular programs, and the same will happen in syndication." He notes increased rep sales of "non-line networks" represents a move by local and national sellers to find new ways to bring in money.

While there is still a lot of talk about clutter and the effect of 15-second spots, no drastic changes are being predicted. Cole says 15s are stabilizing at about 30% of announcements and comments, "People are still concerned about clutter, but the great awareness is behind us." Meanwhile Grubbs says both clutter and VCR zipping will become greater issues in the coming year and that event advertising may be the answer.

"People have been zipping and zapping print advertising for years, but life goes on," McHugh holds. "And I don't see a great surge in 15s. The level is not as high now as people thought it would be."

Ostrow of FC&B sees a slight slowdown in the use of 15s: "There's a recognition that you need something more than 15s—or in addition to them." In a cluttered environment, he says, advertisers more frequently are shooting for better positions within the pod of commercials.

Y&R's Isacsson predicts greater use of 15s because of advertisers' concerns with cost. While there is concern about clutter he says, "I don't think viewers or advertisers discriminate that much."

Drexler of BJK&E says, "We may see modest increases in their use. Those who have used them will continue. And some non-package goods advertisers, like automobiles, may begin to use them, but I don't expect any wholesale shifts." □

"The confidence in longterm commitments does not seem to be there. Even as early as the second quarter, we're going to see a greater drive for flexibility."

Mike Drexler
Executive vice president
Bozell, Jacobs, Kenyon & Eckhardt

FEEDBACK!

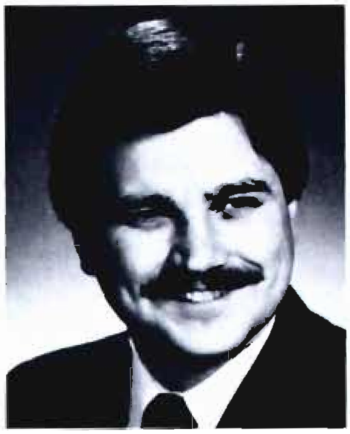
With all the changes in buying patterns for syndicated programming and with stations screening first-run programs and pilots so early, is NATPE as important to you as it once was? Why?

"No, NATPE is not as important as it once was, although it's important as far as seeing some of the secondary product that's available. We have already seen everything way before NATPE. This was the case even before last year's NATPE, which was held in January. In some cases we see a lot of product as early as October. Also, the reps are pushing for renewals of our buys in December, only a few weeks after the November books are out."

Robert F. Finke
General manager
KTVY-TV Oklahoma City

"That's an interesting question because I recently attended advance screenings put on by Harrington, Righter & Parsons and we have already made changes in our 4–5 block and 7:30 period based on the November sweeps. If these screenings continue on an annual basis and syndicators continue to push to set up markets for a firm 'go' before NATPE, then I would question the need to attend."

Quintin E. Renner
Program director
WIVB-TV Buffalo



"NATPE has a lot of value because we get to see all programs. The screening groups are targeted to just first-run. They don't replace NATPE's importance for seeing or buying product."

Craig Smith
Program director
KGW-TV Portland, Ore.

"NATPE isn't as important as it used to be now that so many sales people visit the stations door-to-door and give us a chance to see what's available. While we formerly got an occasional visit from the big syndicators, now it's quarterly. On the other hand, NATPE does give us a chance to see product from the smaller syndicators who don't have large sales forces on the road."

Skipp Moss
Vice president, general manager
WCIX-TV Miami

"To me, NATPE is as important as ever. As an example, I was able to attend only the second day of screenings given by HRP, and I understand I missed a screening of a very good Disney property."

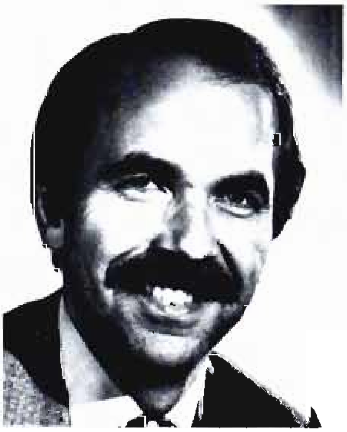
Jerry Marcus
General manager
KRIV-TV Houston

"My concern with the screening groups is that we generally don't have ample time to pitch our product; we only have an opportunity to throw a tape on for 10 minutes. The downside is that stations see so much product in such a short period of time, they tend to forget the high points of a show."

Rich Goldman
Vice president/general sales manager
Buena Vista Television, Burbank, Calif.

"NATPE is important to me as a new program manager. You can't screen everything in the office, and you always see something at NATPE that you haven't seen before. Also, NATPE is more than screenings."

Jayne Adair
Program manager
KDKA-TV Pittsburgh



"NATPE is still very important, but the screening groups give the stations a little headstart on what's cooking and in the works. Do they make NATPE less important? It's hard to say. We still go and still write millions of dollars worth of business. Maybe we write a little less, and maybe we close some deals earlier. The screening groups have accelerated the development process."

Dick Robertson
Office of the president,
Lorimar Telepictures
Culver City, Calif.

"If NATPE is being run so much later than the advance screenings, then it is obviously not as important as it once was. On the other hand, I wouldn't want NATPE scheduled earlier because then there might not be enough rating information."

John Sawhill
Vice president and general manager
WJAR(TV) Providence

"NATPE is a fun party and I hate to miss it, but with the opportunity to screen new programs in other forums, its importance to our station has diminished. But NATPE is still useful as a place to meet people personally who we need to know in this business."

Darrell Blue
General manager
KVEW-TV Kennewick-Yakima, Wash.

Radio's way

(from page 54)

will come to earning spot radio a 4 or 5% increase "will depend on how well the trickle-down situation develops. The upfront has been strong for both television and network radio. And I expect advertiser pressure to keep television rates stable in the face of television's additional political and Olympics dollars will see more accounts turning to spot radio as they're already doing to network radio."

As for the networks themselves, Lou Severine, senior vice president, director of sales for the ABC Radio Networks, says his networks "head into 1988 with an all-time record of over 900 advertising accounts and reporting revenues outstripping the market place and an overall network position that has never been stronger."

Severine says the ABC radio networks were up 5% for 1987, against a 2 or 3% drop for network radio as a whole. He adds, "We expect 1988 to show increases at least as strong as last year's. Our 1988 Winter Olympics inventory is already sold out, and the Summer Olympics was 80% sold out as of December 20." Steve Youlios, vice president, sales for the CBS Radio Networks, sees the industry's setback last year as "what Wall Street people would call a 'temporary technical correction' following two years of big back-to-back jumps for the radio networks. And now all the indications we see for '88 point to resumption of fairly strong progress this year: not double-digit increases like 1985 and '86, but still a fairly respectable 6 to 8% gain."

Youlios adds, "Although '87 didn't show striking percentage increases on top of the '85 and '86 super years, still it was only two or three percentage points down from those two terrific years as advertisers reacted to the growing availability of 15-second commercial units on TV and the spreading penetration of cable—and megamergers threw planning cycles off schedule at so many of the biggest agencies."

And despite all this, he adds, "December turned out to be not such a bad month. We saw quite a bit of last minute business come in from a couple of automotive accounts, plus some late breaking retail business promoting Christmas shopping."

Youlios also reports upfront "particularly healthy in accounts targeting the 18-to-34 bracket. Upfront has been going so well for the youth networks that they've started to become protective of their inventory the closer they've come to sold-out positions for first quarter. Their more active categories have included candies, beverages and the movie business. Meanwhile, though our adult upfront started sluggishly, it's now picking up, too.

"So the turnaround for first quarter has been healthier than we had expected earlier and we continue to have a very healthy medium continuing in its sustained growth mode."

And, from a rep's perspective, Hillier says "Our bigger concern is 1989 and beyond. We'll have a new President, undoubtedly new tax laws, and who knows how many more new ways for advertisers to spend their money." □

Big markets do best in local sales

Not only is local business producing the lion's share of radio revenues, but like almost everything else, it's feeding the biggest markets best. While 1987 pushed both network and spot radio percentage movement nationally in a minus direction, according to Radio Advertising Bureau estimates, local revenues were up 6.3% to $5.6 billion, and Radio Advertising Bureau forecasts 1988 growth of another 7.5% on top of that.

In his 1987 year end Revenue Summary and Economic Forecast, RAB president Bill Stakelin predicts local advertisers during the first half of 1988 will probably take a wait-and-see attitude: "Expect them to gauge their own pocketbooks against dominant perceptions or fears about the overall economy. But then local advertising should strengthen during second half and continue relatively strong through 1989."

And while local's overall increase of 6.3% nationwide wasn't half bad considering the performance of radio's other revenue segments, in the two biggest markets, Los Angeles and New York, both local and national spot have been doing better than the national averages.

In New York, Gary Fisher, vice president, general sales manager of WHTZ(FM) is projecting a 9% gain for local sales this year. And he adds, "New York and Los Angeles are the two markets where national spot has been showing increases almost as great as local. New York radio had a terrific year last year, and we expect 1988 to be another good year."

WHTZ skews young. But at older skewing WOR, local sales manager Alan Silverman also reports local sales "up nicely last year over '86, and we've seen no sign of any slowdown that might indicate 1988 is going to be too different. The stock market scare turned out to be more shock than anything that affected Christmas retail sales, which pretty well held their own. And regardless of the ups and downs of stock prices, earnings of many of the major corporations are up. The positive signs outweigh the negatives by a healthy margin."

Gordon Mason, executive director of the Southern California Broadcasters Assn., reports Los Angeles Radio will finish 1987 "about 11 to 12% ahead of '86, total, with local up 12%." Contributing categories, says Mason, have included automotive, financial, office equipment and travel accounts.

He says Los Angeles' outlook for the new year "is optimistic, based on what's happened in previous Presidential election years." He adds, "It isn't the political dollars per se that do it. It's the atmosphere created, because everybody knows the political ins will go all out to keep the economy looking as strong as possible right up until election day. My horseback guesstimate is a 15% local advertising increase for Southern California radio this year."

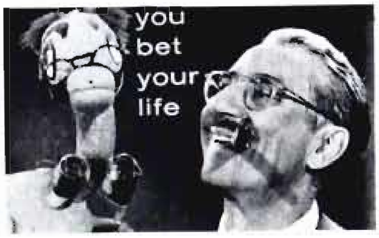
In New York Sanford Josephson, vice president, marketing for New York Market Radio Broadcasters Assn., also reports that for first nine months of 1987, New York's stations did much better than the national average. He reports local business up 11.2% over first nine months of '86, against the 6.1% national average reported by RAB. And New York radio's national business was 14.1% ahead of first nine months '86 vs. the 1.3% national average reported by RAB.

Among categories contributing to these New York radio increases, says Josephson, have been food and beverages, amusement and entertainment business and health services, "as 1987 became the year the HMOs discovered New York."

He also reports NYMRAD met its fiscal year marketing plan goal of $1.5-2 million in new-to-radio business. He says much of this was through new vendor support, "most of it for supermarkets, but now we're in the process of extending our effort to department and specialty stores and to drug store chains."

"The Honeymooners"

Ed Sullivan



"You Bet Your Life"

"Your Show of Shows"

TV looks at TV in 13-parter *(Continued from page 58)*

night on a KCET soundstage, a black-tie, star-studded dinner audience will hear comedy specialist Larry Gelbart, Loretta Swit (of *MASH*), Newman and Gorshin.

Appearing at a Jan. 15 luncheon in Chicago will be Audrey Meadows (*The Honeymooners*) and Newman. At a Jan. 16 dinner in Seattle, Peter Graves (*Mission Impossible*), Leigh Taylor Young (*Dallas* and *Peyton Place*) and Gorshin will speak.

At a Jan. 19 dinner in Washington, D.C., Barbara Eden (*I Dream Of Jeannie*), Meadows and Gorshin are the featured speakers. Meadows, Gorshin and Newman appear at a Jan. 21 luncheon in New York. Comic Jack Carter (one of the first hosts of a comedy series on the Dumont Network), Eden and Graves appear at the closing Jan. 23 dinner in Minneapolis.

Historical observations

Cost considerations kept the U.S. series at eight thematic programs, Sameth, Winship and Kim selected the topics and footage. Are there any remarkable revelations uncovered? Responds Winship: "One of the most remarkable things we discovered is the extent of the research and development going on in the USSR, France, Japan and Nazi Germany.

"We have footage of German TV experiments [seen in the third program]. They shot the 1936 Olympics for viewing rooms in Berlin and only went off the air when their transmitter was bombed during the war. In occupied France, the Germans had a transmitter on the Eiffel Tower and sent shows like the Paris Ballet and concerts to their wounded soldiers in Paris hospitals."

Throughout the series significant observations are made by interviewees. Edwin Newman, who spent 35 years with NBC News before retiring in 1984, acknowledges that comedy "sold television sets, so it became a vital part of the business."

Michael Mann, former CBS vice president, notes that as the early comedic formats "burned out, people were ready for the truth," and along came *All In The Family*.

Susan Harris, creator of *Soap* and *Golden Girls*, pays tribute to Norman Lear for changing TV with *All In The Family*, observing "Television started dealing with real things, issues and people."

Lear himself says: "Shows began reflecting our times, but [they were] funny."

In the news area, there are many critical, biting comments. Reflects Newman, "TV pictures were often sensational and shocking. They are the video version of screaming headlines without substantive reporting needed to place the story in context."

Reuven Frank, former president of NBC News: "The power of pictures is symbiotic rather than factual. It appeals to a different part of the brain."

Sir Robin Day, BBC commentator: "It has been shown to be a medium of shock rather than explanation."

It is with the news program, with its array of reflective historical horrors—from the assassinations of President John F. Kennedy, Martin Luther King and Sen. Robert Kennedy to President Lyndon Johnson's decision not to seek reelection to President Richard Nixon's "I am not a crook" and his resignation speeches, to the antipathy of the Vietnam War's daily "bang bang" coverage, that one comes to grips with TV's capabilities for resurrecting aural and visual history.

One candid bit of footage shows President Johnson rehearsing his speech stating he would not seek reelection six weeks after CBS anchor Walter Cronkite reported to the nation his personal belief the U.S. could not win the Vietnam War.

Frank Stanton, former president of CBS, believes, "Walter's broadcast cut the ground right out from under Johnson's position." Cronkite isn't that strong on the program's effect. "It was just another drop of water in a great torrent overwhelming Lyndon Johnson at that point," he says.

The news segment covers censorship and the apparently strong connection between U.K. and U.S. policies. The U.K.'s decision to control coverage of the Falklands Island war with Argentina is the basis, the program claims, for the U.S.'s own policy of controlling news out of Grenada during the 1983 invasion of that tiny island nation.

And TV's role in dealing with the scourge of international terrorism also comes under scrutiny. TV, notes Newman, "is accused of getting in the way of diplomacy and feeding fuel to world terrorism. Others said it kept the situation from escalating. But the availability of technology and cutthroat competition can result in network overkill. All too often television is an eye but not a brain."

Fortunately for *Television*, there are ample moments throughout the other segments which offer a rich pastiche of information and entertainment to satisfy viewers affected by the somber mood of the news show.—**Eliot Tiegel**

"Cagney & Lacey"

"Improv Tonite"

A strip geared exclusively for late fringe is 'Improv Tonite,' offered for fall via barter.

Pickings are lean

(from page 57)

slot and, to air a two-hour sitcom block, KTLA will add *The Odd Couple* beginning this month. *Couple* will replace *Twilight Zone*, says Bell.

Bell says that the reasons for the station airing *Cheers* in late fringe center on the program's demo attractiveness and on the competition in the time period. "*Cheers* is basically an adult sitcom, with very little appeal to kids and teens. Also, we felt that if we put the show on at 7, it would be competing with so many other vehicles in the market that it would get lost in the shuffle. At 11, *Cheers* stands alone.

Nonetheless, KTVU-TV San Francisco and WATL-TV Atlanta, among others, run *Cheers* at 7 p.m. as well as at 11. KTVU started running *Cheers* in the early slot on Nov. 30, when Fox's *Wilton-North Report* was delayed, notes Pat Macholl, research director at KTVU-TV. The Fox affiliate had been running *The Fox Late Show* at 11, which was getting 10 shares from 11 to 11:30. *Cheers*, on the other hand, is doing a 15 share, on average, in two weeks of overnights in December, she says. At this point, *Report* runs at 11:30 on a delayed-broadcast basis.

Macholl continues that *Cheers* was put on the schedule basically because the station programmers wanted a "new, fresh program" to draw audiences from the three affiliates' late newscasts and the other entertainment alternatives in the time period.

At WATL-TV Atlanta, Don Hess, program director, says his reason for going with *Cheers* at 11 is basically similar to KTVU's. "We thought it was our strongest half-hour that had adult appeal against affiliates' news." *Cheers* registered a 4 rating in the November Arbitron, he says, at 11 p.m., which Hess adds is an unprecedented rating for an indie in the market. "No indie has ever done that at 11 in Atlanta, so it's a breakthrough show. WATL had *The Late Show Starring Joan Rivers* at 11 in November 1986, which racked up only a 3 in its first report—"It's best one," he says.

The station runs the early *Cheers* at 7:30 p.m., he continues, and the sitcom is averaging in Arbitron 6/8 share, besting its previous November occupant, *Taxi*, by almost two-to-one. *Cheers* was put on the fall schedule at 7:30 because it was thought to be a "good counter" to game shows and *Entertainment Tonight*. "It certainly is an option to *Wheel of Fortune*, *Win, Lose, or Draw* and *ET* on the affiliates here, and vs. *Three's Company* on WGNX-TV, which is decidedly different from Cheers."

Besides its value in overall ratings, *Cheers* is being double run because the station's deal with Paramount is for 10 runs, "which is almost like buying two shows for one price," over six years. *Cheers* was bought in 1984 and was optioned for 10 runs on the theory that it could see double-run activity down the road, explains Hess.

Money's worth

All-in-all, Katz's von Soosten sees *Cheers* performing in the same numbers vein as *Taxi*: "The numbers in late night have been a little disappointing, but it's no disaster by any means. The performance has been good but not outstanding. *Cheers* has not been able to duplicate what *MASH* has been able to do, and its performance is more in the line of *Taxi*."

While *Cheers* cost a pretty penny in license fees for stations, Bell at KTLA says he expects to get more than his money's worth in ad revenues in late fringe. "I'm getting a higher CPM and higher rates at 11 p.m. for *Cheers*—and for *Taxi*, for that matter—than if they were in early fringe. You can get good prices when you have a competitive advantage and when there is no other alternative, except *Cheers*, to buy at 11 p.m."

Bell notes that the station has always done well with comedies in late-night, going back to 1981 with *Saturday Night Live*, which was getting 5s.

At KTVU, Ann Miller, director of programming and community affairs, says that advertising revenues coming from the 11 p.m. airing are strong and she sees the *Cheers* investment as paying off in time. Running *Cheers* in late fringe also provides viewership momentum for future vehicles if the station decides to pull the sitcom at some point, she adds.

Cheers, overall, was in late fringe in 29 markets on affiliates in the top 100, according to Katz research. *MASH* was in 24; *Taxi* was running in 10, *Barney Miller* in eight, *Love Connection* in eight and *Barnaby Jones* in three. In hours, *Hill Street Blues* aired on six affiliates in late-fringe; *Magnum P.I.* aired on 15; *Hart to Hart*, four; *Fall Guy*, six.

On independents, *Tales From the Dark Side*, 10; *Love Connection*, seven; and *MASH*, *Barney Miller*, *Honeymooners* and *Twilight Zone*, five each. *Cheers* was on at least five indie stations in late-fringe, as noted previously.

Meanwhile, CBS affiliates' preemptions or DBs of the network's late night programming is not lessening. Von Soosten at Katz says that, based on the Nielsen October books tracking 24 markets, only two of the 12 metered markets in the Eastern Time Zone, WCBS-TV New York and WCAU-TV Philadelphia, ran the block on time.

The other 10 either preempted or delayed the block's running. WNEV-TV Boston delayed, with *Entertainment Tonight*; WJBK-TV Detroit ran *Taxi* and *Streets of San Francisco*; WUSA-TV Washington ran *Divorce Court* followed by the movie at midnight; WJW-TV Cleveland ran *Taxi* followed by *Kojac*.

Of the eight CBS stations in the central time zone, only one, WBBM-TV Chicago, owned station, ran it beginning at 10:30 p.m. Otherwise, the stations either delayed the block or preempted. In Dallas, noted von Soosten, KDFW-TV ran *All in the Family* and CBS Late Night; KHOU-TV Houston played *MASH* and *Barnaby Jones*; KMOV-TV St. Louis aired *Carol Burnett*, then the late-night movie; WITI-TV Milwaukee: *Cheers*, *Barnaby Jones* and *Taxi*.

On the West Coast, von Soosten reports, both KCBS-TV, the Los Angeles owned CBS station, and KIRO-TV Seattle-Tacoma, aired the CBS fare on

(Continued on page 88)

In the Picture

Larry Lamattina

Media veteran and chief operating officer of Lintas: New York takes over worldwide marketing responsibilities and here talks about a few facets of his new job. These include opportunity for greater agency involvement in programming in countries deregulating former tight TV controls, and a setup insuring that collateral services work for the client instead of for the people running the services.

Lintas executive moves into international media, marketing role

Larry Lamattina, recently promoted to director of marketing services of Lintas: Worldwide, responsible for media, research and planning and diversified marketing services, observes that one major trend affecting media domestically has been the consolidation and concentration that's taken place on both the buying and ownership ends.

"More group owners have been adding more station properties since relaxation of regulation has set in. In radio there are fewer but larger broadcast rep holding companies controlling all but a couple of the individual rep companies.

On the agency side, he notes, "This is global as well as domestic," adding that agency mergers "have concentrated more billing and media buying clout in such agency groups as Interpublic. This is one factor that attracted me to the global scope of my new assignment."

He explains that Lintas: Worldwide is a network of agencies operating 81 offices in 46 countries whose 1986 worldwide billings exceeded $2.8 billion, $1.1 billion of it in the U.S.

Strong local research

Lamattina says, "Because the focus of our research is helping our creative teams understand the marketing situations and target consumers of our clients, we have strong local research and planning people in every one of our offices around the world. The focus has to be on the local consumer. On the other hand, we can centralize the direction of media, as we have under Lou Schultz [executive vice president who came to Lintas with the agency's merger with Campbell Ewald].

Lamattina reports to William V. Weithas, chairman and chief executive of Lintas: Worldwide. In discussing Lamattina's new post, Weithas points to "major changes in our business that require additional agency resources and commitment, worldwide. Changes in the television system in Europe require greater agency involvement in TV program development and sponsorship. Event marketing and all forms of sales promotion, merchandising and direct marketing are growing in importance in virtually every country. More than ever, our clients are looking for guidance in developing and implementing total communications programs based on well-defined strategies to maximize their marketing investments."

Demand up abroad

Generally, says Lamattina, such changes overseas do suggest that demand and prices for syndicated product are likely to rise in the deregulated countries, "though not across the board for every syndicated property. But for those programs with the potential to attract good audiences in other countries, demand and pricing will be up."

He says that so far France and Italy have led the way in television deregulation, "and, to a lesser degree, Spain. But I think the opening in these countries will eventually spread to the U.K. and still more countries." He says France "is on the leading edge at this stage, and we've bartered a French version of *Wheel of Fortune* that's pulling 30 ratings on TF1. We're also working on some original production, designed to work in France and other countries, that we expect to be able to announce in about a month."

Can smarter marketing help U.S. manufacturers put a dent in this country's unfavorable balance of trade? Says Lamattina: "Prices of our products are now lower overseas because of the drop in the value of the dollar. So long as the dollar remains low relative to other currencies, the situation represents a temporary window of opportunity. But I wouldn't expect it to remain open too long before other currencies also start to come down. But long term, given the right product, marketing can certainly help. I wouldn't expect to see U.S. cars being exported in great quantities to Europe, nor electronics, either. But we are seeing some encouraging trends for the prospects of categories like apparel and fashion designed in the U.S.A."

As for the growing importance of event marketing, sales promotion and merchandising, Lamattina asserts: "Aligning these other marketing forces with advertising is where we have a real edge on other major agencies, thanks to our merger with Campbell Ewald. CE came with the systems in place in its CECO division, Now Lintas: CECO. It combines every marketing service except straight advertising: sales promotion, PR, sales meetings, database management, point-of-purchase, you name it, all horizontally integrated, and each service running against the same bottom line so it's not a separate profit center, each bickering for a bigger piece of the client's total marketing budget at the expense of each of the other services, the way they operate at other agencies. Domestically, it's all coordinated by the basic agency account group which picks and chooses which services are best for each client—not what's best for the people running each service. This is the model we're going to be following around the world."

Pickings are lean for late-night *(from page 86)*

schedule. KPIX-TV San Francisco, delayed the lineup by using *Barney Miller*.

A few indies, such as WVEU-TV Atlanta and KMSS-TV Shreveport-Texarkana, continue to run CBS Late Night (WVEU-TV began CBS checkerboarding in September 1985). But KPHO-TV Phoenix, which began airing the CBS lineup in the fall 1986, dropped the network schedule last May after the lineup's numbers began to erode from a decent start.

Dick DeAngelis, general manager of the Phoenix indie, reports, "We were pleased with the initial performance of the schedule, but it tailed off, so we decided to cancel the block and to put in our own programs." KTSP-TV, the CBS affiliate in the market, didn't pick up the late-fringe shows until last fall, he says. KPHO replaced the schedule with *Police Woman* at 11, which did a 3 rating, 17 share in the July book, followed by *Hart to Hart* at midnight, which registered a 2 rating and a 26 share in July.

For the fall, both have been vacated for *The Rockford Files* and *Hawaii Five-O*, so "We're continuing with action-adventure," notes DeAngelis. *MASH* and *Barney Miller* continue in the 10–10:30 p.m. slot.

Besides that the CBS fare was generating poor numbers, KPHO dropped the block because the CBS shows lacked sufficient rating points to warrant giving away the inventory in the three hours.

"The compensation we were getting wasn't enough to cover our sales potential," says DeAngeles.

WCCO-TV, CBS affiliate in Minneapolis, is another ex-CBS block station, and according to Ron Handberg, general manager, is running *Hill Street Blues* and *The Wil Shriner Show* as part of its new fall late-fringe lineup. *Shriner*, which was running at 11:30, was moved on Nov. 30 to a 1:30 a.m. slot, reflecting the first-run show's poor performance, says Handberg. Besides *Blues* and *Shriner*, the rest of the late-fringe schedule consists of *Dating Game*, *Barnaby Jones* and *Sally Jessy Raphael*. □

Sticking his neck out for Fox *(from page 55)*

velop it within financial and time constraints. It's all a matter of finding ideas that excite me."

Chasing after criminals obviously excites Chao, the former director of situation comedy development for Fox Television Production from 1985–86. *Most Wanted*, hosted by John Walsh and produced by Michael Linder in Washington, will air in February on weekends someplace between 5–8 p.m. "We will have an 800 number where viewers can call in tips after they've seen reenactments of the crime. For the first week we'll shoot it live with relevant federal authorities manning the phones to respond to any tips people phone in." Chao says he knows of similar type shows in England and Germany which "reel in criminals and get good ratings. There's a legitimate public service aspect to this show, and it's an extension of the FBI's most wanted list. But how many people look at the FBI posters in the post office?"

The stunt show was brought to Chao by a friend from Japan. "I saw the tape he brought and went to Japan and got the rights. In Japan the show is called *Attack of Takeshi Castle*, and it plays in primetime against baseball. In this country it will appeal to young adults."

Chao calls the show "an epic-sized elimination of 120 down to one in one hour. The contestants go through visually arresting physical stunts." While it may look dangerous, Chao asserts, "nobody gets hurt." The pilot, shot this month at the Newhall Ranch outside L.A., is being produced by Triple Crown. Chao says he's not sure where he'll slot it during the week. "It's something Fox Broadcasting will be looking at for the network."

While FBC is concerned with its weekend primetime schedule, Chao focuses on daytime fringe, early mornings and the 5–8 p.m. lead-in to FBC's schedule. Chao recently picked up *Double Dare*, a kiddie contest show airing on the Nickelodeon cable service. It airs on the Fox O&Os afternoons during the week, but the show is in a transitional time slot right now. Different versions are run on the cable and Fox outlets to avoid daily duplication. □

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Washington Report

The Fairness doctrine: an issue that just won't stay dead and buried

Associations representing the television and radio industries need only plug in their photocopying machines to report to their memberships on the priority issues for 1988. The issues are the same as they were at this point in 1987, and the arguments are the same.

At various points during the year, broadcasting and cable representatives thought they had resolved the biggest issues facing one or the other of them—must-carry, the fairness doctrine, comparative renewal, syndicated exclusivity, scrambling and violence on TV.

The must-carry and fairness doctrine issues actually moved somewhere during the year and appeared to be pretty much resolved just a few weeks ago in favor of the broadcast industry. Congress had been unable to revive the fairness doctrine vetoed earlier by President Reagan, and the must-carry issue awaited only certification by the U.S. Appeals Court.

But everything began unraveling on those two issues late in the year.

On the fairness doctrine, broadcasters breathed a collective sigh of relief when they discovered in December that they had nothing more than the fairness doctrine to fight in that area. Sen. Ernest "Fritz" Hollings (D-S.C.), chairman of the Senate Commerce Committee, had surprised them earlier by attaching an amendment to the "budget reconciliation" bill that would have taxed station owners for any transfer of licenses as well as codifying the fairness doctrine.

Hollings effort

As the full Senate began working on the budget bill, Hollings, feeling the pressure of an intensive grassroots effort orchestrated by the National Association of Broadcasters, withdrew his amendment and introduced it as separate legislation likely to be acted on this year.

Since that avenue had been taken by Hollings, there was no other effort in the Senate to codify the fairness doctrine, so when another key piece of legislation, the "continuing resolution," hit the Senate floor, it also lacked a fairness doctrine amendment.

As these things go in Congress, that left the fairness doctrine ripe for negotiation by the conferees from the Senate and from the House, which had included codification of the fairness doctrine in its version of the continuing resolution. It became one of two issues that Reagan cited as likely to bring his veto.

As Congress wheeled and dealed at the last minute before leaving town for the holidays, it tried to make a trade with Reagan, giving him the aid to the Nicaragua Contras that he had said must be included in the continuing resolution or face a veto in exchange for his acceptance of the inclusion of codification of the fairness doctrine.

But in the game of brinksmanship, Congress blinked, backed away from its demand and sent Reagan a bill minus codification. But the issue has not been put to rest. Efforts to revive the doctrine are expected early in the election year of 1988. The industry could delay implementation, however, by challenging any new law in the courts. Meanwhile, must-carry probably will go back to square one, if it goes anywhere.

In striking down the latest version of the must-carry agreement worked out between cable and broadcasting interests and modified by the FCC, a three-judge panel of the Appeals Court said, as it did in striking down the first version in 1985, that the agreement failed to pass First Amendment muster.

The Appeals panel's opinion said, "Although the FCC has eliminated the more extreme demands of its initial set of regulations, its arguments in this case leave us unconvinced that the new must-carry rules are necessary to advance any substantial government interest, so as to justify an incidental infringement of speech. . . ."

The broadcasting industry had not been happy for a long time with the way the FCC, at best a reluctant mother to the new must-carry baby, had prosecuted its case before the court. The agency virtually had been forced by Congress to act in the first place.

Meeting of the minds

The FCC had not decided what to do about the rejection of the latest effort, but generally it was not expected to take up the cudgels and either try to appeal the court decision or to attempt another rewrite without additional pressure from Congress.

That leaves the matter up to the industries involved. As intervenors in the case, they can seek an appeal, but their standing may not be sufficient to get the full Appeals Court or the U.S. Supreme Court to accept, much less overrule, the three-judge panel.

James Mooney, president of the National Cable Television Association, and Eddie Fritts, NAB president, have held a preliminary meeting to check out each other's position and to probe possible options.

The cable industry makes no secret that, although it agreed to accept some level of must-carry, primarily as a public relations gesture to help it on other issues, it is not anxious to try to write still another version. Until a decision is made on whether to appeal the court ruling, however, the NCTA is advising its members to avoid dropping any stations that would have been covered by the must-carry agreement.

Fritts says the NAB is looking at three options—the courts, a new agreement and Congress. A decision on which course to take "will not be done in isolation by any one group," he says. "It will have to be a combination of factors that will all come together at one point." And then, as it did in 1987, the industry will work feverishly on that issue and keep an eye on the rest of the leftovers as Washington turns its attention and most of its activity to election-year politicking.

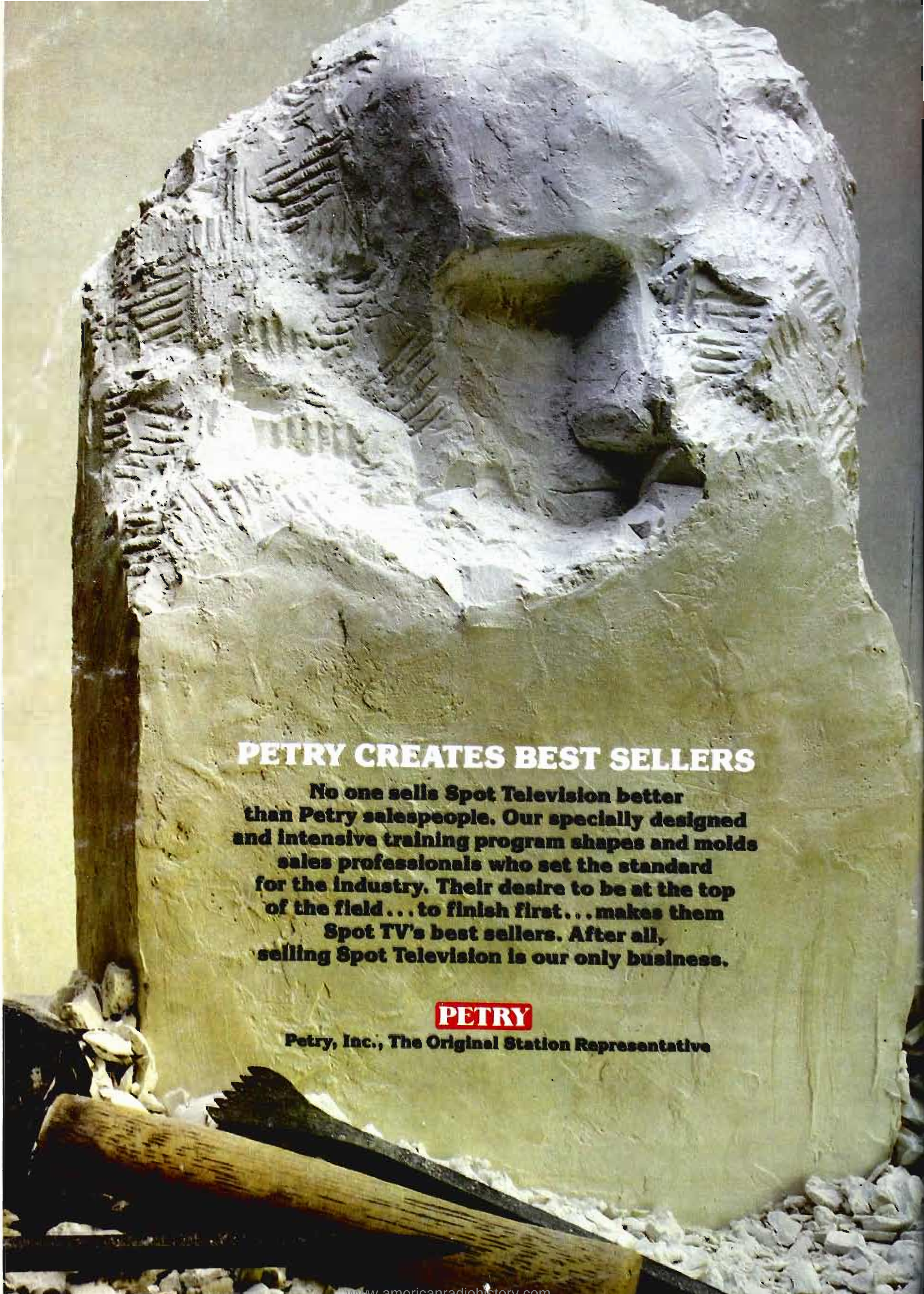
—**Howard Fields**

MAJOR BROADCAST MEETINGS, SEMINARS AND CONVENTIONS

1988

January 6–10	INTV, Century Plaza, Los Angeles December 28, 1987 Issue
January 23–25	RAB's Managing Sales Conference, Hyatt Regency, Atlanta January 11, 1988 Issue
February 8–13	International Television Film & Video Programme Market, Monte Carlo Television/Radio Age International February Issue
February 25–29	NATPE International George Brown Convention Center, Houston February 22, 1988 issue
April 9–12	NAB, Las Vegas Convention Center April 4, 1988 Issue
April 10–12	Cabletelevision Advertising Bureau Conference, Waldorf-Astoria, N.Y. April 4, 1988 Issue
April 17–20	Broadcasting Financial Management Association, Hyatt Regency, New Orleans April 18, 1988 Issue
April 28–May 3	MIP-TV, Cannes Television/Radio Age International April Issue
April 30–May 3	NCTA, Los Angeles Convention Center April 18, 1988 Issue
May 11–18	Annual Golden Rose of Montreux Festival, Palais des Congres, Montreux May 2, 1987 Issue
June 5–11	Banff Television Festival, Banff, Canada May 30, 1988 Issue
June 8–12	BPME, Bonaventure, Los Angeles May 30, 1988 Issue
September 14–17	NAB Radio '88, Washington September 5, 1988 Issue
October 14–18	MIPCOM Cannes Television/Radio Age International October Issue
October 17–19	Television Bureau of Advertising Annual Meeting, Las Vegas October 17, 1988 Issue
October 25–28	Community Broadcasters Association, Caesar's Palace, Las Vegas October 17, 1988 Issue

• Television/Radio Age will have coverage and bonus distribution at these meetings.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